

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
JACKSON PURCHASE ENERGY CORPORATION	)	CASE NO.
FOR A GENERAL ADJUSTMENT OF RATES	)	2024-00085

JACKSON PURCHASE ENERGY CORPORATION’S APPLICATION

Comes now Jackson Purchase Energy Corporation (“Jackson Purchase”), by counsel, pursuant to KRS 278.180, KRS 278.190, 807 KAR 5:001, and other law, and does hereby request the Kentucky Public Service Commission (“Commission”) to grant it a general adjustment of rates, respectfully stating as follows:

I. INTRODUCTION

1. Jackson Purchase is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Jackson Purchase is engaged in the business of distributing retail electric power to approximately 23,000 members in the Kentucky counties of Ballard, Carlisle, Graves, Livingston, Marshall and McCracken. It owns approximately 3,000 circuit miles of distribution line in its service territory and purchases its power requirements from Big Rivers Electric Corporation pursuant to a Wholesale Power Contract dated October 14, 1977, and subsequent amendments. Jackson Purchase is a “utility” as that term is defined in KRS 278.010(3)(a), and subject to the rates and service jurisdiction of the Commission.

2. Jackson Purchase’s current rates were set in its last full general rate case, filed October 15, 2021, and the Order establishing the rates was entered on April 8, 2022, in Case No.

2021-00358¹. In Case No. 2021-00358, the Commission approved of an increase in revenue from rates in the amount of \$6,794,425², resulting in a Times Interest Earned Ratio (“TIER”) of 2.0X to produce net income of \$74,081,730. Included in this revenue increase was an upward adjustment of the monthly customer charge for the residential class from \$16.40 to \$20.35.

3. Due to rising inflation and an increase in labor and supplies in all areas of the utility, Jackson Purchase must seek a general adjustment to rates. Jackson Purchase is providing additional details regarding the greatest cost drivers which are necessitating this rate adjustment in the written testimony of Mr. Greg Grissom, Ms. Meredith Kendall, and Mr. John Wolfram, which are included as Exhibits 8 through 10 of this application.

4. In order to address Jackson Purchase’s current financial condition, Jackson Purchase’s Board of Directors, in conjunction with its management and its consultant, have determined that a general adjustment of retail rates is necessary in order to account for increases in virtually all areas of its business operations since its last rate case, improve its overall financial condition, and satisfy current and future loan covenants. Consistent with KRS 278.030(1), Jackson Purchase seeks Commission approval to demand, collect and receive fair, just and reasonable rates for the retail service it provides. Jackson Purchase is requesting approval to increase its annual revenues by \$5,585,876 or 5.8%, to achieve a TIER ratio of 2.0.

5. Jackson Purchase has based its proposed rates on a twelve-month historical test period ending August 31, 2023. Jackson Purchase proposes to increase the monthly residential customer charge from \$20.35 to \$30.35. These rates have been adjusted in its fully allocated cost-

¹ See Case No. 2021-00358, *Electronic Application of Jackson Purchase Energy Cooperative Corporation for a General Adjustment of Rates and other General Relief* (Ky. PSC April 8, 2022).

² See Case No. 2021-00358, May 3, 2022 Order (Ky. PSC May 3, 2022).

of-service study (“COSS”) for known and measurable changes. Jackson Purchase proposes that its revised rates and tariff schedules become effective as of June 1, 2024.

II. FILING REQUIREMENTS

6. Pursuant to 807 KAR 5:001 Section 14(1), Jackson Purchase’s mailing address is 6525 U.S. Highway 60 W, Paducah, Kentucky 42001, telephone (270) 442-7321, and fax (270) 441-0866, and its electronic mailing address is meredith.kendall@jpenergy.com. Jackson Purchase requests that the following individuals be included on the service list:

Greg Grissom, President & Chief Executive Officer

greg.grissom@jpenergy.com

Meredith Kendall, Vice President of Finance & Accounting

meredith.kendall@jpenergy.com

L. Allyson Honaker, Honaker Law Office

allyson@hloky.com

Brittany Hayes Koenig, Honaker Law Office

brittany@hloky.com

Heather S. Temple, Honaker Law Office

heather@hloky.com

7. Pursuant to 807 KAR 5:001, Section 14(2), Jackson Purchase is a Kentucky corporation, in good standing, and was incorporated on June 12, 1937. A copy of the certificate is included in Exhibit 8, Direct Testimony of Greg Grissom.

8. Pursuant to 807 KAR 5:001, Section 16(1)(a), Jackson Purchase’s application is based upon an historic test year ending August 31, 2023, that includes adjustments for known and measurable changes.

9. Pursuant to 807 KAR 5:001, Section 16(1)(b)1., Jackson Purchase's application is supported by the testimony of three witnesses and numerous schedules and exhibits which detail the reason the adjustment is required.

10. Pursuant to 807 KAR 5:001, Section 16(1)(b)2., Jackson Purchase does not operate under an assumed name.

11. Pursuant to 807 KAR 5:001, Section 16(1)(b)3., revised tariff sheets are attached as Exhibit Three. Jackson Purchase's new rates are proposed to be effective June 1, 2024.

12. Pursuant to 807 KAR 5:001, Section 16(1)(b)4., revised tariff sheets showing the proposed tariff sheets with italicized inserts and strikethroughs over proposed deletions are attached as Exhibit Four.

13. Pursuant to 807 KAR 5:001, Section 16(1)(b)5., Jackson Purchase states that notice has been given in accordance with 807 KAR 5:001, Section 17.

14. Pursuant to 807 KAR 5:001, Section 16(2), Notice of Intent was filed with the Commission and transmitted to the Kentucky Attorney General's Office of Rate Intervention on April 1, 2024.

15. Pursuant to 807 KAR 5:001, Section 16(3), notice has been given in accordance with 807 KAR 5:001, Section 17.

16. Pursuant to 807 KAR 5:001, Section 16(4), Jackson Purchase provides a Table of Contents of the exhibits which are required to support a rate application utilizing an historic test year. This Table of Contents immediately follows and is specifically incorporated into the application to demonstrate compliance with all filing requirements.

17. The filing requirements set forth in 807 KAR 5:001, Sections 16(4)(c), (f), (p), (s), and (v) do not apply because Jackson Purchase: (1) has gross annual revenues greater than

\$5,000,000; (2) is not an incumbent local exchange carrier; (3) has not tendered any stock or bond offerings; (4) is not a Securities and Exchange Commission registrant; and, (5) is not a local exchange carrier with more than 50,000 access lines.

18. Pursuant to 807 KAR 5:001, Section 16(5)(a), a detailed income statement and balance sheet reflecting the impact of all proposed adjustments is attached as Exhibit 26.

19. Pursuant to 807 KAR 5:001, Section 16(5)(b), the most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions is attached as Exhibit Twenty-Seven. There are no pro forma adjustment for plant additions.

20. Pursuant to 807 KAR 5:001, Section 16(5)(c)1-8, the information required for each pro forma adjustment reflecting plant additions.

21. Pursuant to 807 KAR 5:001, Section 16(5)(d), the operating budget for each month of the period encompassing the pro forma adjustments is attached as Exhibit 29.

22. Pursuant to 807 KAR 5:002, Section 16(5)(e), the number of customers to be added to the test period end level of customers and related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers as Exhibit 30.

23. Pursuant to the July 24, 2012 Order in Case No. 2008-00408, *Consideration of the New Federal Standards of the Energy Independence and Security Act of 2007*, a statement regarding consideration of cost-effective energy efficiency resources and impact of such resources on the test year is included as Exhibit 31.

24. Pursuant to the July 24, 2012 Order in Case No. 2012-00428, *Consideration of the Implementation of Smart Grid and Smart Meter Technologies*, a statement regarding smart grid

and smart meter technologies and impact of such resources on the test year is included as Exhibit 32.

III. REASONS FOR AND SUMMARY OF RELIEF SOUGHT

25. Even though Jackson Purchase had a general rate proceeding in 2021, there has been a substantial increase in operating expenses. Jackson Purchase's management and board of directors decided that it was in the cooperative's best interest to request relief through a general rate case designed to produce sufficient revenues to align with the cost of providing safe and reliable service, all the while ensuring compliance with its loan covenants with lenders.

IV. OVERVIEW OF TESTIMONY

27. Further support for Jackson Purchase's requested relief is throughout this application and exhibits, particularly in the testimony of the following three witnesses attached as Exhibits 8 through 10 of this Application:

a. Mr. Greg Grissom, Jackson Purchase's President and Chief Executive Officer, offers testimony describing, *inter alia*, the cooperative's business and existing retail electric distribution system, the events that preceded the filing of this case, and the cooperative's need to increase its existing rates to ensure it may continue to provide safe, reliable retail electric service to its owner-members.

b. Ms. Meredith Kendall, Jackson Purchase's Vice President of Finance and Accounting, who offers testimony describing, *inter alia*, the cooperative's financial condition, its expenses, and certain of its relevant practices and policies, as well as the necessity of the rate relief requested by the cooperative in this proceeding.

c. Mr. John Wolfram, expert consultant with Catalyst Consulting LLC, who offers testimony describing, *inter alia*, Jackson Purchase's rate classes, the calculation of Jackson

Purchase's revenue requirement, the pro forma adjustments to the test period results, the results of a cost of service study and its process, the proposed allocation of the revenue increase to the rate classes, and the rate design, proposed rates, and estimated billing impact by rate class.

V. CONCLUSION

28. Jackson Purchase has initiated this proceeding because its existing retail rates do not provide sufficient revenue to ensure the financial strength of the cooperative. While it is always Jackson Purchase's goal to keep rates as low as possible, the expense of providing safe and reliable service must be recovered. Additionally, prudent management (and lender requirements) demand that healthy financial benchmarks be maintained. Jackson Purchase's application, supporting exhibits, schedules and testimony fully demonstrate that an adjustment to the company's wholesale base rates is both necessary and appropriate. Jackson Purchase respectfully requests the Commission to award it an increase in rates that is fair, just and reasonable so that Jackson Purchase may continue to build equity, maintain its healthy financial condition, satisfy current and future loan covenants, address substantial cost escalation seen on the operations side of its business, and sustain its ability to provide safe, adequate and efficient service at rates that are fair, just and reasonable.

29. The preparation, filing and administration of this request for substantial rate relief necessitates, *inter alia*, the expenditure of money by Jackson Purchase for financial, rate and legal consultants. Jackson Purchase is entitled to and requests the Commission to allow recovery of all such reasonable expenses in its new rates amortized over a period of three (3) years.

WHEREFORE, on the basis of the foregoing, Jackson Purchase respectfully prays the Commission for the following relief:

1. Approve the adjustments of Jackson Purchase's base rates as set forth herein with an effective date to be June 1, 2024;
2. Approve Jackson Purchase's proposed changes to rate design;
3. Approve the changes to each of the tariffs described herein;
4. Approve recovery of reasonable rate case expenses in rate amortized over a period of three (3) years, or such other period which the Commission finds reasonable; and,
5. Grant Jackson Purchase any and all other due and proper relief to which it may appear entitled.

This 1st day of May 2024.

Respectfully Submitted,

Heather S. Temple

L. Allyson Honaker
Brittany Hayes Koenig
Heather S. Temple
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Lexington, KY 40509
(859) 368-8803
allyson@hloky.com
brittany@hloky.com

*Counsel for Jackson Purchase Energy
Corporation*

VERIFICATION

COMMONWEALTH OF KENTUCKY)

COUNTY OF MCCRACKEN)

Comes now Greg Grissom, Chief Executive Officer of Jackson Purchase Energy Corporation, and, after being duly sworn, does hereby verify, swear and affirm that the averments set forth in this Application are true and correct based upon my personal knowledge and belief, formed after reasonable inquiry, as of this 29th day of April, 2024.

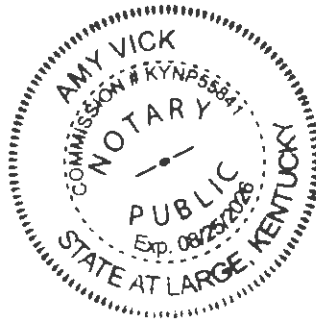


Greg Grissom
Chief Executive Officer
Jackson Purchase Energy Corporation

The foregoing Verification was verified, sworn to and affirmed before me, a NOTARY PUBLIC, by Greg Grissom, Chief Executive Officer of Jackson Purchase Energy Corporation, on this 29th day of April, 2024.



NOTARY PUBLIC
Notary identification no.: KYNP55841
My Commission Expires: 8/25/2026



CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing was transmitted to the Commission for filing on May 1, 2024; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; by virtue of the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of this filing will be made. Furthermore, a true and accurate copy of the filing has been electronically transmitted to the Kentucky Attorney General's Office of Rate Intervention at: rateintervention@ag.ky.gov.

Heather S. Temple

Heather S. Temple
*Counsel for Jackson Purchase
Energy Corporation*

Jackson Purchase Energy Corporation
Case No. 2024-00085

Table of Contents

General Adjustment of Rates, Historical Test Year - Filing Requirements / Exhibit List

(Historical Test Period: Twelve Months Ending 08/31/2023)

Exhibit No.	Filing Requirement	Description	Sponsoring Witness(es)
1	807 KAR 5:001 § 16(1)(b)(1)	Statement of the reason the rate adjustment is required	Greg Grissom
2	807 KAR 5:001 § 16(1)(b)(2)	Certificate of assumed name or statement that one is not necessary	Meredith Kendall
3	807 KAR 5:001 § 16(1)(b)(3)	Proposed tariff sheets	Meredith Kendall
4	807 KAR 5:001 § 16(1)(b)(4)	Proposed tariff sheets with proposed changes identified	Meredith Kendall
5	807 KAR 5:001 § 16(1)(b)(5)	Statement that compliant notice to customers has been given, with a copy of the notice	Greg Grissom
6	807 KAR 5:001 § 16(2) and KRS 278.180	Notice to the Kentucky Public Service Commission of intent to adjust rates	Greg Grissom
7	807 KAR 5:001 § 16(4)(a)	Complete description and quantified explanation for all proposed adjustments with proper support for proposed changes in price or activity levels, if applicable, and other factors that may affect the adjustment	John Wolfram
8	807 KAR 5:001 § 16(4)(b)	Written testimony of witnesses in support of Application (Mr. Grissom)	Greg Grissom
9	807 KAR 5:001 § 16(4)(b)	Written testimony of witnesses in support of Application (Mr. Williams)	Meredith Kendall
10	807 KAR 5:001 § 16(4)(b)	Written testimony of witnesses in support of Application (Mr. Wolfram)	John Wolfram
-	807 KAR 5:001 § 16(4)(c)	<i>Not applicable - Utility has gross annual revenues greater than \$5 million</i>	N/A
11	807 KAR 5:001 § 16(4)(d)	Statement estimating the effect that each new rate will have upon the revenues of the utility, including the total amount of revenues resulting from the increase or decrease and percentage increase or decrease	John Wolfram
12	807 KAR 5:001 § 16(4)(e)	Effect upon the average bill for each customer classification to which the proposed rate change will apply	John Wolfram
-	807 KAR 5:001 § 16(4)(f)	<i>Not applicable - Utility is not an incumbent local exchange company</i>	N/A
13	807 KAR 5:001 § 16(4)(g)	Detailed analysis of customers' bills whereby revenues from the present and proposed rates can be readily determined for each customer class	John Wolfram
14	807 KAR 5:001 § 16(4)(h)	Summary of the utility's determination of its revenue requirements	John Wolfram
15	807 KAR 5:001 § 16(4)(i)	Reconciliation of the rate base and capital used to determine its revenue requirements	John Wolfram
16	807 KAR 5:001 § 16(4)(j)	Current chart of accounts if more detailed than the Uniform System of Accounts	Meredith Kendall
17	807 KAR 5:001 § 16(4)(k)	Independent auditor's annual opinion report, with written communication from the independent auditor to the utility, if applicable, which indicates the existence of a material weakness in the utility's internal controls	Meredith Kendall
18	807 KAR 5:001 § 16(4)(l)	Most recent Federal Energy Regulatory Commission audit report	Meredith Kendall
19	807 KAR 5:001 § 16(4)(m)	Most recent FERC Financial Report FERC Form No.1, FERC Financial Report FERC Form No. 2, or Public Service Commission Form T (telephone)	Meredith Kendall
20	807 KAR 5:001 § 16(4)(n)	Summary of latest depreciation study, or, reference by case number to depreciation schedule on file with the Commission	Meredith Kendall
21	807 KAR 5:001 § 16(4)(o)	List of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application	Meredith Kendall
-	807 KAR 5:001 § 16(4)(p)	<i>Not applicable - Utility has made no stock or bond offerings</i>	N/A
22	807 KAR 5:001 § 16(4)(q)	Annual report to shareholders or members and statistical supplements covering the two (2) most recent years from the utility's application filing date	Meredith Kendall
23	807 KAR 5:001 § 16(4)(r)	Monthly managerial reports providing financial results of operations for the twelve (12) months in the test period	Meredith Kendall
-	807 KAR 5:001 § 16(4)(s)	<i>Not applicable--Utility's annual report on Form 10-K (most recent two (2) years), any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters updated as information becomes available</i>	N/A
24	807 KAR 5:001 § 16(4)(t)	Affiliate charges, allocations, and payments with description, explanation, and demonstration of reasonableness (including a detailed description of the method and amounts allocated or charged to the utility by the affiliate, an explanation of how the allocator for the test period was determined and all facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during the test period was reasonable).	Meredith Kendall
25	807 KAR 5:001 § 16(4)(u)	Cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period	John Wolfram

Jackson Purchase Energy Corporation
Case No. 2024-00085

Table of Contents

General Adjustment of Rates, Historical Test Year - Filing Requirements / Exhibit List

(Historical Test Period: Twelve Months Ending 08/31/2024)

Exhibit No.	Filing Requirement	Description	Sponsoring Witness(es)
-	807 KAR 5:001 § 16(4)(v)	<i>Not applicable - Utility is not a local exchange carrier</i>	N/A
26	807 KAR 5:001 § 16(5)(a)	Detailed income statement and balance sheet reflecting the impact of all proposed adjustments	Meredith Kendall & John Wolfram
27	807 KAR 5:001 § 16(5)(b)	Most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions	Meredith Kendall & John Wolfram
28	807 KAR 5:001 § 16(5)(c)	Detail regarding pro forma adjustments reflecting plant additions	John Wolfram
29	807 KAR 5:001 § 16(5)(d)	Operating budget for each month of the period encompassing the pro forma adjustments	Meredith Kendall & John Wolfram
30	807 KAR 5:001 § 16(5)(e)	Number of customers to be added to the test period end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers	John Wolfram
31	Case No. 2008-00408 July 24, 2012 Order	Consideration of cost-effective energy efficiency resources and impact of such resources on test year	Meredith Kendall
32	Case No. 2021-00428 July 24, 2012 Order	A discussion of smart grid investments	Meredith Kendall

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 1

**807 KAR 5:001 Section 16(1)(b)(1)
Sponsoring Witness: Greg Grissom**

Description of Filing Requirement:

Statement of the reason the rate adjustment is required

Response:

Jackson Purchase's Application generally, and specifically the written testimony provided at Exhibits 8 through 10, underscore the necessity of the adjustment requested by Jackson Purchase in this proceeding. Due to increased expenses and continued decline in sales volumes since the last general adjustment of rates in 2021-00358, Jackson Purchase is requesting relief that will align with the cost of providing service and ensure compliance with essential financial metrics set by lenders in its loan covenants. Without an adjustment of rates in the magnitude requested in this case, Jackson Purchase's insufficient rate structure will continue to put it at risk of non-compliance with its lenders, and could impair the excellent level of safe and reliable service its members deserve and expect.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 2

**807 KAR 5:001 Section 16(1)(b)(2)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

Certificate of assumed name or statement that one is not necessary

Response:

Jackson Purchase does not conduct or transact business under an assumed name, and thus it has not filed a Certificate of Assumed Name pursuant to KRS 365.015. Therefore, such a certificate is not necessary.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 3

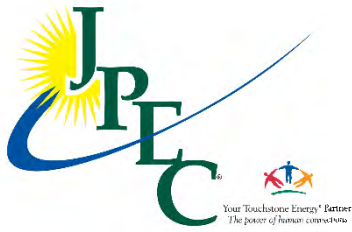
**807 KAR 5:001 Section 16(1)(b)(3)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

New or revised tariff sheets, if applicable, in a format that complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.

Response:

See attached.



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

Third Revised SHEET NO. 4

CANCELLING P.S.C. KY NO. 20

Second Revised SHEET NO. 4

RATES AND CHARGES
SCHEDULE R – RESIDENTIAL

Applicability

Entire service territory.

Availability of Service

Available to all residential Members for use in the home and on the farm. Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances and other domestic purposes.

Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, JPEC may require as a condition precedent to the application of the residential rate that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Member, at the Member’s option in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to a Member at an appropriate non-residential rate.

If a separate meter is used to measure the consumption to remotely located buildings, such as garages, barns, pump houses, grain bins or other outbuildings, or facilities, such as electric fences, it will be considered a separate service and be billed as a separate service at the applicable non-residential rate.

Type of Service

Single phase, 60 cycle at available secondary service voltages.

Rates

Facilities Charge:	Per month	\$30.35	[I]
All Energy:	Per kWh per month	\$0.118059	[I]

DATE OF ISSUE May 1, 2024
 Month / Date / Year

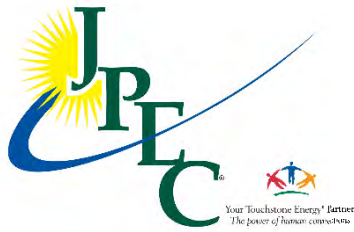
DATE EFFECTIVE June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

Third Revised SHEET NO. 7

CANCELLING P.S.C. KY NO. 20

Second Revised SHEET NO. 7

RATES AND CHARGES
SCHEDULE C-1 – SMALL COMMERCIAL SINGLE PHASE

Applicability

Entire service territory.

Availability of Service

To general lighting and small power commercial loads served at single phase available voltage levels.

Service under this schedule will be limited to maximum loads not exceeding 25 kW. Service to existing Members with a maximum load exceeding 25 kW is restricted to those Members being billed under the rate schedule as of its effective date of June 25, 2008. New Members, upon demonstrating an average demand of 25 kW or greater, will be served under the appropriate rate schedule, other than this schedule.

Type of Service

Single phase, 60 cycle at available voltages.

Rates

Facilities Charge:	Per month	\$30.35	[1]
All Energy:	Per kWh per month	\$0.118059	[1]

Payment Terms

The above rates are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rates shall apply to any unpaid portion.

DATE OF ISSUE May 1, 2024
 Month / Date / Year

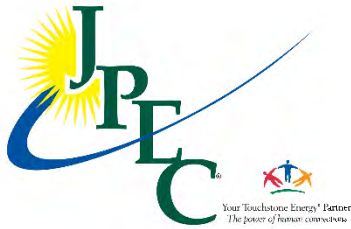
DATE EFFECTIVE June 1, 2024
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ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20
 Second Revised SHEET NO. 9

CANCELLING P.S.C. KY NO. 20
 First Revised SHEET NO. 9

RATES AND CHARGES
SCHEDULE C-3 – SMALL COMMERCIAL THREE PHASE

Applicability

Entire service territory.

Availability of Service

To general lighting and small power commercial loads served at three phase available voltage levels and not exceeding 25 kW.

Type of Service

Three phase, 60 cycle at available voltages.

Rates

Facilities Charge:	Per month	\$42.27	[1]
All Energy:	Per kWh per month	\$0.103557	[1]

Payment Terms

The above rates are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rates shall apply to any unpaid portion.

Adjustment Clauses

The bill amount computed at the rates specified above shall be increased or decreased in accordance with:

Franchise Fee Rider	Sheet 112
School Tax	Sheet 114
Fuel Adjustment Clause (FAC)	Sheet 115

DATE OF ISSUE May 1, 2024
 Month / Date / Year

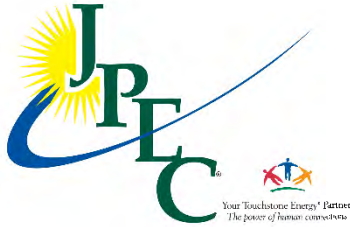
DATE EFFECTIVE June 1, 2024
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ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

Second Revised SHEET NO. 14

CANCELLING P.S.C. KY NO. 20

First Revised SHEET NO. 14

RATES AND CHARGES
SCHEDULE D – COMMERCIAL AND INDUSTRIAL DEMAND LESS THAN 3,000 kW

Applicability

Entire service territory.

Availability of Service

To commercial and industrial Members with maximum single or three phase load greater than 25 kW and less than 3,000 kW.

Members, upon demonstrating a billed demand of 3,000 kW or greater in two (2) months of any consecutive thirteen (13) month period, will be served under the appropriate (excluding this) rate schedule and shall remain on that schedule for a minimum of twelve (12) consecutive months. For the first billed demand above 3,000 kW as referenced above, the Member’s consumption will be billed at the existing rate. For the second billed demand above 3,000 kW as referenced above, the Member’s consumption will be billed at the appropriate (excluding this) rate schedule.

Type of Service

Single phase or three phase, 60 cycle at available voltages.

Rates

Facilities Charge:	Per month	\$58.42	[1]
Demand Charge:	Per kW per month	\$9.29	[1]
Energy:			
First	200 kWh per kW per month	\$0.064124 per kWh per month	
Next	200 kWh per kW per month	\$0.053714 per kWh per month	
Next	200 kWh per kW per month	\$0.048424 per kWh per month	
Over	600 kWh per kW per month	\$0.043291 per kWh per month	

DATE OF ISSUE May 1, 2024
 Month / Date / Year

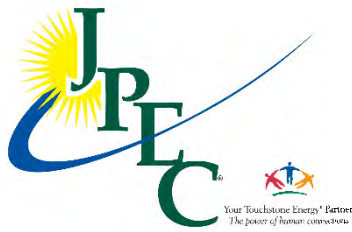
DATE EFFECTIVE June 1, 2024
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ISSUED BY /s/ Greg Grissom
 Greg Grissom.

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
Community, Town or City

P.S.C. KY NO. 21

First Revised SHEET NO. 23

CANCELLING P.S.C. KY NO. 20

Original SHEET NO. 23

RATES AND CHARGES
SCHEDULE L – LARGE COMMERCIAL AND INDUSTRIAL 3,000-5,000 kW

1. Member shall be served under this rate schedule as of the effective date of this schedule, June 25, 2008.
2. It shall be the responsibility of the Member to coordinate through JPEC or its authorized agent all transactions that JPEC must take on behalf of the Member pursuant to the Big Rivers Large Industrial Tariff.

Monthly Charges

Service Charge:	Per month	\$424.97	[I]
Demand Charge:	Per kW per month	\$15.62	
All Energy:	Per kWh per month	\$0.048000	[I]

The monthly billing shall be the sum of the Service Charge, Demand Charge, Energy Charge, Facilities Charge (if any), any applicable Adjustment Clause, and applicable taxes.

Determination of Billing Demand

The billing demand, in kilowatts (kW), shall be the Member’s maximum integrated thirty (30) minute demand at such delivery point during each billing period as determined by JPEC provided meter(s) which record at the end of each thirty (30) minute period the integrated kilowatt demand during the preceding thirty (30) minutes. Demand charges will be adjusted to correct for power factor lower than ninety percent (90%) when JPEC deems necessary. The monthly billing demand shall be adjusted when necessary in accordance with the following formula:

$$\text{Monthly Billing Demand (kW)} = \frac{\text{Maximum Actual Measured Demand (kW)} \times 90\%}{\text{Power Factor (\%)}}$$

DATE OF ISSUE May 1, 2024
Month / Date / Year

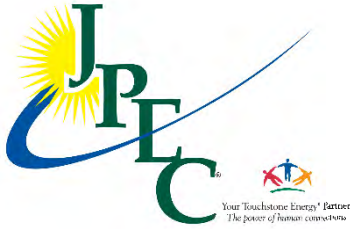
DATE EFFECTIVE June 1, 2024
Month / Date / Year

ISSUED BY /s/ Greg Grissom
Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20
 Second Revised SHEET NO. 19

CANCELLING P.S.C. KY NO. 20
 First Revised SHEET NO. 19

RATES AND CHARGES
SCHEDULE I-E – LARGE COMMERCIAL AND INDUSTRIAL – EXISTING

1. Member shall be served under this rate schedule as of the effective date of this schedule, June 25, 2008.
2. Member’s service characteristics shall meet the qualifications for service specified in the Big Rivers Large Industrial Customer Tariff.
3. It shall be the responsibility of the Member to coordinate through JPEC or its authorized agent all transactions that JPEC must take on behalf of the Member pursuant to the Big Rivers Large Industrial Tariff.

Monthly Charges

Service Charge:	Per month	\$424.97	[I]
Demand Charge:	First 3,000 kW of billing demand per month	\$49,195.52	[I]
	All additional kW per kW per month	\$16.40	[I]
All Energy:	Per kWh per month	\$0.040302	[I]

Minimum Monthly Charge

The minimum monthly charges under this rate shall be the sum of the monthly Service Charge (\$424.97) and \$49,195.52 where 3,000 kVA or less of transformer capacity is required. For Members requiring more than 3,000 kVA of transformer capacity, the minimum monthly charge shall be increased by \$1.00 for each kVA or fraction thereof required above 3,000 kVA. Where it is necessary to extend or reinforce facilities in excess of standard service facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities of one and one-half percent (1 1/2%) per month of the total cost of the excess facilities as a facilities charge for which no power and energy would be delivered. Any applicable Adjustment Clause, and applicable taxes shall be in addition to the charges above.

Determination of Billing Demand

The billing demand, in kilowatts (kW), shall be the Member’s maximum integrated thirty (30) minute demand at such delivery point during each billing period as determined by JPEC provided meter(s) which record at the end

DATE OF ISSUE May 1, 2024
 Month / Date / Year

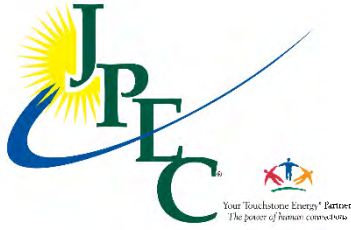
DATE EFFECTIVE June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20
 Second Revised SHEET NO. 11

CANCELLING P.S.C. KY NO. 20

First Revised SHEET NO. 11

RATES AND CHARGES
SCHEDULE OL – OUTDOOR LIGHTING

Applicability

Applicable to any class Member.

Type of Service

JPEC will install and maintain automatic lighting fixtures and lamps shown below. Lights listed as no longer available for new applications will be converted to the member’s choice of equivalent high pressure sodium or LED lights at the applicable rates if the original light fails and is not repairable.

Rate Per Month

Watts	Lamp Type	Standard Fixture Lumens	Monthly kWh	Rate per Unit	
100	HPS	8,000	40	\$11.32	[I]
250	HPS	23,000	95	\$15.72	[I]
250	HPS – Flood	23,000	95	\$16.50	[I]
1,000	Metal - Flood	110,000	367	\$41.34	[I]
	LED	6,000-9,000	20	\$11.54	[I]
	LED	9,300–15,000	38	\$14.10	[I]
	LED – Flood	14,500-23,000	73	\$19.90	[I]

The following lights will no longer be available for new applications or if the light is unrepairable:

Watts	Lamp Type	Standard Fixture Lumens	Monthly kWh	Rate per Unit	Date lights not available for new application	
175	Metal	14,000	72	\$19.15	February 6, 2021	[I]

DATE OF ISSUE May 1, 2024
 Month / Date / Year

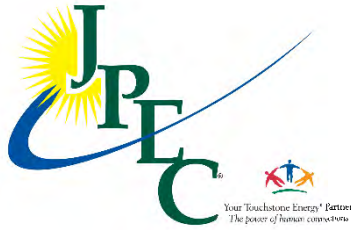
DATE EFFECTIVE June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20
 Second
 Revised SHEET NO. 12

CANCELLING P.S.C. KY NO. 20

First Revised SHEET NO. 12

RATES AND CHARGES
SCHEDULE OL – OUTDOOR LIGHTING

150	Metal	13,000	63	\$18.56	February 6, 2021	[I]
400	Metal	34,000	163	\$27.91	February 6, 2021	[I]
175	MV	7,000	70	\$11.78	June 25, 2008	[I]
400	MV	20,000	145	\$18.23	June 25, 2008	[I]

Terms of Payment

The above terms are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the date shown on the bill, the gross rates shall apply. Upon initial request for lighting, Member shall agree to a minimum service period of two (2) years. If Member disconnects the lighting service before the end of the two-year period any remaining balance will be billed to the Member. This term shall apply to a new lighting installation or when an on-site trip is required to energize a previously existing light.

Conditions of Service

Service will be furnished under JPEC’s Rules and Regulations applicable hereto.

JPEC will furnish and install one complete lighting unit consisting of the light fixture, arm, ballast, photo cell and lamp. Service may be installed on any facility owned by JPEC, other than a meter pole not accessible by truck as determined by JPEC. With a 2-year agreement, JPEC shall provide the pole, light and service and shall be within 150 feet of existing JPEC facilities. In the event that facilities other than the preceding items (i.e., added cost ornamental lighting and/or poles and/or additional poles) are required, the member shall pay a non-refundable contribution-in-aid of construction equal to the total additional cost incurred by JPEC for the additional facilities. Such cost shall include all added material, labor and applicable overhead costs. The contribution-in-aid of construction shall be deposited by the Member based on the estimated cost of the additional facilities. When construction is completed, the Member be billed for the actual cost of construction, and credit for advance payment shall be given.

DATE OF ISSUE May 1, 20224
 Month / Date / Year

DATE EFFECTIVE June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 4

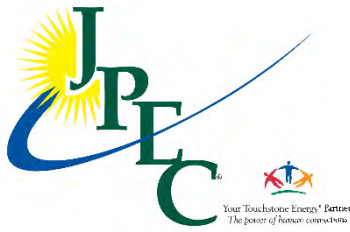
**807 KAR 5:001 Section 16(1)(b)(4)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

New or revised tariff sheets, if applicable, in a format that complies with 807 KAR 5:011 shown either by providing: ...A copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.

Response:

See attached.



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

Third ~~Second~~ Revised SHEET NO. 4

CANCELLING P.S.C. KY NO. 20

Second ~~First~~ Revised SHEET NO. 4

RATES AND CHARGES
SCHEDULE R – RESIDENTIAL

Applicability

Entire service territory.

Availability of Service

Available to all residential Members for use in the home and on the farm. Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances and other domestic purposes.

Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, JPEC may require as a condition precedent to the application of the residential rate that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Member, at the Member’s option in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to a Member at an appropriate non-residential rate.

If a separate meter is used to measure the consumption to remotely located buildings, such as garages, barns, pump houses, grain bins or other outbuildings, or facilities, such as electric fences, it will be considered a separate service and be billed as a separate service at the applicable non-residential rate.

Type of Service

Single phase, 60 cycle at available secondary service voltages.

Rates

Facilities Charge:	Per month	\$20.35 \$30.35	(I)
All Energy:	Per kWh per month	\$0.114521 \$0.118059	(I)

DATE OF ISSUE ~~May 6, 2022~~ May 1, 2024
 Month / Date / Year

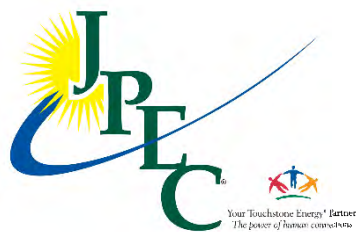
DATE EFFECTIVE April 8, 2022 June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2021-00358 DATED April 8, 2022



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

~~Third~~ ~~Second~~ Revised SHEET NO. 7

CANCELLING P.S.C. KY NO. 20

~~Second~~ ~~First~~ Revised SHEET NO. 7

RATES AND CHARGES
SCHEDULE C-1 – SMALL COMMERCIAL SINGLE PHASE

Applicability

Entire service territory.

Availability of Service

To general lighting and small power commercial loads served at single phase available voltage levels.

Service under this schedule will be limited to maximum loads not exceeding 25 kW. Service to existing Members with a maximum load exceeding 25 kW is restricted to those Members being billed under the rate schedule as of its effective date of June 25, 2008. New Members, upon demonstrating an average demand of 25 kW or greater, will be served under the appropriate rate schedule, other than this schedule.

Type of Service

Single phase, 60 cycle at available voltages.

Rates

Facilities Charge:	Per month	\$20.35 \$30.35	[I]
All Energy:	Per kWh per month	\$0.114521 \$0.118059	[I]

Payment Terms

The above rates are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rates shall apply to any unpaid portion.

DATE OF ISSUE ~~May 6, 2022~~ May 1, 2024
 Month / Date / Year

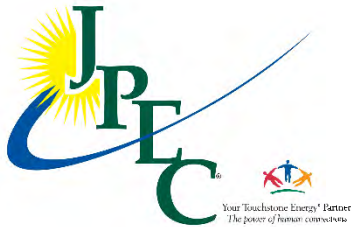
DATE EFFECTIVE ~~April 8, 2022~~ June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. ~~2021-00358~~ DATED ~~April 8, 2022~~



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

Second P.S.C. KY NO. 20
~~First~~ Revised
 SHEET NO. 9

CANCELLING P.S.C. KY NO. 20

First ~~Original~~ SHEET NO. 9

RATES AND CHARGES
SCHEDULE C-3 – SMALL COMMERCIAL THREE PHASE

Applicability

Entire service territory.

Availability of Service

To general lighting and small power commercial loads served at three phase available voltage levels and not exceeding 25 kW.

Type of Service

Three phase, 60 cycle at available voltages.

Rates

Facilities Charge:	Per month	\$32.27 \$42.27	[1]
All Energy:	Per kWh per month	\$0.100453 \$0.103557	[1]

Payment Terms

The above rates are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rates shall apply to any unpaid portion.

Adjustment Clauses

The bill amount computed at the rates specified above shall be increased or decreased in accordance with:

Franchise Fee Rider	Sheet 112
School Tax	Sheet 114
Fuel Adjustment Clause (FAC)	Sheet 115

DATE OF ISSUE ~~May 6, 2022~~ May 1, 2024
 Month / Date / Year

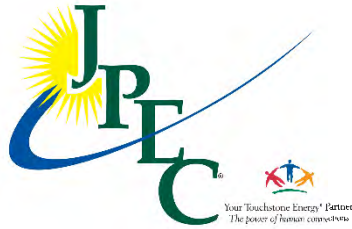
DATE EFFECTIVE ~~April 8, 2022~~ June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2021-00358 DATED April 8, 2022



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

Second ~~First~~ Revised SHEET NO. 14

CANCELLING P.S.C. KY NO. 20

First Revised ~~Original~~ SHEET NO. 14

RATES AND CHARGES

SCHEDULE D – COMMERCIAL AND INDUSTRIAL DEMAND LESS THAN 3,000 kW

Applicability

Entire service territory.

Availability of Service

To commercial and industrial Members with maximum single or three phase load greater than 25 kW and less than 3,000 kW.

Members, upon demonstrating a billed demand of 3,000 kW or greater in two (2) months of any consecutive thirteen (13) month period, will be served under the appropriate (excluding this) rate schedule and shall remain on that schedule for a minimum of twelve (12) consecutive months. For the first billed demand above 3,000 kW as referenced above, the Member’s consumption will be billed at the existing rate. For the second billed demand above 3,000 kW as referenced above, the Member’s consumption will be billed at the appropriate (excluding this) rate schedule.

Type of Service

Single phase or three phase, 60 cycle at available voltages.

Rates

Facilities Charge:	Per month	\$48.42 \$58.42	[1]
Demand Charge:	Per kW per month	\$9.01 \$9.29	[1]
Energy:			
First	200 kWh per kW per month	\$0.062202 \$0.064124	per kWh per month
Next	200 kWh per kW per month	\$0.052104 \$0.053714	per kWh per month
Next	200 kWh per kW per month	\$0.046973 \$0.048424	per kWh per month
Over	600 kWh per kW per month	\$0.041993 \$0.043291	per kWh per month

DATE OF ISSUE ~~May 6, 2022~~ May 1, 2024
 Month / Date / Year

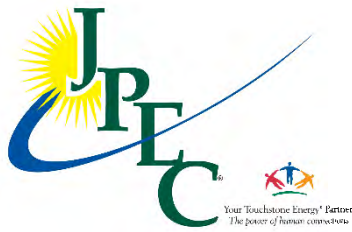
DATE EFFECTIVE April 8, 2022 June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom.

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2021-00358 DATED April 8, 2022



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 21

~~First Revised~~ SHEET NO. 23

CANCELLING P.S.C. KY NO. 20

~~Original~~ SHEET NO. 23

RATES AND CHARGES
SCHEDULE L – LARGE COMMERCIAL AND INDUSTRIAL 3,000-5,000 kW

- Member shall be served under this rate schedule as of the effective date of this schedule, June 25, 2008.
- It shall be the responsibility of the Member to coordinate through JPEC or its authorized agent all transactions that JPEC must take on behalf of the Member pursuant to the Big Rivers Large Industrial Tariff.

Monthly Charges

Service Charge:	Per month	\$414.97 \$424.97	[I]
Demand Charge:	Per kW per month	\$15.62	
All Energy:	Per kWh per month	\$0.038125 \$0.048000	[I]

The monthly billing shall be the sum of the Service Charge, Demand Charge, Energy Charge, Facilities Charge (if any), any applicable Adjustment Clause, and applicable taxes.

Determination of Billing Demand

The billing demand, in kilowatts (kW), shall be the Member’s maximum integrated thirty (30) minute demand at such delivery point during each billing period as determined by JPEC provided meter(s) which record at the end of each thirty (30) minute period the integrated kilowatt demand during the preceding thirty (30) minutes. Demand charges will be adjusted to correct for power factor lower than ninety percent (90%) when JPEC deems necessary. The monthly billing demand shall be adjusted when necessary in accordance with the following formula:

$$\text{Monthly Billing Demand (kW)} = \frac{\text{Maximum Actual Measured Demand (kW)} \times 90\%}{\text{Power Factor (\%)}}$$

DATE OF ISSUE ~~May 14, 2014~~ May 1, 2024
 Month / Date / Year

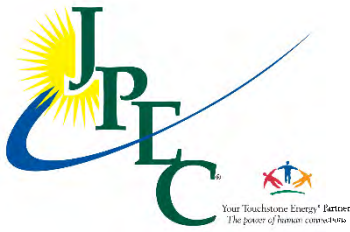
DATE EFFECTIVE ~~February 1, 2014~~ June 1, 2024
 Month / Date / Year

ISSUED BY ~~/s/ G. Kelly Nuckols~~ /s/ Greg Grissom
~~G. Kelly Nuckols~~ Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00384 DATED April 25, 2014



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

~~First Revised~~ SHEET NO. 19

CANCELLING P.S.C. KY NO. 20

~~Original~~ SHEET NO. 19

RATES AND CHARGES

SCHEDULE I-E – LARGE COMMERCIAL AND INDUSTRIAL – EXISTING

1. Member shall be served under this rate schedule as of the effective date of this schedule, June 25, 2008.
2. Member's service characteristics shall meet the qualifications for service specified in the Big Rivers Large Industrial Customer Tariff.
3. It shall be the responsibility of the Member to coordinate through JPEC or its authorized agent all transactions that JPEC must take on behalf of the Member pursuant to the Big Rivers Large Industrial Tariff.

Monthly Charges

Service Charge:	Per month	\$414.97 \$424.97	[I]
Demand Charge:	First 3,000 kW of billing demand per month	\$47,721.03 \$49,195.52	[I]
	All additional kW per kW per month	\$15.91 \$16.40	[I]
All Energy:	Per kWh per month	\$0.039094 \$0.040302	[I]

Minimum Monthly Charge

(424.97)

The minimum monthly charges under this rate shall be the sum of the monthly Service Charge ~~(\$414.97)~~ and ~~\$49,195.52~~ ~~\$47,721.03~~ where 3,000 kVA or less of transformer capacity is required. For Members requiring more than 3,000 kVA of transformer capacity, the minimum monthly charge shall be increased by \$1.00 for each kVA or fraction thereof required above 3,000 kVA. Where it is necessary to extend or reinforce facilities in excess of standard service facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities of one and one-half percent (1 1/2%) per month of the total cost of the excess facilities as a facilities charge for which no power and energy would be delivered. Any applicable Adjustment Clause, and applicable taxes shall be in addition to the charges above.

Determination of Billing Demand

The billing demand, in kilowatts (kW), shall be the Member's maximum integrated thirty (30) minute demand at such delivery point during each billing period as determined by JPEC provided meter(s) which record at the end

DATE OF ISSUE ~~May 6, 2022~~ May 1, 2024
 Month / Date / Year

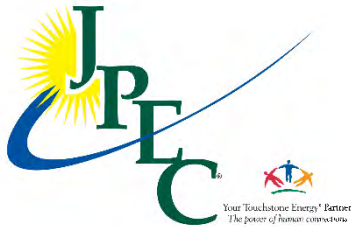
DATE EFFECTIVE ~~April 8, 2022~~ June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2021-00358 DATED April 8, 2022



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

~~Second~~ ~~First~~ Revised SHEET NO. 11

CANCELLING P.S.C. KY NO. 20

~~First Revised~~ ~~Original~~ SHEET NO. 11

RATES AND CHARGES
SCHEDULE OL – OUTDOOR LIGHTING

Applicability

Applicable to any class Member.

Type of Service

JPEC will install and maintain automatic lighting fixtures and lamps shown below. Lights listed as no longer available for new applications will be converted to the member’s choice of equivalent high pressure sodium or LED lights at the applicable rates if the original light fails and is not repairable.

Rate Per Month

Watts	Lamp Type	Standard Fixture Lumens	Monthly kWh	Rate per Unit	
100	HPS	8,000	40	\$10.98 \$11.32	[I]
250	HPS	23,000	95	\$15.25 \$15.72	[I]
250	HPS – Flood	23,000	95	\$16.01 \$16.50	[I]
1,000	Metal - Flood	110,000	367	\$40.10 \$41.34	[I]
	LED	6,000-9,000	20	\$11.19 \$11.54	[I]
	LED	9,300–15,000	38	\$13.68 \$14.10	[I]
	LED – Flood	14,500-23,000	73	\$19.30 \$19.90	[I]

The following lights will no longer be available for new applications or if the light is unrepairable:

Watts	Lamp Type	Standard Fixture Lumens	Monthly kWh	Rate per Unit	Date lights not available for new application	
175	Metal	14,000	72	\$18.58 \$19.15	February 6, 2021	[I]

DATE OF ISSUE ~~January 6, 2021~~ May 1, 2024
 Month / Date / Year

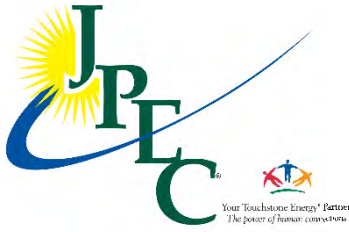
DATE EFFECTIVE ~~February 6, 2021~~ June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 20

~~Second~~ ~~First~~ Revised SHEET NO. 12

CANCELLING P.S.C. KY NO. 20

First Revised ~~Original~~ SHEET NO. 12

RATES AND CHARGES	
SCHEDULE OL – OUTDOOR LIGHTING	

150	Metal	13,000	63	\$18.00 \$18.56	February 6, 2021	[1]
400	Metal	34,000	163	\$27.07 \$27.91	February 6, 2021	[1]
175	MV	7,000	70	\$11.43 \$11.78	June 25, 2008	[1]
400	MV	20,000	145	\$17.68 \$18.23	June 25, 2008	[1]

Terms of Payment

The above terms are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the date shown on the bill, the gross rates shall apply. Upon initial request for lighting, Member shall agree to a minimum service period of two (2) years. If Member disconnects the lighting service before the end of the two-year period any remaining balance will be billed to the Member. This term shall apply to a new lighting installation or when an on-site trip is required to energize a previously existing light.

Conditions of Service

Service will be furnished under JPEC’s Rules and Regulations applicable hereto.

JPEC will furnish and install one complete lighting unit consisting of the light fixture, arm, ballast, photo cell and lamp. Service may be installed on any facility owned by JPEC, other than a meter pole not accessible by truck as determined by JPEC. With a 2-year agreement, JPEC shall provide the pole, light and service and shall be within 150 feet of existing JPEC facilities. In the event that facilities other than the preceding items (i.e., added cost ornamental lighting and/or poles and/or additional poles) are required, the member shall pay a non-refundable contribution-in-aid of construction equal to the total additional cost incurred by JPEC for the additional facilities. Such cost shall include all added material, labor and applicable overhead costs. The contribution-in-aid of construction shall be deposited by the Member based on the estimated cost of the additional facilities. When construction is completed, the Member be billed for the actual cost of construction, and credit for advance payment shall be given.

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DATE OF ISSUE ~~January 6, 2021~~ May 1, 2022
 Month / Date / Year

DATE EFFECTIVE ~~February 6, 2021~~ June 1, 2024
 Month / Date / Year

ISSUED BY /s/ Greg Grissom
 Greg Grissom

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List

Exhibit 5

807 KAR 5:001 Section 16(1)(b)(5)
Sponsoring Witness: Greg Grissom

Description of Filing Requirement:

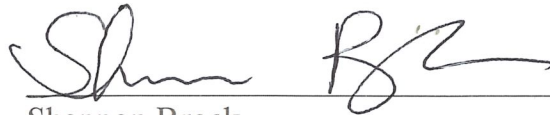
A statement that notice has been given in accordance with 807 KAR 5:001, Section 17, including the notice and affidavit.

Response:

Jackson Purchase has given notice in compliance with 807 KAR 5:001 Section 17. Specifically, as of the date Jackson Purchase submitted this Application to the Commission, Jackson Purchase has: (i) posted at its place of business a copy of the full notice required by the relevant regulations; (ii) posted to its website a copy of the full notice required by the relevant regulation and a hyperlink to the location on the Commission's website where the case documents are available; (iii) posted to its social media account a link to its website where a copy of the full notice by the relevant regulation published may be found; (iv) published a copy of the notice in *Kentucky Living* magazine, which was sent to Members on May 1, 2024; and, (v) mailed a copy of the same notice to all Members who do not receive a copy of *Kentucky Living*. An affidavit of publication in *Kentucky Living* magazine and an affidavit for the mailing of customer notice and a copy of the letter sent with the notice are attached.

**AFFIDAVIT OF MAILING
OF FILING NOTICE**

Notice is hereby given that the May 2024 issue of *KENTUCKY LIVING*, bearing official notice of filing an application with the PSC, for the purposes of proposing a general adjustment of existing rates of JACKSON PURCHASE ENERGY CORPORATION, was entered as direct mail on April 30, 2024.



Shannon Brock
Editor
Kentucky Living

County of Jefferson
State of Kentucky

Sworn to and subscribed before me, a Notary Public,

This 30th day of April, 2024.

My commission expires 3-1-2025



Barbara A. Prather KYNP22697
Notary Public, State of Kentucky

Kentucky Electric Cooperatives Inc.
P.O. Box 32170 | Louisville, KY 40232
1630 Lyndon Farm Court | Louisville, KY 40223

(502) 451-2430
(800) KY-LIVING (800) 595-4846
www.kentuckyliving.com

NOTICE OF PROPOSED ADJUSTMENT TO RETAIL ELECTRIC RATES

PLEASE TAKE NOTICE that, in accordance with the requirements of the Kentucky Public Service Commission (“Commission”), as set forth in 807 KAR 5:001, Section 17(2)(b), of the Commission’s Rules and Regulations, notice is hereby given to the member consumers of Jackson Purchase Energy Corporation (“Jackson Purchase”) of a proposed general rate adjustment. Jackson Purchase intends to file an application styled, The Electronic Application of Jackson Purchase Energy Corporation for General Adjustment of Rates, and Other General Relief, to the Commission, on or after May 1, 2024.

The rate adjustment, with a requested effective date of June 1, 2024, or after, will result in an increase in retail power costs to its member consumers, and in an increase in revenue of \$5,585,876 or 5.8% for Jackson Purchase.

THE AMOUNT AND PERCENT OF INCREASE BY RATE CLASS ARE LISTED BELOW:

Rate Schedule		Increase	
		Dollars	Percent
R	Residential	\$4,264,725	8.1%
C-1	Small Commercial Single Phase	\$567,231	10.9%
C-3	Small Commercial Three Phase	\$98,522	6.0%
D	Commercial and Industrial Demand	\$559,215	2.8%
I-E	Large Commercial Existing	\$52,049	2.5%
OL	Outdoor Lighting	\$44,135	3.1%
L	Large Commercial & Industrial	\$0	0.0%
Total		\$5,585,876	5.8%

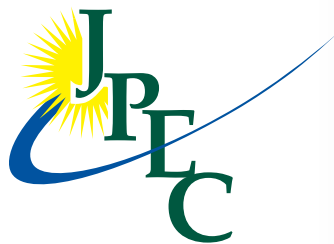
THE EFFECTS OF THE PROPOSED RATES ON THE AVERAGE MONTHLY BILL BY RATE CLASS ARE LISTED BELOW:

Rate Schedule		Average Usage (kWh)	Increase	
			Dollars	Percent
R	Residential	1,116	\$13.95	8.1%
C-1	Small Commercial Single Phase	642	\$12.27	10.9%
C-3	Small Commercial Three Phase	1,885	\$15.85	6.0%
D	Commercial and Industrial Demand < 3,000 kW	21,899	\$71.69	2.8%
I-E	Large Commercial Existing	1,517,428	\$4,337.43	2.5%
OL	Outdoor Lighting	NA	NA	3.1%
L	Large Commercial & Industrial	0	0	0.0%

THE PRESENT AND PROPOSED MONTHLY RATES FOR EACH RATE SCHEDULE ARE LISTED BELOW:

Rate Schedule		Charge	Rates	
			Present	Proposed
R	Residential	Facilities Charge (\$ per month)	20.35	30.35
		Energy Charge (\$ per kWh)	0.114521	0.118059
C-1	Small Commercial Single Phase	Facilities Charge (\$ per month)	20.35	30.35
		Energy Charge (\$ per kWh)	0.114521	0.118059
C-3	Small Commercial Three Phase	Facilities Charge (\$ per month)	32.27	42.27
		Energy Charge (\$ per kWh)	0.100453	0.103557
D	Commercial and Industrial Demand < 3,000 kW	Facilities Charge (\$ per month)	48.42	58.42
		Demand Charge (\$ per kW)	9.01	9.29
		Energy Charge 1st 200 (\$ per kWh)	0.062202	0.064124
		Energy Charge 2nd 200 (\$ per kWh)	0.052104	0.053714
		Energy Charge 3rd 200 (\$ per kWh)	0.046973	0.048424
		Energy Charge Over 600 (\$ per kWh)	0.041993	0.043291
I-E	Large Commercial Existing	Service Charge (\$ per month)	414.97	424.97
		Energy Charge (\$ per kWh)	0.039094	0.040302
		Demand Charge 1st 3000 (\$)	47,721.03	49,195.52
		Demand Charge 3000+ (\$ per kW)	15.91	16.40
L	Large Commercial & Industrial 3,000 - 5,000 kW	Service Charge (\$ per month)	414.97	424.97
		Demand Charge (\$ per kW)	15.62	15.62
		Energy Charge (\$ per kWh)	0.038125	0.048000
OL	Outdoor Lighting	100W HPS	10.98	11.32
		250W HPS	15.25	15.72
		250W HPS Flood	16.01	16.50
		1,000W Metal - Flood	40.10	41.34
		LED 6000-9000 Lumens	11.19	11.54
		LED 9,300 - 15,000 Lumens	13.68	14.10
		LED Flood 14,000 -23,000 Lumens	19.30	19.90
		175W Metal	18.58	19.15
		150W Metal	18.00	18.56
		400W Metal	27.07	27.91
		175 MV	11.43	11.78
		400 MV	17.68	18.23

Continued on 26D



JACKSON PURCHASE ENERGY
A member-owned cooperative

TO REPORT OUTAGES CALL

Toll-free: (800) 633-4044 or
Phone: (270) 442-7321
Text OUT to (855) 938-3622

CONTACT INFORMATION

Mail: 6525 US HWY 60 W
Paducah, KY 42001
Fax: (270) 442-5337
www.jpenergy.com

OFFICE HOURS

8 a.m. – 4 p.m. Monday-Friday

**OUR OFFICES WILL BE
CLOSED MAY 27 FOR
MEMORIAL DAY**

BOARD OF DIRECTORS

Greg Grissom | President and CEO

Erick Harris | Chairman | District 6

Jack Marshall | Vice Chairman | District 8

Wayne Elliott | Secretary-Treasurer | District 7

Lee Bearden | District 3

Joshua Barnes | District 4


David Brown | District 1

Kevin Bell | District 5

Terry Teitloff | District 2

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Continued from 26C

Jackson Purchase does not propose revisions to other tariffs or schedules not listed above.

Any person may examine the rate application and related documents which Jackson Purchase has filed with the Commission at the utility's principal office located at:

Jackson Purchase Energy Corporation

6525 US Highway 60 W
Paducah, Kentucky 42001

Any person may also examine the rate application and related documents which Jackson Purchase has filed with the Commission on the Commission's website at <https://psc.ky.gov>, or Monday through Friday, 8 a.m. to 4:30 p.m., at its office located at:

Kentucky Public Service Commission

211 Sower Boulevard
Frankfort, Kentucky 40602

Comments regarding the application may be submitted to the Commission by mail to: Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, or by electronic mail to psc.info@ky.gov.

The rates contained in this notice are the rates proposed by Jackson Purchase Energy Corporation. However, the Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request, including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of this notice, the Commission may take final action on the application.

Jackson Purchase Energy Corporation

6525 US Highway 60 W
Paducah, Kentucky 42001
Tel. (270) 442-7321
www.jpenergy.com

Public Service Commission

211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602
Tel. (502) 564-3940
<https://psc.ky.gov>

BUYING A NEW HOME?

Make sure its electrical system is up to snuff

Have a licensed electrical inspector thoroughly check out any home you're buying, especially if it's older.

THE ELECTRICAL PROFESSIONAL WILL:

- Identify any fire or safety hazards. These include frayed, exposed or damaged wires, as well as inside and outside receptacles not protected with arc or ground fault circuit interrupters and tamper-resistant outlet electrical receptacles.
- Make sure all the electrical components are working safely.
- Identify any problem areas or wiring mistakes.
- Help meet insurance risk assessment inspection requirements.

ALEXANDR IVASCHENKO/ADOBEE STOCK



AFFIDAVIT

Comes now the Affiant, Ashley Turner, in her capacity as Manager of Member Services for Jackson Purchase Energy Corporation (Jackson Purchase), and after being duly sworn, does hereby affirm that a copy of the attached Notice, issued as part of the May 2024 issue of the *Kentucky Living*, was mailed and entered USPS circulation on May 1, 2024 to the 1,660 members who did not receive the Notice because they had requested to be removed from the mailing list for *Kentucky Living*.

Ashley Turner

COMMONWEALTH OF KENTUCKY)

COUNTY OF McCracken)

The foregoing Affidavit was signed, acknowledged and sworn to before me this 1st day of MAY, 2024, by Ashley Turner.



Amy Vick
Commission expiration: KYNP 55841

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 6

**807 KAR 5:001 Section 16(2) and KRS 278.180
Sponsoring Witness: Greg Grissom**

Description of Filing Requirement:

A copy of the Notice of Intent filed with the Commission and transmitted to the Kentucky Attorney General's Office of Rate Intervention.

Response:

Jackson Purchase, by counsel, notified the Commission in writing of its intent to file a rate application using a historical test year by submitting a letter dated April 1, 2024. A copy of the Notice of Intent (in portable document format) was also sent by electronic mail to the Kentucky Attorney General's Office of Rate Intervention at: rateintervention@ag.ky.gov. See attached Notice of Intent letter.

March 1, 2024

VIA ELECTRONIC FILING

Linda Bridwell P.E.
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40601

RE: *The Electronic Application of Jackson Purchase Energy Corporation for a
General Adjustment of Rates and Other General Relief*
Case No. 2024-00085

Dear Ms. Bridwell:

Attached, please find Jackson Purchase Energy Corporation's Notice of Intent to File Rate Application, in accordance with 807 KAR 5:001, Section 16(2), to be filed on its behalf in the above-styled case. In addition, a copy of this Notice is being sent via email to the Kentucky Attorney General at: rateintervention@ag.ky.gov.

This will certify that the electronic filing was transmitted to the Commission for filing on April 1, 2024 that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and by virtue of the Commission's July 22, 2021 Order in Case No. 2020-00085, a copy of the filing in paper medium shall not be required.

Please contact me should you have any question regarding this filing.

Sincerely,

Heather S. Temple

Heather S. Temple

Enc.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
JACKSON PURCHASE ENERGY	)	CASE NO.
CORPORATION FOR A GENERAL	)	2024-00085
ADJUSTMENT OF RATES)	
AND OTHER GENERAL RELIEF)	

JACKSON PURCHASE ENERGY
CORPORATION'S NOTICE OF INTENT TO FILE RATE APPLICATION

Comes now Jackson Purchase Energy Corporation (“Jackson Purchase”), by counsel, and hereby gives notice to the Kentucky Public Service Commission (“Commission”), pursuant to 807 KAR 5:001, Section 16(2), of its intent to file a general rate adjustment application on or after May 1, 2024. This rate application will be supported by a historical test period, as provided in 807 KAR 5:001, Section 16(4) – (5). A copy of this Notice of Intent is being transmitted to the Kentucky Attorney General’s Office of Rate Intervention via email (rateintervention@ag.ky.gov) contemporaneously herewith.

This 1st day of April, 2024.

Respectfully submitted,

Heather S. Temple

L. Allyson Honaker
Brittany Hayes Koenig
Heather S. Temple
Honaker Law Office, PLLC
1795 Alysheba Way, Suite 1203
Lexington, KY 40509
Telephone (859) 368-8803
allyson@hloky.com
brittany@hloky.com
heather@hloky.com

Counsel for Jackson Purchase Energy Corporation

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 7

**807 KAR 5:001 Section 16(4)(a)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

A complete description and quantified explanation for all proposed adjustments with proper support for proposed changes in price or activity levels, if applicable, and other factors that may affect the adjustment.

Response:

Jackson Purchase's proposed adjustments to the historical test period are described in Exhibit 10 of the Application, the Direct Testimony of John Wolfram, and those exhibits accompanying Mr. Wolfram's testimony.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 8

**807 KAR 5:001 Section 16(4)(b)
Sponsoring Witness: Greg Grissom**

Description of Filing Requirement:

If the utility has gross annual revenues greater than \$5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, Jackson Purchase provides the written testimony of Mr. Greg Grissom, Jackson Purchase's President and Chief Executive Officer. Mr. Grissom's testimony is included with Exhibit 8.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
JACKSON PURCHASE ENERGY CORPORATION	)	CASE NO.
FOR A GENERAL ADJUSTMENT OF RATES	)	2024-00085

DIRECT TESTIMONY OF GREG GRISSOM,
PRESIDENT AND CHIEF EXECUTIVE OFFICER,
ON BEHALF OF JACKSON PURCHASE ENERGY CORPORATION

Filed: May 1, 2024

VERIFICATION

COMMONWEALTH OF KENTUCKY)

)

COUNTY OF MCCRACKEN)

Comes now Greg Grissom, Chief Executive Officer of Jackson Purchase Energy Corporation, and, after being duly sworn, does hereby verify, swear and affirm that the averments set forth in this Testimony are true and correct based upon my personal knowledge and belief, formed after reasonable inquiry, as of this 29th day of April, 2024.



Greg Grissom
Chief Executive Officer
Jackson Purchase Energy Corporation

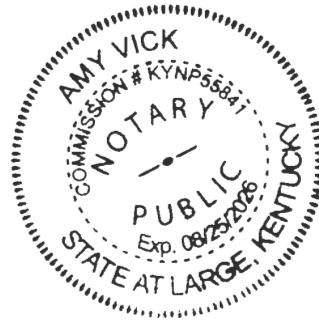
The foregoing Verification was verified, sworn to and affirmed before me, a NOTARY PUBLIC, by Greg Grissom, Chief Executive Officer of Jackson Purchase Energy Corporation, on this 29th day of April, 2024.



NOTARY PUBLIC

Notary identification no.: KYNP55841

My Commission Expires: 8/25/2026



1 **Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.**

2 A. My name is Greg Grissom and I serve as President and Chief Executive Officer of
3 Jackson Purchase Energy Corporation (“Jackson Purchase” or the “Cooperative”).
4 My business address is 6525 U.S. Highway 60 W., Paducah, Kentucky 42001.

5 **Q. PLEASE BRIEFLY DESCRIBE YOUR PROFESSIONAL EXPERIENCE**
6 **AND EDUCATIONAL BACKGROUND.**

7 A. I have enjoyed an over twenty-four (24) year affiliation with electric cooperatives
8 as an executive at multiple organizations and have developed a rich understanding
9 for the challenges and opportunities presented within this important industry. I
10 served as President and Chief Executive Officer of Hickman-Fulton Counties REC
11 in Hickman, Kentucky from 2000 through 2015; afterwards, I served three (3) years
12 as Chief Executive Officer and President at Pennyriple Rural Electric Cooperative
13 in Hopkinsville, Kentucky. I assumed my current role at Jackson Purchase in
14 September 2018. I am a graduate of Murray State University with a degree in Area
15 Occupational Safety & Health Engineering and also a graduate of the Management
16 Internship Program of the National Rural Electric Cooperative Association.

17 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AT JACKSON**
18 **PURCHASE.**

19 A. As the Chief Executive Officer, I oversee all departments at Jackson Purchase and
20 lead an experienced team responsible for the overall operational and financial
21 success of the organization. My primary duty as the President and CEO of Jackson
22 Purchase is to ensure that the activities of the cooperative are carried out in a way
23 that is consistent with good business practices, Jackson Purchase’s established

1 policies, regulatory oversight, and the direction provided by Jackson Purchase's
2 Board of Directors.

3 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
4 **PROCEEDING?**

5 A. The purpose of my testimony is first to provide a general overview of the
6 Cooperative's business and existing retail electric distribution system. I will
7 describe the events that preceded the filing of this case, discuss the Cooperative's
8 financial and operational condition, and explain the reasons behind the
9 Cooperative's need to review its existing rates to ensure the continued provision of
10 safe, reliable retail electric service to its member-owners.

11 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

12 A. Yes. Attached to my testimony and labeled Exhibit GG-1 is a Resolution of
13 Jackson Purchase's Board of Directors dated March 28, 2024 pursuant to which
14 Jackson Purchase's management was authorized and directed to prepare and submit
15 the Application my testimony supports. Also attached to my testimony, is Jackson
16 Purchase's Certificate of Good Standing from the Kentucky Secretary of State as
17 Exhibit GG-2.

18 **Q. PLEASE GENERALLY DESCRIBE THE COOPERATIVE'S BUSINESS.**

19 A. Jackson Purchase is a not-for-profit, member-owned rural electric cooperative
20 corporation with its headquarters in Paducah, Kentucky. The Cooperative provides
21 retail electric service to approximately 30,000 services in all or a portion of Ballard,
22 Carlisle, Graves, Livingston, Marshall, and McCracken Counties. The Cooperative
23 is one of three (3) member-owners of Big Rivers Electric Corporation ("Big

1 Rivers”), which serves as the wholesale electricity provider for the Cooperative.
2 Jackson Purchase owns and maintains approximately 3,000 circuit miles of
3 distribution lines connecting 27 substations. During the test year in this case
4 Jackson Purchase’s average residential customer used 1,128 kWh of electricity per
5 month.

6 **Q. WHEN DID JACKSON PURCHASE LAST SEEK A GENERAL**
7 **ADJUSTMENT OF ITS RATES?**

8 A. Jackson Purchase filed its last general rate case in 2021, in Case No. 2021-00358,
9 *The Electronic Application of Jackson Purchase Energy Corporation for a General*
10 *Adjustment of Rates and Other General Relief*. The rates in that proceeding became
11 effective on May 3, 2022.

12 **Q. PLEASE DESCRIBE IN DETAIL IMPORTANT CHANGES THAT HAVE**
13 **OCCURRED AT THE COOPERATIVE SINCE THE EFFECTIVE DATE**
14 **OF ITS 2021 GENERAL BASE RATE ADJUSTMENT.**

15 A. Since the rate adjustment in 2021, which became effective in 2022, Jackson
16 Purchase has seen additional significant increased costs in many areas of the
17 business, particularly in material costs, labor costs, and right-of-way (ROW)
18 maintenance expenses. The lasting effects of the COVID supply chain issues
19 continue to make lead times for materials very long and unpredictable. The costs
20 for ROW maintenance continue to increase yearly. Additionally, Jackson Purchase
21 is emphasizing completion of work plan projects; however, the cost of debt through
22 Rural Utility Services (RUS) continues to rise. With the rising costs, Jackson
23 Purchase did not meet its approved Times Interest Earned Ratio (TIER) in 2021

1 or 2022, even with the latest rate increase effective in 2022. Finally, Jackson
2 Purchase has experienced low customer growth and unpredictable energy sales,
3 particularly in the residential class which makes up almost sixty (60) percent of
4 Jackson Purchase's energy sales.

5 **Q. HAS JACKSON PURCHASE ENACTED ANY COST-CONTAINMENT**
6 **MEASURES SINCE ITS LAST RATE ADJUSTMENT TO AVOID FILING**
7 **A RATE INCREASE?**

8 A. Yes. Since the last rate case, Jackson Purchase has only borrowed long term debt
9 through RUS, which has historically offered significantly lower interest rates than
10 other lenders. To avoid incurring additional interest expense, Jackson Purchase
11 transferred a \$1.975 million deposit from one of its direct serve members to be held
12 by Big Rivers Electric Corporation ("Big Rivers") during a time of mandated high
13 interest rates on consumer deposits. Jackson Purchase has kept staffing at the
14 lowest level possible to still maintain safe and reliable service. Among
15 cooperatives its size, Jackson Purchase ranks 65th lowest out of 67 cooperatives for
16 number of full-time employees, according to 2022 KRTA data. Jackson Purchase
17 has spent less than the budgeted amount for ROW maintenance for 2022 and 2023
18 because the allocated amounts were needed elsewhere to maintain financial health.
19 This is further discussed in the Direct Testimony of Meredith Kendall located at
20 Exhibit 9. Finally, Jackson Purchase was able to apply for, and was awarded, a
21 grant from the Federal Emergency Management Agency (FEMA) to offset the costs
22 of a large windstorm in March 2023.

1 **Q. HAVE THERE BEEN CONTINUED ISSUES WITH VEGETATIVE**
2 **MANAGEMENT SINCE THE 2021 RATE CASE?**

3 A. Jackson Purchase has seen back-to-back wet summers, resulting in high vegetation
4 growth and maintenance requirements. After a history of neglecting trimming and
5 maintaining its right-of-way, Jackson Purchase's current management has
6 continued to address the critical need to do so to provide more reliable electric
7 service to its members. However, at the current pace, 190 miles are projected to be
8 cut in 2024 vs. a required 366 miles to reach a 5-year cutting cycle due to budget
9 constraints. Further, Jackson Purchase requested bids from ten vegetation
10 management companies to cover two years (2024 and 2025), and only received four
11 bids (one of which was disqualified due to being received after the requested due
12 date). Only one bid request was received for the 2023 right-of-way budgeted
13 circuits. This demonstrates Jackson Purchase's limited options as far as vegetation
14 management contractors.

15 **Q. WHAT HAS JACKSON PURCHASE DONE TO TRY AND ALLEIVATE**
16 **ISSUES WITH VEGETATIVE MANGEMENT?**

17 A. Jackson Purchase consistently monitors margins to determine if any operating
18 expenses, including ROW expenses, need to be cut in order to maintain financial
19 well-being. However, in 2022 and 2023 combined, Jackson Purchase has incurred
20 over \$8.1 million in expenses related to ROW and tree trimming, or about 26.7%
21 of Total Operating and Maintenance Expenses (less Purchased Power) during that
22 time.

1 **Q. PLEASE DESCRIBE THE PROCESS TAKEN BY JACKSON**
2 **PURCHASE’S BOARD OF DIRECTORS TO DETERMINE THAT A RATE**
3 **ADJUSTMENT WAS NECESSARY?**

4 A. Jackson Purchase’s management closely monitors the Cooperative’s financial
5 condition on a daily basis. Key financial metrics are provided to the Board of
6 Directors on a monthly basis and discussed at length. Management has engaged
7 with the Board of Directors for several months on the trajectory of Jackson
8 Purchase’s financial condition. In several recent distribution cooperative rate case
9 orders the Commission has clearly stated that utilities should not wait until their
10 financial condition becomes dire to consider filing a rate adjustment request.
11 Jackson Purchase’s management and Board of Directors agree with this philosophy
12 and has been diligent to structure this case so as to strike a balance between what it
13 needs to continue to provide safe and reliable service at a reasonable cost to its
14 consumer-members while also ensuring financial stability.

15 **Q. DID THE COOPERATIVE’S BOARD OF DIRECTORS APPROVE AND**
16 **AUTHORIZE THE FILING OF THE APPLICATION IN THIS CASE?**

17 A. Yes. The Board of Directors signed a Resolution dated March 28, 2024 authorizing
18 Jackson Purchase’s management to file the Application in this proceeding and to
19 request the relief contained in this Application. Jackson Purchase’s Board of
20 Directors relied on its review of information from Jackson Purchase management
21 and the expert guidance of its legal counsel and rate consultant.

22 **Q. PLEASE DESCRIBE ANY ADDITIONAL RELIEF JACKSON PURCHASE**
23 **IS REQUESTING IN THIS PROCEEDING?**

1 A. Jackson Purchase's Application requests that the Commission approve recovery of
2 reasonable rate case expenses in the approved rate amortized over a period of three
3 years, or such other period that the Commission finds reasonable.

4 **Q. ON WHAT BASIS DO YOU BELIEVE THE COMMISSION SHOULD**
5 **GRANT JACKSON PURCHASE'S RELIEF REQUESTED IN THIS**
6 **PROCEEDING?**

7 A. Jackson Purchase has initiated this proceeding because its existing retail rates do
8 not provide sufficient revenue to ensure the financial strength of the Cooperative.
9 While it is always the Cooperative's goal to keep rates as low as possible, the
10 expense of providing safe and reliable electric service must also be covered.
11 Jackson Purchase has commissioned a detailed cost of service study to determine
12 the amount of revenue necessary to ensure the maintenance of a financially healthy
13 organization, and that study forms the basis for the requested rate adjustment.

14 **Q. HAVE YOU REVIEWED THE ANSWERS PROVIDED IN THE FILED**
15 **EXHIBITS WHICH ADDRESS JACKSON PURCHASE'S COMPLIANCE**
16 **WITH THE HISTORICAL PERIOD FILING REQUIREMENTS UNDER**
17 **807 KAR 5:001 AND ITS VARIOUS SUBSECTIONS?**

18 A. Yes. I hereby incorporate and adopt those portions of exhibits for which I am
19 identified as the sponsoring witness as part of this Direct Testimony.

20 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

21 A. Yes, it does.

Exhibit GG-1

Board Resolution

**RESOLUTION
OF THE BOARD OF DIRECTORS
OF
JACKSON PURCHASE ENERGY CORPORATION**

A RESOLUTION OF THE BOARD OF DIRECTORS OF JACKSON PURCHASE ENERGY CORPORATION AUTHORIZING THE CORPORATION'S APPLICATION TO THE KENTUCKY PUBLIC SERVICE COMMISSION FOR A GENERAL RATE ADJUSTMENT.

A meeting of the Board of Directors of Jackson Purchase Energy Corporation ("JPEC") was held at the Corporation's headquarters, at 6525 US Hwy 60 W, Paducah, Kentucky, March 28, 2024, after due and proper notice of such meeting was given, and after a quorum was declared, during which the Board discussed and considered the Corporation's financial condition and its need for a general adjustment of its electric rates.

Upon motion by Kerin Bell, seconded by Josh Barnes and duly carried, the following RESOLUTION was unanimously adopted:

WHEREAS, JPEC is owned by the members it serves, and its purpose is to provide safe, efficient and reliable electric service at rates and on terms that are fair, just and reasonable; and,

WHEREAS, the leadership and management of JPEC have closely monitored the Cooperative's financial condition and, despite their efforts to reduce expenses and further delay an application for an increase in base electric rates, it has become apparent to the Board of Directors that seeking and obtaining additional revenue from rates is a prudent and necessary course of action in order to maintain that level of service to which JPEC Member-Owners are entitled, and have become accustomed; and,

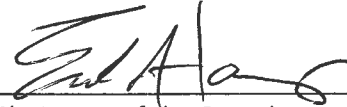
WHEREAS, the Board of Directors has solicited, obtained and reviewed the recommendations of senior JPEC management, and of Mr. John Wolfram, an experienced retained rate consultant who made a presentation to the board at a previous meeting on Thursday, March 15, 2024, and both have recommended a reasonable increase in JPEC's rates;

NOW, THEREFORE BE IT RESOLVED by the JPEC Board of Directors that the management and staff of JPEC are authorized and directed to prepare and submit an application to the Kentucky Public Service Commission seeking an increase in base electric rates of approximately 5.8%, or such other similar amount which may result from subsequent adjustments or recalculations by JPEC management or consultants, based upon an Operating Times Interest Earned Ratio of 1.85 and/or a Times Interest Earned Ratio of 2.0, with such ratios to be effective when declared by Order issued from the Kentucky Public Service Commission.

BE IT FURTHER RESOLVED that the management of JPEC is authorized to take any and all actions necessary or advisable in connection with the application for a general rate increase hereby authorized and approved.

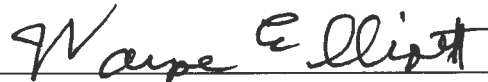
CERTIFICATION

I, Erick Harris, Chairman of Jackson Purchase Energy Corporation, do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors of JPEC held on March 28, 2024, at which meeting a quorum was present.



Chairman of the Board
Jackson Purchase Energy Corporation

ATTEST:



Secretary / Treasurer
Jackson Purchase Energy Corporation

Exhibit GG-2

Certificate of Good Standing

Commonwealth of Kentucky
Michael G. Adams, Secretary of State

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication number: 310441

Visit <https://web.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

JACKSON PURCHASE ENERGY CORPORATION

JACKSON PURCHASE ENERGY CORPORATION is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 273, whose date of incorporation is June 12, 1937 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 29th day of April, 2024, in the 232nd year of the Commonwealth.



Michael G. Adams

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
310441/0025598

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 9

**807 KAR 5:001 Section 16(4)(b)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

If the utility has gross annual revenues greater than \$5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, Jackson Purchase provides the written testimony of Ms. Meredith Kendall, Jackson Purchase's Vice-President of Finance and Accounting. Ms. Kendall's testimony is included with Exhibit 9.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
JACKSON PURCHASE ENERGY CORPORATION	)	CASE NO.
FOR A GENERAL ADJUSTMENT OF RATES	)	2024-00085

DIRECT TESTIMONY OF MEREDITH KENDALL,
CHIEF FINANCIAL OFFICER AND
VICE PRESIDENT OF FINANCE AND ACCOUNTING
ON BEHALF OF JACKSON PURCHASE ENERGY
CORPORATION

Filed: May 1, 2024

VERIFICATION

COMMONWEALTH OF KENTUCKY)

)

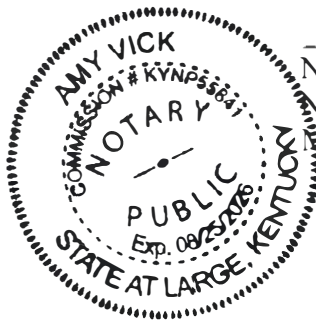
COUNTY OF MCCRACKEN)

Comes now Meredith Kendall, Vice-President of Accounting and Finance of Jackson Purchase Energy Corporation, and, after being duly sworn, does hereby verify, swear and affirm that the averments set forth in this Testimony are true and correct based upon my personal knowledge and belief, formed after reasonable inquiry, as of this 29th day of April, 2024.

Meredith Kendall

Meredith Kendall
Vice-President of Accounting and Finance
Jackson Purchase Energy Corporation

The foregoing Verification was verified, sworn to and affirmed before me, a NOTARY PUBLIC, by Meredith Kendall, Vice-President of Accounting and Finance of Jackson Purchase Energy Corporation, on this 29th day of April, 2024.



Amy Vick
NOTARY PUBLIC
Notary identification no.: KYNP55841
My Commission Expires: 8/25/2026

1 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

2 A. My name is Meredith Kendall and I serve as the Chief Financial Officer and Vice President
3 of Finance and Accounting for Jackson Purchase Energy Corporation (“Jackson Purchase”
4 or the “Cooperative”). My business address is 6525 U.S. Highway 60 W., Paducah, KY
5 42001.

6 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATION AND PROFESSIONAL**
7 **EXPERIENCE.**

8 A. I am a 2016 graduate of Western Kentucky University with a Bachelor of Science in
9 Accounting and a Master of Accountancy. I am also a registered Certified Public
10 Accountant in the state of Kentucky. I have been employed at Jackson Purchase for two
11 (2) years, one (1) year as Accounting Manager and one (1) year in my current position.
12 Before working at Jackson Purchase, I spent four (4) years as Accounting Manager at a
13 telecommunications cooperative and two (2) years as an auditor at a public accounting
14 firm.

15 **Q. PLEASE BRIEFLY DESCRIBE YOUR DUTIES AT THE COOPERATIVE.**

16 A. In my role of CFO at Jackson Purchase, I am responsible for finance, accounting, and
17 regulatory activities for the Cooperative. This includes managing Jackson Purchase’s debt
18 portfolio through regular communication with representatives of Rural Utilities Service
19 (“RUS”), Cooperative Finance Corporation (“CFC”), CoBank, and Federal Financing
20 Bank (“FFB”). I am also responsible for closely monitoring the Cooperative’s overall
21 financial condition on a continuous basis to ensure that any financial concerns are identified
22 early and addressed. I regularly interact with Jackson Purchase’s President and Chief
23 Executive Officer, Greg Grissom, and its eight-member Board of Directors to provide

1 financial analysis and summaries in order that they might also stay abreast of the
2 Cooperative's overall financial condition. This interaction includes almost daily
3 discussion with Mr. Grissom and at least monthly communication with the Board of
4 Directors, and sometimes more. Mr. Grissom and the Board have also authorized me to
5 consult with rate experts, accountants, auditors, attorneys, and other professionals as
6 needed to assist with any important issues or questions I might have in order to assure that
7 Jackson Purchase remains financially sound and able to withstand unanticipated events
8 which could present challenges to the Cooperative's finances.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

10 A. The purpose of my testimony is two-fold. First, I will provide a general overview of the
11 Cooperative's financial health including a discussion of notable financial metrics and detail
12 certain important expense categories, as well as to describe its debt portfolio, labor
13 expenses, depreciation practices and various other relevant matters. Second, I will
14 summarize the necessity of the rate relief requested by the Cooperative in this proceeding.

15 **Q. ARE YOU FAMILIAR WITH THE APPLICATION AND SUPPORTING**
16 **EXHIBITS FILED BY JACKSON PURCHASE IN THIS CASE?**

17 A. Yes, I am familiar with the documents filed in support of the Application and have been
18 closely involved in compiling and analyzing the necessary information with Jackson
19 Purchase's expert rate consultant, Mr. John Wolfram of Catalyst Consulting LLC, so that
20 he could complete a fully allocated Cost of Service Study ("COSS") upon which this rate
21 case is based. Examples of the types of information I have reviewed and provided to Mr.
22 Wolfram include income and expense data for the test year, customer usage data for
23 Jackson Purchase's different rate classes, and various categories of information utilized to

1 prepare all pro forma adjustments and COSS reports and exhibits. I have also prepared
2 numerous spreadsheets, summaries and other reports necessary to comply with the filing
3 requirements provided in the Commission’s regulations at 807 KAR 5:001 Section 16, and
4 in KRS 278.180 and KRS 278.190. Specifically, I am designated as the Responsible
5 Witness for Application Exhibits 2, 3, 4, 9, 16, 17, 18, 19, 20, 21, 22, 23, 24, 31 and 32.
6 Along with Mr. Wolfram, I am also jointly the Responsible Witness for Application
7 Exhibits 26 and 29.

8 **Q. PLEASE GENERALLY DESCRIBE THE RELIEF SOUGHT BY JACKSON**
9 **PURCHASE IN THIS PROCEEDING.**

10 A. To address Jackson Purchase’s current undesirable financial condition, the Board of
11 Directors, in conjunction with its management, has determined that a general adjustment of
12 rates is necessary to account for substantial cost increases, as well as cumulative inflationary
13 pressures, to build equity, to improve its overall financial condition, and to satisfy current
14 and future loan covenants. Consistent with KRS 278.030(1), Jackson Purchase seeks
15 Commission approval to demand, collect, and receive fair, just and reasonable rates for the
16 retail service it provides. Specifically, Jackson Purchase seeks approval to increase its
17 annual revenues by \$5,585,876, or 5.8% to achieve a Times Interest Earned Ratio (“TIER”)
18 of 2.0. Included in this request is an increase of the monthly residential customer charge in
19 “Schedule R-Residential,” from \$20.35 to \$30.35. Jackson Purchase is requesting the
20 allocation of the revenue requirement in this way to more accurately reflect the cost to serve
21 those customers. The Application requests that these rates become effective on June 1,
22 2024. The justification for these increases is principally based upon Mr. Wolfram’s COSS

1 and is discussed in greater detail in his testimony which can be found at Application Exhibit
2 10.

3 **Q. IS JACKSON PURCHASE’S APPLICATION SUPPORTED BY A HISTORICAL**
4 **TEST YEAR?**

5 A. Yes, the test year in this case consists of the twelve (12) month period ending August 31,
6 2023.

7 **Q. WHY WAS THE PERIOD OF SEPTEMBER 1, 2022, THROUGH AUGUST 31,**
8 **2023 CHOSEN AS THE HISTORICAL TEST YEAR?**

9 A. Jackson Purchase believes that its proposed test year reasonably reflects the performance
10 of the Cooperative, as adjusted for appropriate known and measurable changes.

11 **Q. PLEASE GENERALLY DESCRIBE THE LOAD SERVED BY JACKSON**
12 **PURCHASE.**

13 A. Jackson Purchase serves a retail load of approximately 171.3 Megawatts (“MW”), based
14 upon coincident peak during 2023, in its six (6) county service territory, which includes
15 portions of Ballard, Carlisle, Graves, Livingston, Marshall, and McCracken Counties. The
16 Cooperative’s customer base is primarily residential served under “Schedule R –
17 Residential.” As of the end of the test year, the residential load comprised approximately
18 41.1% of Jackson Purchase’s total energy sales and represented approximately 54.4% of
19 the Cooperative’s total revenue from energy sales. The Cooperative also serves a smaller
20 number of commercial customer loads, under 1000KVA (representing approximately
21 24.0% of the Cooperative’s total energy sales and 26.6% of the Cooperative’s total energy
22 revenue) and industrial customer loads over 1000KVA, (representing approximately
23 34.7% of the Cooperative’s total energy sales and 18.8% of its total revenue from energy

1 sales). Included in the Cooperative's total energy sales listed above is the special contract
2 with Blockware Mining, LLC ("Blockware"). Pursuant to its contract with Blockware,
3 Jackson Purchase only retains \$0.50/MWh from energy sales to Blockware. If Blockware
4 is excluded from Jackson Purchase's total energy sales, the Cooperative's total energy sales
5 composition during the test period was 58.4% residential, 34.1% commercial and industrial
6 loads under 1000 KVA, and 7.4% commercial and industrial loads over 1000 KVA.
7 Excluding Blockware, revenues during the test period, Jackson Purchase's revenue
8 composition was 63.0% residential, 30.8% commercial and industrial loads less than 1000
9 KVA, and 5.9% commercial and industrial loads over 1000 KVA. Mr. Wolfram includes
10 a more detailed discussion of Jackson Purchase's rate classes, the costs and revenues
11 associated with each rate class in his testimony attached at Exhibit 10 of the Application.

12 **Q. PLEASE GENERALLY DESCRIBE HOW JACKSON PURCHASE'S LOAD AND**
13 **CUSTOMER BASE HAVE CHANGED IN RECENT YEARS.**

14 A. Over the last few years overall growth has been low and inconsistent due to increased
15 energy efficiency efforts by members and overall slow economic growth. Aside from the
16 special contract with Blockware, of which Jackson Purchase only retains \$0.50/MWh,
17 there has not been material growth for the Cooperative overall or, more specifically, in
18 residential sales. It is important to note that because most of Jackson Purchase's sales come
19 from the residential class, revenue is very weather dependent and difficult to forecast. In
20 fiscal year 2023, residential sales were the lowest in five years because of mild summer
21 and winter weather. Between 2019 - 2023, overall kWh sales (not including sales to
22 Blockware) decreased by as much as 6.1%, and residential sales decreased by as much as

1 11.4% over calendar year 2019, and no increases in kWh sales (in total or residential) since
 2 2019. Chart MK-1 illustrates this trend.

Chart MK-1 Jackson Purchase Energy Corporation PSC Case 2024-00085		
	Annual kWh Sales	% Increase/(Decrease) Over FY 2019
2019 Total kWh Sales	604,186,404	
2020 Total kWh Sales	575,139,084	-4.81%
2021 Total kWh Sales	592,905,909	-1.87%
2022 Total kWh Sales (less Blockware)	604,055,894	-0.02%
2023 Total kWh Sales (less Blockware)	567,286,679	-6.11%
2019 residential kWh sales	367,295,646	
2020 residential kWh sales	349,995,056	-4.71%
2021 residential kWh sales	358,997,140	-2.26%
2022 residential kWh sales	367,448,461	0.04%
2023 residential kWh sales	325,419,609	-11.40%

12 **Q. PLEASE DESCRIBE JACKSON PURCHASE’S OPERATIONAL EXPENSES IN**
 13 **RECENT YEARS, INCLUDING IF THESE EXPENSES HAVE INCREASED?**

14 A. Overall, due to the last rate increase that went into effect in May 2022, gross margins have
 15 increased since 2019. However, operating expenses have also increased tremendously,
 16 specifically right-of-way expenses (ROW), interest expenses, depreciation expense, and
 17 labor expenses. ROW expenses continue to be an ongoing concern. In 2022, Jackson
 18 Purchase spent approximately \$996,000 less than budgeted on ROW-related expenses due
 19 to cash flow and overall financial constraints. In 2023, Jackson Purchase spent
 20 approximately \$470,000 less than originally budgeted. Throughout the term of the latest 4-
 21 year work plan, years 2020-2023, Jackson Purchase has completed work plan projects in
 22 order to maintain and upgrade the system; however, inflation on material costs and long
 23 lead times to receive those materials since the COVID-19 pandemic have certainly not

1 gone unnoticed and have negatively impacted the Cooperative. This has led to an increase
2 in both depreciation expense and interest expense, as Jackson Purchase has also increased
3 its long-term debt to help fund these capital projects. While Jackson Purchase’s headcount
4 actually decreased in 2023 compared to 2019, the cost of labor and benefits increased by
5 approximately \$1 million between 2019 and 2023, or about 12%.

6 **Q. PLEASE GENERALLY DESCRIBE JACKSON PURCHASE’S EXISTING DEBT**
7 **PORTFOLIO AND ANY RECENT EFFORTS TO REDUCE INTEREST**
8 **EXPENSE.**

9 A. Jackson Purchase is currently a borrower from CFC, CoBank, and RUS, with 100% of
10 JPEC’s long-term debt at fixed interest rates. Since the last rate case, Jackson Purchase
11 has only borrowed long term debt through RUS, which has historically offered significantly
12 lower interest rates than other lenders. Jackson Purchase has three lines of credit, one
13 through CFC and two through CoBank, which are used on an as-needed basis due to higher
14 interest rates typically associated with lines of credit. To avoid incurring additional interest
15 expense, Jackson Purchase transferred a \$1.975 million deposit from one of its direct serve
16 members (Blockware) to be held by Big Rivers Electric Corporation (“Big Rivers”) during
17 a time of mandated high interest rates on consumer deposits.

18 **Q. IS JACKSON PURCHASE PROPOSING TO ADJUST ITS DEPRECIATION**
19 **RATES AS PART OF THIS PROCEEDING?**

20 A. No. Jackson Purchase does not propose to adjust its depreciation rates as part of this
21 proceeding. Jackson Purchase’s last depreciation study was completed in 2006, and its
22 existing depreciation rates were approved by the Commission in Case No. 2007-00116,
23 *General Adjustment of Electric Rates of Jackson Purchase Energy Corporation.*

1 Additionally, as noted in Mr. Wolfram’s testimony Jackson Purchase continues to
2 depreciate its automated metering infrastructure and related utility plant assets at
3 reasonable, industry-standard rates. Jackson Purchase’s depreciation and reserve are
4 reviewed at least annually as part of its audit and is in compliance with the guideline range
5 acceptable to RUS and typically employed by distribution cooperatives like Jackson
6 Purchase.

7 **Q. PLEASE GENERALLY DESCRIBE JACKSON PURCHASE’S WORKFORCE.**

8 A. Currently, Jackson Purchase employs 67 full-time qualified and highly-skilled employees.
9 However, considering its size, both in terms of customers served and size of the service
10 territory, Jackson Purchase could easily justify a staffing level of several additional
11 employees. Of the 67 current employees, 36 are non-bargaining salaried and hourly
12 employees, and 31 are members of a collective bargaining unit.

13 **Q. PROVIDE ADDITIONAL DETAIL CONCERNING JACKSON PURCHASE’S**
14 **LABOR EXPENSES, INCLUDING THE BENEFITS OFFERED TO EMPLOYEES.**

15 A. Jackson Purchase offers its employees a competitive compensation package to attract and
16 retain a qualified workforce. The primary benefits offered are:

17 **Health Insurance.** All active Jackson Purchase employees are eligible for health
18 insurance. This includes medical, dental, vision, short-term income replacement, and a
19 \$20,000 life insurance policy. The total monthly premium per employee is \$1,336. Jackson
20 Purchase pays 82.5% of the premium for negotiating employees. For non-bargaining
21 employees, Jackson Purchase pays a base rate of \$824/month/person plus 80% of the total
22 cumulative increases above the base rate, which is currently \$1,233.60/month/person, or
23 approximately 92% of the total monthly premium.

1 **Group Term Life Insurance.** Jackson Purchase pays 100% of the premium for life
2 insurance equal to two (2) times an employee's annual base wages, and \$100,000 additional
3 coverage for business travel accident insurance. Monthly premiums range from \$14.65-
4 \$114.53/month/employee.

5 **Long-Term Disability Insurance.** Jackson Purchase will pay for two thirds of the
6 premium and the employee is responsible for the remaining third. Participation is optional.
7 Total monthly premiums (employee and employer portion) range from \$22.75-
8 \$140.40/month/employee.

9 **Retirement.** Bargaining employees participate in the NRECA retirement security plan
10 and also receive a 5% contribution to the IBEW Pension Plan. Non-bargaining employees
11 who have been employed prior to 2006 participate in the NRECA retirement security plan,
12 and also receive a 4% contribution to their 401(k) account. Non-bargaining employees
13 hired on or after January 1, 2006 receive a 14% contribution to their 401(k) account, but
14 do not participate in the NRECA retirement security plan. Employees hired before January
15 1, 2006, who retire after 30 years of service or at age 62 who have been employed at least
16 10 years will be eligible for single coverage healthcare for 10 years or until age 65,
17 whichever occurs first. Employees who retire at age 55 with five or more years of service
18 will be eligible to participate in the company healthcare plan (single coverage) but may be
19 required to share premium cost based on hire date and years of service. This is the same
20 retirement benefits that were in place at Jackson Purchase during the last general
21 adjustment of rates.

22 **Q. PLEASE DESCRIBE HOW THE CONTRACTS ARE NEGOTIATED FOR UNION**
23 **EMPLOYEES AND WHAT THE CURRENT CONTRACT ENTAILS.**

1 A. Jackson Purchase’s current Union contract took effect on November 3, 2019 and remains
2 in effect until November 2, 2024. Jackson Purchase has not begun the process of
3 renegotiating the upcoming Union contract. Typically, Union contracts are effective for 3-
4 5 years and describe Union membership and working conditions, among other matters.

5 **Q. HOW DOES JACKSON PURCHASE DETERMINE WHETHER AND WHEN**
6 **WAGE INCREASES SHOULD BE AWARDED TO EMPLOYEES?**

7 A. Wage increases for non-bargaining employees are generally determined annually as of July
8 1st based on employee performance and wage ranges for each individual position. Since
9 the ranges for employee wages have been developed and are periodically updated in
10 consultation with third-party wage and salary experts, Jackson Purchase is confident its
11 evaluation and compensation standards have resulted in a fairly-paid, but not overly-paid,
12 and fully-competent workforce. Wage increases for bargaining employees are based on the
13 current Union contract and generally increase as of November 1st of each year. The current
14 Union contract expires November 2, 2024, but Jackson Purchase expects an annual
15 increase of at least 2%, based on the increases that were negotiated in the current contract
16 and previous contracts.

17 **Q. WHY IS IT IMPORTANT THAT JACKSON PURCHASE MAINTAIN A STRONG**
18 **FINANCIAL CONDITION?**

19 A. As the Commission is aware, Jackson Purchase is owned by the Members it serves. While
20 it is always the Cooperative’s goal to keep rates as low as possible, the expense of providing
21 safe and reliable service must be recovered; additionally, prudent management and fairness
22 demand that better aligns costs of the services provided to each rate class, which is what
23 Jackson Purchase’s proposed rates seek to accomplish. Jackson Purchase continues to

1 diligently complete projects in its work plan to improve the system as well as provide
2 regular maintenance to ensure safe reliable energy to members.

3 **Q. PLEASE DESCRIBE THE REVISED RATES PROPOSED BY JACKSON**
4 **PURCHASE FOR ITS RESIDENTIAL CUSTOMERS.**

5 A. Jackson Purchase is proposing to increase the monthly customer charge from \$20.35 to
6 \$30.35 per month, and the energy charge from \$0.114521 to \$0.118059. This will result
7 in an increase of \$13.95, or 8.1%, on the monthly bill for Jackson Purchase's average
8 residential customer using 1,116 kWh per month. Specific data justifying the magnitude of
9 this increase is discussed in Mr. Wolfram's testimony.

10 **Q. IS JACKSON PURCHASE PROPOSING AN INCREASE TO ANY RATE**
11 **CLASSES BESIDES THE RESIDENTIAL CLASS?**

12 A. In addition to the residential class, Jackson Purchase is proposing to increase the monthly
13 customer charge by \$10.00 to its Small Commercial Single Phase, Small Commercial
14 Three Phase, Commercial and Industrial Demand, Large Commercial Existing, and Large
15 Commercial & Industrial rate classes as well. Jackson Purchase is proposing that the
16 additional total revenue requirement be captured through increases to those classes'
17 demand and energy charges, as well as a 3.1% increase in the monthly rate per unit on its
18 Outdoor Lighting rate class. Jackson Purchase does not currently have any customers who
19 fall under its Large Commercial & Industrial rate class; however, the proposed rate is being
20 adjusted so that the customer charge matches Jackson Purchase's Large Commercial
21 Existing customer charge and so that the energy charge equals Big Rivers' standard
22 wholesale energy rate plus \$0.003/kWh. Specific data justifying the magnitude of this
23 increase is discussed in Mr. Wolfram's testimony.

1 **Q. DID JACKSON PURCHASE CONSIDER ITS LOW-INCOME CUSTOMERS**
2 **WHEN DESIGNING ITS PROPOSED RATES?**

3 A. Yes. Even though Jackson Purchase’s responsibility is to its membership as a whole,
4 Jackson Purchase separately considered how this proposed rate increase could possibly
5 impact its low-income members. Jackson Purchase concluded that the rate design proposed
6 should seek to more accurately and appropriately recover the costs of operating its
7 distribution system; as a result, all members (including low-income members) will benefit
8 from a rate design that better aligns costs with the classes of service, avoids monthly bill
9 volatility, and allows Jackson Purchase to operate under a more predictable and accurate
10 budget.

11 **Q. IS JACKSON PURCHASE PROPOSING ANY OTHER TARIFF REVISIONS**
12 **OTHER THAN THE PROPOSED ADJUSTMENTS TO RATES?**

13 A. No. Jackson Purchase does not propose any request to change its published tariff beyond
14 that necessary to reflect changes in rates.

15 **Q. DID JACKSON PURCHASE FIND IT NECESSARY TO MAKE PRO FORMA**
16 **ADJUSTMENTS TO THE TEST YEAR IN ORDER TO MORE ACCURATELY**
17 **REFLECT ITS INCOME AND EXPENSES?**

18 A. Yes. These adjustments are part of the COSS and can be found and discussed at length in
19 Mr. Wolfram’s testimony. Each of the adjustments proposed by Jackson Purchase as part
20 of this proceeding are reasonable and reflect the known and measurable changes to Jackson
21 Purchase’s test year. These adjustments are necessary to ensure that rates are based on the
22 most accurate and appropriate data. Mr. Wolfram describes each of these adjustments in
23 more detail in his testimony attached as Exhibit 10 of this Application.

1 **Q. ARE YOU AWARE THAT THE COMMISSION, IN THE FINAL ORDER DATED**
2 **APRIL 13, 2016, IN CASE NO. 2012-00428, CONSIDERATION OF THE**
3 **IMPLEMENTATION OF SMART GRID AND SMART METER TECHNOLOGIES**
4 **(Summary of Findings, Paragraph 9), DIRECTED THAT EACH RATE CASE**
5 **FILED BY A JURISDICTIONAL UTILITY SHOULD IDENTIFY SMART GRID**
6 **INVESTMENTS?.**

7 A. Yes.

8 **Q. PLEASE IDENTIFY ALL SMART GRID AND SMART METER INVESTMENTS**
9 **WHICH JACKSON PURCHASE HAS MADE TO DATE.**

10 A. Jackson Purchase implemented first generation AMI system in 2009-2010. This is the
11 system that is currently in use. On January 26, 2024, Jackson Purchase filed an application
12 for a Certificate of Public Convenience and Necessity (CPCN) for a new AMI system.¹ No
13 decision has been reached by the Commission as of the date of the filing of this testimony
14 on whether Jackson Purchase will receive a CPCN. If no CPCN for new AMI meters is
15 granted, Jackson Purchase will continue to utilize the current AMI meters.

16 **Q. PLEASE EXPLAIN WHY THE COMMISSION SHOULD GRANT THE RELIEF**
17 **REQUESTED BY JACKSON PURCHASE IN THIS PROCEEDING.**

18 A. As discussed throughout this filing, the rate relief sought by Jackson Purchase in this case
19 is critical to ensure that its financial integrity is maintained to provide its members with
20 reliable power at a reasonable retail cost. The requested rate increase has been specifically
21 designed to account for Jackson Purchase’s cost of service to the various member classes
22 it serves. In the past few years, the cost of essential materials, labor, technology, and third-

¹ Case No. 2024-00013, *Electronic Application of Jackson Purchase Energy Corporation for a Certificate of Public Convenience and Necessity Authorizing the Installation of a New Advanced Metering Infrastructure (AMI) System.*

1 party contractor services have increased tremendously to such a degree that Jackson
2 Purchase's Board of Directors and management realized that the filing of a full rate case
3 was required. The rates requested in this case are derived from the results of Mr. Wolfram's
4 comprehensive COSS and are reasonable and necessary for the provision of safe and
5 reliable service at fair, just and reasonable rates.

6 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

7 A. Yes.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 10

**807 KAR 5:001 Section 16(4)(b)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

If the utility has gross annual revenues greater than \$5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, Jackson Purchase provides the written testimony of Mr. John Wolfram, rate consultant and principal of Catalyst Consulting, LLC. Mr. Wolfram's testimony is included with Exhibit 10.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
JACKSON PURCHASE ENERGY CORPORATION	)	CASE NO.
FOR A GENERAL ADJUSTMENT OF RATES	)	2024-00085

DIRECT TESTIMONY OF
JOHN WOLFRAM
PRINCIPAL, CATALYST CONSULTING LLC
ON BEHALF OF
JACKSON PURCHASE ENERGY CORPORATION

Filed: May 1, 2024

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)
JACKSON PURCHASE ENERGY CORPORATION) CASE NO.
FOR A GENERAL ADJUSTMENT OF RATES) 2024-00085

VERIFICATION OF JOHN WOLFRAM

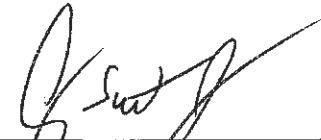
COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON)

John Wolfram, being duly sworn, states that he has supervised the preparation of his Direct Testimony in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information, and belief, formed after reasonable inquiry.



John Wolfram

The foregoing Verification was signed, acknowledged and sworn to before me this 19th day of April 2024, by John Wolfram.



Commission expiration: 04/08/2026

COREY SCOTT JONES
Notary Public - State at Large
Kentucky
My Commission Expires April 08, 2026
Notary ID KYNP48750

**DIRECT TESTIMONY
OF
JOHN WOLFRAM**

Table of Contents

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

	<u>Page</u>
I. INTRODUCTION.....	3
II. PURPOSE OF TESTIMONY	4
III. CLASSES OF SERVICE.....	5
IV. REVENUE REQUIREMENT	6
V. PRO FORMA ADJUSTMENTS.....	8
VI. COST OF SERVICE STUDY	13
VII. ALLOCATION OF THE PROPOSED INCREASE	21
VIII. PROPOSED RATES.....	22
IX. FILING REQUIREMENTS.....	24
X. CONCLUSION.....	24

1 **DIRECT TESTIMONY**
2 **OF**
3 **JOHN WOLFRAM**
4

5 **I. INTRODUCTION**

6 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION.**

7 A. My name is John Wolfram. I am the Principal of Catalyst Consulting LLC. My
8 business address is 3308 Haddon Road, Louisville, Kentucky, 40241.

9 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

10 A. I am testifying on behalf of Jackson Purchase Energy Corporation ("JPEC").

11 **Q. BRIEFLY DESCRIBE YOUR EDUCATION AND WORK EXPERIENCE.**

12 A. I received a Bachelor of Science degree in Electrical Engineering from the
13 University of Notre Dame in 1990 and a Master of Science degree in Electrical
14 Engineering from Drexel University in 1997. I founded Catalyst Consulting LLC
15 in June 2012. I have developed cost of service studies and rates for numerous
16 electric and gas utilities, including electric distribution cooperatives, generation and
17 transmission cooperatives, municipal utilities, and investor-owned utilities. I have
18 performed economic analyses, rate mechanism reviews, special rate designs, and
19 wholesale formula rate reviews. From March 2010 through May 2012, I was a
20 Senior Consultant with The Prime Group, LLC. I have also been employed by the
21 parent companies of Louisville Gas and Electric Company ("LG&E") and
22 Kentucky Utilities Company ("KU"), by the PJM Interconnection, and by the
23 Cincinnati Gas & Electric Company. A more detailed description of my
24 qualifications is included in Exhibit JW-1.

1 **Q. HAVE YOU EVER TESTIFIED BEFORE THE KENTUCKY PUBLIC**
2 **SERVICE COMMISSION (“COMMISSION”)?**

3 **A.** Yes. I have testified in numerous regulatory proceedings before this Commission.
4 A listing of my testimony in other proceedings is included in Exhibit JW-1.

5 **II. PURPOSE OF TESTIMONY**

6 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

7 **A.** The purpose of my testimony is to: (i) describe JPEC’s rate classes, (ii) describe
8 the calculation of JPEC’s revenue requirement; (iii) explain the pro forma
9 adjustments to the test period results; (iv) describe the Cost of Service Study
10 (“COSS”) process and results; (v) present the proposed allocation of the revenue
11 increase to the rate classes; (vi) describe the rate design, proposed rates, and
12 estimated billing impact by rate class, and (viii) support certain filing requirements
13 from 807 KAR 5:001.

14 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

15 **A.** Yes. I have prepared the following exhibits to support my testimony:

16 Exhibit JW-1 – Qualifications of John Wolfram

17 Exhibit JW-2 – Revenue Requirements & Pro Forma Adjustments

18 Exhibit JW-3 – COSS: Summary of Results

19 Exhibit JW-4 – COSS: Functionalization & Classification

20 Exhibit JW-5 – COSS: Allocation to Rate Classes & Returns

21 Exhibit JW-6 – COSS: Billing Determinants

22 Exhibit JW-7 – COSS: Purchased Power, Meters, & Services

23 Exhibit JW-8 – COSS: Zero Intercept Analysis

III. CLASSES OF SERVICE

Q. PLEASE DESCRIBE THE CUSTOMER CLASSES SERVED BY JPEC.

A. JPEC currently has members taking service pursuant to seven major rate classifications. These include residential, small commercial single phase, small commercial three phase, commercial & industrial, large commercial, and lighting. Rate L - Large Commercial and Industrial 3,000 - 5,000 kW is currently a vacant rate class. JPEC’s residential members comprise 52 percent of test year energy usage and 56 percent of test year revenues from energy sales, as shown in the following table.

Table 1. Rate Class Data ¹

Rate Class	Members	kWh	%	Revenue	%
R – Residential	24,525	328,446,062	51.57%	\$51,072,587	53.66%
C-1 Small Commercial Single Phase	4,844	37,317,394	5.86%	\$6,279,829	6.60%
C-3 Small Commercial Three Phase	515	11,646,814	1.83%	\$1,628,408	1.71%
D - Com and Indus Demand < 3,000 kW	646	169,761,237	26.66%	\$19,775,588	20.78%
D - Com and Indus – Direct Served ²	1	65,082,407	10.22%	\$12,887,924	13.54%
I-E - Large Com Existing	1	18,209,134	2.86%	\$2,101,023	2.21%
OL - Outdoor Lighting	106	6,382,739	1.00%	\$1,428,386	1.50%
TOTAL	30,638	636,845,787	100.00%	\$95,173,745	100.00%

¹ Table 1 represents unadjusted billed amounts, excluding amounts delivered but not billed in the test year.

² This member is served on retail Rate D but as a Direct Serve customer takes service under a different wholesale rate schedule and is thus distinguished from the remaining Rate D customers in the COSS.

1 **IV. REVENUE REQUIREMENT**

2 **Q. PLEASE DESCRIBE HOW JPEC’S PROPOSED REVENUE INCREASE**
3 **WAS DETERMINED.**

4 A. JPEC is proposing a general adjustment in rates using a historical test period. The
5 proposed revenue increase was determined by analyzing the revenue deficiency
6 based on financial results for the test period after the application of certain pro
7 forma adjustments described herein. The revenue deficiency was determined as the
8 difference between (i) JPEC’s net margins for the adjusted test period without
9 reflecting a general adjustment in rates, and (ii) JPEC’s net margin requirement
10 necessary to provide a Times Interest Earned Ratio (“TIER”) of 2.00 for the test
11 period. Based on the adjusted test year, the revenue deficiency is \$5,586,197.

12 **Q. WHAT IS THE HISTORICAL TEST PERIOD FOR THE RATE CASE**
13 **APPLICATION?**

14 A. The historical test period for the filing is the 12 months ended August 31, 2023.

15 **Q. HAVE YOU PREPARED AN EXHIBIT THAT SHOWS HOW JPEC’S**
16 **REVENUE DEFICIENCY IS CALCULATED?**

17 A. Yes. Exhibit JW-2 shows the calculation of JPEC’s revenue deficiency.

18 **Q. PLEASE EXPLAIN THE REVENUE DEFICIENCY CALCULATION IN**
19 **EXHIBIT JW-2 IN DETAIL.**

20 A. The purpose of Exhibit JW-2 is to calculate the difference between JPEC’s net margin
21 for the adjusted test year and the margin necessary for JPEC to achieve a 2.00 TIER.
22 Page 1 of the exhibit presents revenues and expenses for JPEC for the actual test year,
23 the pro forma adjustments, the adjusted test year at present rates, and the adjusted test

1 year at proposed rates. The revenues include total sales of electric energy and other
2 electric revenue.

3 Expenses are tabulated next. The Total Cost of Electric Service is shown on
4 line 22. Total Cost of Electric Service includes operation expenses, maintenance
5 expenses, depreciation and amortization expenses, taxes, interest expenses on long-
6 term debt, other interest expenses, and other deductions. Utility Operating Margins
7 are calculated by subtracting Total Cost of Electric Service from Total Operating
8 Revenue. Non-operating margins and capital credits are added to Utility Operating
9 Margins to determine JPEC's Net Margins.

10 The TIER, OTIER, Margins at Target TIER, and Revenue Deficiency
11 amounts are calculated at the bottom of page 1 of Exhibit JW-2.

12 **Q. WHAT ARE THE NET MARGINS FOR THE TEST YEAR?**

13 A. Exhibit JW-2 shows that the net margins for the unadjusted test year are
14 (\$1,239,694) and the net margins for the adjusted test year are (\$2,928,330).

15 **Q. WHAT IS THE TIER FOR JPEC FOR THE TEST YEAR?**

16 A. Exhibit JW-2 shows that the TIER for the test year is 0.48 and the TIER for the
17 adjusted test year is (0.10), both of which are below the target TIER of 2.00.

18 **Q. WHAT IS THE REVENUE DEFICIENCY CALCULATED IN EXHIBIT
19 JW-2?**

20 A. Based on a TIER of 2.00, JPEC has a net margin requirement of \$2,657,867.
21 Because the adjusted net margin before applying the TIER is (\$2,928,330) and the
22 margin requirement is \$2,657,867, JPEC's total revenue deficiency is \$5,586,197.

1 This amount is used in the COSS and in the design of new rates that I describe later
2 in my testimony.

3 **V. PRO FORMA ADJUSTMENTS**

4 **Q. PLEASE BROADLY DESCRIBE THE NATURE OF THE PRO FORMA**
5 **ADJUSTMENTS MADE TO JPEC’S ELECTRIC OPERATIONS FOR**
6 **THE TEST YEAR SHOWN IN EXHIBIT JW-2.**

7 A. JPEC has made adjustments which remove revenues and expenses that are
8 addressed in other rate mechanisms, are ordinarily excluded from rates, or are non-
9 recurring on a prospective basis, consistent with standard Commission practices.
10 The pro forma adjustments are listed in Exhibit JW-2 on page 2 and are detailed
11 starting on page 5 of the exhibit. The pro forma adjustments are summarized below
12 for convenience.

13 **Table 2. Pro Forma Adjustments**

Reference Schedule	Pro Forma Adjustment Item
1.01	FAC
1.02	ES
1.03	MRSM
1.04	Non-FAC PPA
1.05	Donations, Promo Ads & Dues
1.06	401k Contributions
1.07	Life Insurance
1.08	Rate Case Costs
1.09	Interest Expense
1.10	Year End Customers
1.11	Wages & Salaries
1.12	Depreciation Normalization
1.13	Directors Expenses
1.14	Right of Way
1.15	Health Care Costs

14

1 **Q. DID YOU PREPARE A DETAILED INCOME STATEMENT AND**
2 **BALANCE SHEET RELECTING THE IMPACT OF ALL PROPOSED**
3 **ADJUSTMENTS?**

4 A. Yes. These are included in Exhibit JW-2 pages 3 and 4.

5 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
6 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.01.**

7 A. This adjustment has been made to account for the fuel cost expenses and revenues
8 included in the Fuel Adjustment Clause ("FAC") for the test period. Consistent with
9 Commission practice, FAC expenses and revenues included in the test year have
10 been eliminated.

11 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
12 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.02.**

13 A. This adjustment has been made to remove Environmental Surcharge ("ES")
14 revenues and expenses because these are addressed by a separate rate mechanism.
15 This is consistent with the Commission's practice of eliminating the revenues and
16 expenses associated with full-recovery cost trackers.

17 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
18 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.03.**

19 A. This adjustment has been made to remove the Member Rate Stability Mechanism
20 ("MRSM") revenues and expenses because these are addressed by a separate rate
21 mechanism. This is consistent with the Commission's practice of eliminating the
22 revenues and expenses associated with full-recovery cost trackers.

1 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
2 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.04.**

3 A. This adjustment has been made to remove Non-FAC Purchased Power Adjustment
4 (“Non-FAC PPA”) revenues and expenses because these are addressed by a
5 separate rate mechanism. This is consistent with the Commission's practice of
6 eliminating the revenues and expenses associated with full-recovery cost trackers.

7 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
8 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.05.**

9 A. This adjustment eliminates donations, promotional advertising, and dues expenses
10 pursuant to 807 KAR 5:016, consistent with Commission practice.

11 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
12 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.06.**

13 A. This adjustment removes the contribution for the least generous plans for employer
14 retirement contributions for employees participating in multiple benefit packages
15 at JPEC. Specifically, for non-union employees under R&S Pension Plan and 401k
16 match, the adjustment removes the 401k match for non-union (non-contractual)
17 employees.

18 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
19 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.07.**

20 A. This adjustment removes life insurance premiums for coverage above the lesser of
21 an employee's annual salary or \$50,000 from the test period.

22 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
23 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.08.**

1 A. This adjustment estimates the rate case costs amortized over a 3-year period for
2 inclusion in the revenue requirement, consistent with standard Commission
3 practice.

4 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
5 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.09.**

6 A. This adjustment normalizes the interest on Long Term Debt and Other Interest
7 Expense from the test year to recent amounts.

8 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
9 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.10.**

10 A. This adjustment adjusts the test year expenses and revenues to reflect the number
11 of customers at the end of the test year. The numbers of customers served at the end
12 of the test period for some rate classes differed from the average number of
13 customers for the test year. The change in revenue is calculated by applying the
14 average revenue per kWh for each rate class to the difference between average
15 customer count and test-year-end customer count (at average kWh/customer) for
16 each class. The change in operating expenses was calculated by applying an
17 operating ratio to the revenue adjustment, consistent with the approach accepted by
18 the Commission for other utilities in rate proceedings.

19 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
20 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.11.**

21 A. This adjustment normalizes JPEC's employee wages and salaries to account for
22 changes due to wage increases, departures, or new hires for a standard year of 2,080
23 hours. The exhibit shows adjustment data for salaried, hourly, and bargaining-unit

1 employees based on regular time, overtime, and other/vacation payout time
2 adjusted from the test year.

3 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
4 **OR EXPENSES SHOWN IN REFERENCE SCHEDULE 1.12.**

5 A. This adjustment normalizes depreciation expenses by replacing test year actual
6 expenses with test year-end balances (less any fully depreciated items) at approved
7 depreciation rates, consistent with typical Commission practice and with the
8 requirements of the Commission in the Streamlined Rate Order. This adjustment
9 mirrors the depreciation expense adjustment accepted by the Commission in Case
10 No. 2017-00374. The Commission approved JPEC's depreciation rates in Case No.
11 2007-00116. Additionally, JPEC continues to depreciate its automated metering
12 infrastructure and related assets at reasonable, industry-standard rates. JPEC's
13 depreciation and reserve are reviewed at least annually as part of the Cooperative's
14 annual audit, and the Cooperative is in compliance with the guideline range
15 acceptable to RUS and typically employed by distribution cooperatives like JPEC.

16 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
17 **AND EXPENSES SHOWN IN REFERENCE SCHEDULE 1.13.**

18 A. This adjustment removes certain Director expenses, including costs for directors
19 attending Big Rivers / KAEC / NRECA annual meeting(s), training, or tours when
20 the director is not the JPEC representative for the respective organization. Expenses
21 that are not removed for rate-making purposes include all costs of attending
22 NRECA director training/education seminars (especially for new directors). These
23 seminars help directors to meet their fiduciary duties to the membership by

1 educating them on industry issues. Also included is Liability Insurance that protects
2 the directors for decisions they make on a routine basis.

3 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
4 **AND EXPENSES SHOWN IN REFERENCE SCHEDULE 1.14.**

5 A. This adjustment replaces the test year amounts with an annualized prospective
6 amount determined by the expected annual mileage to be cleared priced at the
7 contract price per mile, plus chemical spraying.

8 **Q. PLEASE EXPLAIN THE ADJUSTMENT TO OPERATING REVENUES**
9 **AND EXPENSES SHOWN IN REFERENCE SCHEDULE 1.15.**

10 A. This adjustment adjusts the test year health insurance costs to a lower amount
11 representing these costs on a forward-looking basis.

12

13 **VI. COST OF SERVICE STUDY**

14 **Q. DID YOU PREPARE A COSS FOR JPEC BASED ON FINANCIAL AND**
15 **OPERATING RESULTS FOR THE TEST YEAR?**

16 A. Yes. I prepared a fully allocated, embedded COSS based on pro forma operating
17 results for the test year. The objective in performing the COSS is to assess JPEC's
18 overall rate of return on rate base and to determine the relative rates of return that
19 JPEC is earning from each rate class. Additionally, the COSS provides an
20 indication of whether each class is contributing its appropriate share towards
21 JPEC's cost of providing service.

22 **Q. WHAT PROCEDURE WAS USED IN PERFORMING THE COSS?**

1 A. The three traditional steps of an embedded COSS – functionalization, classification,
2 and allocation – were utilized. The COSS was prepared using the following
3 procedure: (1) costs were functionalized to the major functional groups; (2) costs
4 were classified as energy-related, demand-related, or customer-related; and then (3)
5 costs were allocated to the rate classes.

6 **Q. IS THIS A STANDARD APPROACH USED IN THE ELECTRIC UTILITY**
7 **INDUSTRY AND ACCEPTED BY THIS COMMISSION?**

8 A. Yes. The same approach has been employed and accepted in several cases filed by
9 other utilities in Kentucky, including rate cases noted in Exhibit JW-1.

10 **Q. IN THE COST OF SERVICE MODEL, HOW ARE COSTS**
11 **FUNCTIONALIZED AND CLASSIFIED?**

12 A. JPEC’s test-year costs are functionalized and classified according to the practices
13 specified in *The Electric Utility Cost Allocation Manual* published by the National
14 Association of Regulatory Utility Commissioners (“NARUC”) dated January 1992.
15 Costs are functionalized to the categories of power supply, transmission, station
16 equipment, primary and secondary distribution plant, customer services, meters,
17 lighting, meter reading and billing, and load management.

18 **Q. IS THE COSS UNBUNDLED?**

19 A. Yes. This unbundling distinguishes between the functionally-classified costs
20 components, i.e., purchased power demand, purchased power energy, distribution
21 demand, and distribution customer – which allows the development of rates based
22 on these separate cost components.

23 **Q. HOW WERE COSTS CLASSIFIED AS ENERGY-RELATED, DEMAND-**

1 **RELATED OR CUSTOMER-RELATED?**

2 A. Costs are classified in connection with how they vary. Costs classified as *energy-*
3 *related* vary with the number of kilowatt-hours consumed. Costs classified as
4 *demand-related* vary with the capacity needs of customers, such as the amount of
5 transmission or distribution equipment necessary to meet a customer’s needs, or
6 other elements that are related to facility size. Transmission lines and distribution
7 substation transformers are examples of costs typically classified as demand costs.
8 Costs classified as *customer-related* include costs incurred to serve customers
9 regardless of the quantity of electric energy purchased or the peak requirements of
10 the customers and vary with the number of customers. These include the cost of the
11 minimum system necessary to provide a customer with access to the electric grid.
12 Distribution costs related to overhead conductor, underground conductor, and line
13 transformers were split between demand-related and customer-related using the
14 “zero-intercept” method, which I explain further below. Customer Services,
15 Meters, Lighting, Meter Reading, Billing, Customer Account Service, and Load
16 Management costs were classified as customer-related.

17 **Q. PLEASE EXPLAIN THE APPLICATION OF THE ZERO INTERCEPT**
18 **METHOD TO THE CLASSIFICATION OF CERTAIN DISTRIBUTION**
19 **COSTS.**

20 A. In preparing this study, the “zero-intercept” method was used to determine the
21 customer components of overhead conductor, underground conductor, and line
22 transformers. The zero-intercept method uses linear regression to determine the
23 theoretical cost for connecting a customer of zero size to the grid. This method is

1 less subjective than other approaches and is preferred when the necessary data are
2 available. With the zero-intercept method, a zero-size conductor or line transformer
3 is the absolute minimum system. The zero-intercept analysis is included in Exhibit
4 JW-8.

5 **Q. IS THE ZERO-INTERCEPT METHOD A STANDARD APPROACH**
6 **GENERALLY ACCEPTED WITHIN THE ELECTRIC UTILITY**
7 **INDUSTRY?**

8 A. Yes. The NARUC *Electric Utility Cost Allocation Manual* identifies the zero-
9 intercept (or “minimum intercept”) as one of two standard methodologies for
10 classifying distribution fixed costs. The manual states on page 92 that the zero-
11 intercept method “requires considerably more data and calculation than the
12 minimum-size method. In most instances, it is more accurate, although the
13 differences may be relatively small.” The Commission has accepted the zero
14 intercept method in many rate filings for many years. The Commission should do
15 so in this case also, because the zero intercept calculations shown in Exhibit JW-8
16 are consistent with the previously accepted, industry-standard approach and
17 provide mathematically sound results.

18 **Q. HAVE YOU PREPARED AN EXHIBIT SHOWING THE RESULTS OF**
19 **THE FUNCTIONALIZATION AND CLASSIFICATION STEPS OF THE**
20 **COSS?**

21 A. Yes. Exhibit JW-4 shows the results of the first two steps of the COSS –
22 functionalization and classification.

1 **Q. IN THE COST OF SERVICE MODEL, ONCE COSTS ARE**
2 **FUNCTIONALIZED AND CLASSIFIED, HOW ARE THESE COSTS**
3 **ALLOCATED TO THE CUSTOMER CLASSES?**

4 **A.** Once costs for all of the major accounts are functionalized and classified, the
5 resultant cost matrix for the major groupings (e.g., Plant in Service, Rate Base,
6 Operation and Maintenance Expenses) is then transposed and allocated to the
7 customer classes using allocation vectors. The results of the class allocation step of
8 the COSS are included in Exhibit JW-5.

9 **Q. HOW ARE ENERGY-RELATED, CUSTOMER-RELATED AND**
10 **DEMAND-RELATED COSTS ALLOCATED TO THE RATE CLASSES IN**
11 **THE COSS?**

12 **A.** Power supply energy-related costs are allocated on the basis of total test year kWh
13 sales to each customer class. Power supply and transmission demand-related costs
14 are allocated using a 12CP methodology, to mirror the basis of cost allocation used
15 in the applicable Big Rivers wholesale tariff. With the 12CP methodology, these
16 demand-related costs are allocated on the basis of the demand for each rate class at
17 the time of Big Rivers' system peak (also known as "Coincident Peak" or "CP")
18 for each of the twelve months. Customer-related costs are allocated on the basis of
19 the average number of customers served in each rate class during the test year.
20 Distribution demand-related costs are allocated on the basis of the relative demand
21 levels of each rate class. Specifically, the demand cost component is allocated by
22 the maximum class demands for primary and secondary voltage and by the sum of
23 individual customer demands for secondary voltage. The customer cost component

1 of customer services is allocated on the basis of the average number of customers
2 for the test year. Meter costs were specifically assigned by relating the costs
3 associated with various types of meters to the class of customers for whom these
4 meters were installed. The demand analysis is provided in Exhibit JW-6. The
5 purchased power, meter, and service analyses are provided in Exhibit JW-7.

6 **Q. HOW IS THE TARGET MARGIN INCORPORATED INTO THE COSS?**

7 A. The COSS first determines results on an actual or unadjusted basis. The COSS then
8 takes into account the pro forma adjustments and a target margin. The target margin
9 is based on the rate of return on rate base that will yield the target revenue
10 requirement. In this case a rate of return on rate base of 2.85% yields a total revenue
11 requirement of \$88,135,954, which is the total target revenue requirement noted on
12 Page 1, Line 4, Column 5 of Exhibit JW-2.

13 **Q. PLEASE SUMMARIZE THE RESULTS OF THE COSS.**

14 A. The results of the COSS are provided in Exhibit JW-3 on page 1. The following
15 table summarizes the rates of return for each customer class in the study. The Pro
16 Forma Rate of Return on Rate Base was calculated by dividing the net utility
17 operating margin (including the pro forma adjustments) by the net cost rate base
18 for each customer class.

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Table 3. COSS Results: Rates of Return

#	Rate	Pro Forma Return on Rate Base
1	R - Residential	0.05%
2	C-1 Small Commercial Single Phase	(6.48%)
3	C-3 Small Commercial Three Phase	(3.04%)
4	D - Commercial and Industrial Demand < 3,000 kW	1.95%
5	D - Commercial and Industrial – Direct Served	NA
6	I-E - Large Commercial Existing	0.29%
7	OL - Outdoor Lighting	7.97%
8	TOTAL	(0.20%)

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Q. DOES THE COSS PROVIDE INFORMATION CONCERNING THE UNIT COSTS INCURRED BY JPEC TO PROVIDE SERVICE UNDER EACH RATE SCHEDULE?

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A. Yes. Customer-related, demand-related, and energy-related costs for each rate class except lighting are shown in Exhibit JW-3 page 2 and at the end of Exhibit JW-5. Customer-related costs are stated as a cost per member per month. Energy-related costs are stated as a cost per kWh. For rate classes with a demand charge, demand-related costs are stated as a cost per kW per month. For rate classes without a demand charge, the demand-related costs are incorporated into the per kWh charge.

1 **Q. BASED ON THE COSS, DO JPEC'S EXISTING RATES**
2 **APPROPRIATELY REFLECT THE COST OF PROVIDING SERVICE TO**
3 **EACH RATE CLASS?**

4 A. No. The low rates of return for the rate classes indicate that existing rates are almost
5 universally too low. The unbundled costs within each rate class indicate an
6 imbalance within the current rate structure between the recovery of fixed costs and
7 variable costs, particularly within the residential and small commercial classes.

8 **Q. WHAT GUIDANCE DOES THE COSS PROVIDE FOR RATE DESIGN?**

9 A. First, the COSS indicates that rates for the residential and small commercial classes
10 are insufficient and should be increased. The large commercial class D and the
11 lighting class have higher rates of return than all other classes.

12 Second, the COSS supports a fixed monthly charge of \$53.45 for the
13 residential class. This is shown on Exhibit JW-3, page 2. Since the current charge
14 is \$20.35 per month, the fixed customer charge should be increased. This is a
15 significant issue for JPEC because the current charge is so far below cost-based
16 rates. (The same issue is true for the small commercial classes, although there are
17 few customers in those rate classes and thus the revenue impact is less significant.)
18 This means that the current rate structure places too little recovery of fixed costs in
19 the fixed charge, which results in significant under-recovery of fixed costs,
20 particularly when members embrace conservation or energy efficiency or otherwise
21 reduce overall consumption. This condition existed in the last rate case also, where
22 the cost-based customer charge exceeded \$40 per month, but the approved rate was
23 less than half of that cost-based amount. In short, fixed costs are being recovered

1 in the variable charge, and usage is insufficient to make up the difference. At
 2 bottom, this is a fundamental challenge facing JPEC from a cost recovery
 3 standpoint, and it is essential for JPEC’s financial well-being to address this issue.

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 5 **VII. ALLOCATION OF THE PROPOSED INCREASE**

6 **Q. PLEASE SUMMARIZE HOW JPEC PROPOSES TO ALLOCATE THE**
 7 **REVENUE INCREASE TO THE CLASSES OF SERVICE.**

8 A. JPEC relied on the results of the COSS as a guide to determine the allocation of the
 9 proposed revenue increase to the classes of service. Generally, because the rates of
 10 return for nearly all classes are low, JPEC is proposing to spread the increase to all
 11 rate classes other than the direct serve Rate D (and Rate L which currently has no
 12 members taking service). JPEC proposed first to increase all customer charges by
 13 \$10 per month, and then to allocate the remaining revenue increase proportionately
 14 across all demand and energy charges until the target revenue increase is reached.

15 **Q. What is the proposed base rate revenue increase for each rate class?**

16 A. JPEC is proposing the base rate revenue increases in the following table.

17 **Table 4. Proposed Base Rate Increases**

Rate Class	Increase	
	Dollars	Percent
R - Residential	\$4,264,725	8.1%
C-1 Small Commercial Single Phase	\$567,231	10.9%
C-3 Small Commercial Three Phase	\$98,522	6.0%
D - Commercial and Industrial Demand < 3,000 kW	\$559,215	2.8%
I-E - Large Commercial Existing	\$52,049	2.5%
OL - Outdoor Lighting	\$44,135	3.1%
TOTAL	\$5,585,876	5.8%

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1 **VIII. PROPOSED RATES**

2 **Q. HAVE YOU PREPARED AN EXHIBIT SHOWING THE**
3 **RECONSTRUCTION OF JPEC’S TEST-YEAR BILLING**
4 **DETERMINANTS?**

5 A. Yes. The reconstruction of JPEC’s billing determinants is shown on Exhibit JW-9,
6 beginning on page 2.

7 **Q. WHAT ARE THE PROPOSED CHANGES FOR JPEC’S CUSTOMER**
8 **CHARGES?**

9 A. JPEC is proposing to increase all customer charges by \$10.00 per month. (This
10 excludes the direct served class.) For residential, the charge increases from \$20.35
11 to \$30.35 per month.

12 **Q. WHAT ARE THE PROPOSED CHANGES FOR JPEC’S OTHER**
13 **CHARGES?**

14 A. After the increase to the customer charges, JPEC is proposing to secure the
15 remainder of the necessary revenue increase by scaling all charges (for all classes
16 except direct served and Rate L) by the same amount until the target is reached,
17 with rounding. The scalar that achieves this result is 1.0309, or a 3.09% increase.

18 **Q. DO THE PROPOSED RATES GENERATE THE EXACT REVENUE**
19 **DEFICIENCY?**

20 A. No, but it is extremely close. Due to rate rounding, the proposed rates generate
21 \$5,585,876 which is \$321 or 0.01% less than the exact revenue deficiency of
22 \$5,586,197 for the test period, based on adjusted test year consumption.

1 **Q. IS JPEC PROPOSING A REVISION TO RATE L FOR LARGE**
2 **COMMERCIAL & INDUSTRIAL SERVICE?**

3 A. Yes. JPEC currently has no members served on this rate, but in order to increase
4 the alignment between retail and wholesale rates, JPEC is proposing to update the
5 energy charge for Rate L from \$0.038125 per kWh to \$0.048000 per kWh. This
6 change will ensure that retail energy charges exceed wholesale energy charges if a
7 member takes service under Rate L in the future. For consistency, JPEC is also
8 proposing to increase the customer charge for Rate L by \$10.00 per month. These
9 changes have no impact on JPEC annual revenues at this time.

10 **Q. WHAT IS THE PROPOSED AVERAGE BILLING INCREASE FOR**
11 **EACH RATE CLASS?**

12 A. JPEC is proposing the average billing increases in the following table.

13 **Table 5. Proposed Average Billing Increases**

Rate Class	Average Usage (kWh)	Increase	
		Dollars	Percent
R - Residential	1,116	\$13.95	8.1%
C-1 Small Commercial	642	\$12.27	10.9%
C-3 Small Commercial	1,885	\$15.85	6.0%
D - Commercial and Industrial	21,899	\$71.69	2.8%
I-E - Large Commercial	1,517,428	\$4,337.43	2.5%
OL - Outdoor Lighting	NA	NA	3.1%

14

15 **Q. WILL THE RATES PROPOSED BY JPEC IN THIS PROCEEDING**
16 **ELIMINATE ALL SUBSIDIZATION BETWEEN AND WITHIN THE**
17 **RATE CLASSES?**

18 A. No. The proposed revisions to customer charges will help mitigate the under-
19 recovery of fixed costs, and the spreading of the remaining increase across other

1 charges for the appropriate rate classes is a general way of improving JPEC's
2 overall cost recovery. The proposed rates do not fully adopt cost-based rates and
3 are aimed at balancing the need to increase revenues with the desire of the
4 cooperative to control increases to any one class. This is consistent with the
5 ratemaking principle of gradualism and will allow the avoidance of rate shock while
6 still making some movement to improve cost recovery.

7 **IX. FILING REQUIREMENTS**

8 **Q. HAVE YOU REVIEWED THE ANSWERS PROVIDED IN THE FILED**
9 **EXHIBITS WHICH ADDRESS JPEC'S COMPLIANCE WITH THE**
10 **HISTORICAL PERIOD FILING REQUIREMENTS UNDER 807 KAR**
11 **5:001 AND ITS VARIOUS SUBSECTIONS?**

12 A. Yes. I hereby incorporate and adopt those portions of exhibits for which I am
13 identified as the sponsoring witness as part of this Direct Testimony.

14 **X. CONCLUSION**

15 **Q. DO YOU HAVE ANY CLOSING COMMENTS?**

16 A. Yes. JPEC's rates of return in the COSS clearly demonstrate that the proposed
17 increase in base rates is necessary for JPEC's financial health. JPEC's revenue
18 deficiency, based on a target TIER of 2.00, is \$5,586,197. This increase is necessary
19 to meet the financial obligations described in this Application. The proposed rates
20 are designed to produce revenues that achieve the revenue requirement. In
21 particular, the increase in customer charges is needed to continue moving the rate
22 structure towards cost-based rates, in order to reduce the revenue erosion that
23 results from having too great a portion of utility fixed cost recovery embedded in

1 the variable charge. The Commission has recognized in recent orders that for an
2 electric cooperative that is strictly a distribution utility, there is a need for a means
3 to guard against the revenue erosion that often occurs due to the decrease in sales
4 volumes that accompanies poor regional economics, changes in weather patterns,
5 and the implementation or expansion of demand-side management and energy-
6 efficiency programs. For JPEC at this juncture, this remains the case. The spread
7 of the remaining increases across the rate classes is a reasonable way to address the
8 present revenue deficiency. The proposed rates are just and reasonable and should
9 be approved as filed.

10 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

11 **A.** Yes, it does.

Exhibit JW-1
Qualifications of John Wolfram

JOHN WOLFRAM

Summary of Qualifications

Provides consulting services to electric utilities regarding utility rate and regulatory filings, cost of service studies, wholesale and retail rate designs, tariffs and special contracts, formula rates, energy policy, and other matters.

Employment

CATALYST CONSULTING LLC
Principal

June 2012 – Present

THE PRIME GROUP, LLC
Senior Consultant

March 2010 – May 2012

LG&E and KU, Louisville, KY

1997 - 2010

(Louisville Gas & Electric Company and Kentucky Utilities Company)
Director, Customer Service & Marketing (2006 - 2010)
Manager, Regulatory Affairs (2001 - 2006)
Lead Planning Engineer, Generation Planning (1998 - 2001)
Power Trader, LG&E Energy Marketing (1997 - 1998)

PJM INTERCONNECTION, LLC, Norristown, PA
Project Lead – PJM OASIS Project
Chair, Data Management Working Group

1990 - 1993; 1994 - 1997

CINCINNATI GAS & ELECTRIC COMPANY, Cincinnati, OH
Electrical Engineer - Energy Management System

1993 - 1994

Education

Bachelor of Science Degree in Electrical Engineering, University of Notre Dame, 1990
Master of Science Degree in Electrical Engineering, Drexel University, 1997
Leadership Louisville, 2006

Associations

Senior Member, Institute of Electrical and Electronics Engineers (“IEEE”) & Power Engineering Society

Articles

“FERC Formula Rate Resurgence” *Public Utilities Fortnightly*, Vol. 158, No. 9, July 2020, 34-37.

“Economic Development Rates: Public Service or Piracy?” *IAEE Energy Forum*, International Association for Energy Economics, 2016 Q1 (January 2016), 17-20.

Presentations

“Depreciation Studies” presented to Electric Cooperatives Accountants’ Association Spring Meeting, Apr. 2024

“Cooperative Rate Cases” presented to Kentucky Electric Cooperatives Fall Managers’ Meeting, Oct. 2023.

“New Developments in Kentucky Rate Filings” presented to Electric Cooperatives Accountants’ Association Summer Meeting, Jun. 2022.

“Avoiding Shock: Communicating Rate Changes” presented to APPA Business & Financial Conference, Sep. 2020.

“Revisiting Rate Design Strategies” presented to APPA Public Power Forward Summit, Nov. 2019.

“Utility Rates at the Crossroads” presented to APPA Business & Financial Conference, Sep. 2019.

“New Developments in Kentucky Rate Filings” presented to Electric Cooperatives Accountants’ Association Summer Meeting, Jun. 2019.

“Electric Rates: New Approaches to Ratemaking” presented to CFC Statewide Workshop for Directors, Jan. 2019.

“The Great Rate Debate: Residential Demand Rates” presented to CFC Forum, Jun. 2018.

“Benefits of Cost of Service Studies” presented to Tri-State Electric Cooperatives Accountants’ Association Spring Meeting, Apr. 2017.

“Proper Design of Utility Rate Incentives” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2017.

“Utility Hot Topics and Economic Development” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2017.

“Emerging Rate Designs” presented to CFC Independent Borrowers Executive Summit, Nov. 2016.

“Optimizing Economic Development” presented to Grand River Dam Authority Municipal Customer Annual Meeting, Sept. 2016.

“Tomorrow’s Electric Rate Designs, Today” presented to CFC Forum, Jun. 2016.

“Reviewing Rate Class Composition to Support Sound Rate Design” presented to EEI Rate and Regulatory Analysts Group Meeting, May 2016.

“Taking Public Power Economic Development to the Next Level” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2016.

“Ratemaking for Environmental Compliance Plans” presented to NARUC Staff Subcommittee on Accounting and Finance Fall Conference, Sep. 2015.

“Top Utility Strategies for Successful Attraction, Retention & Expansion” presented to APPA/Area Development’s Public Power Consultants Forum, Mar. 2015.

“Economic Development and Load Retention Rates” presented to NARUC Staff Subcommittee on Accounting and Finance Fall Conference, Sep. 2013.

Expert Witness Testimony & Proceedings

FERC

Submitted direct testimony for Black Hills Colorado Electric, LLC in FERC Docket No. ER22-2185 regarding a proposed Transmission Formula Rate.

Submitted testimony for Evergy Kansas Central, Inc. and Evergy Generating, Inc. in FERC Docket Nos. ER22-1974-000, ER22-1975-000 and ER22-1976-000 regarding revised capital structures under transmission and generation formula rates.

Submitted affidavit for Constellation Mystic Power, LLC in FERC Docket No. ER18-1639-000 in response to arguments raised in formal challenges to an informational filing required for a cost-of-service rate for the operation of power plants in ISO New England.

Submitted direct testimony for El Paso Electric Company in FERC Docket No. ER22-282 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for TransCanyon Western Development, LLC in FERC Docket No. ER21-1065 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for Cleco Power LLC in FERC Docket No. ER21-370 regarding a proposed rate schedule for Blackstart Service under Schedule 33 of the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff.

Submitted direct testimony for Constellation Mystic Power, LLC in FERC Docket No. ER18-1639-005 supporting a compliance filing for a cost-of-service rate for compensation for the continued operation of power plants in ISO New England.

Submitted direct testimony for DATC Path 15, LLC in FERC Docket No. ER20-1006 regarding a proposed wholesale transmission rate.

Submitted direct testimony for Tucson Electric Power Company in FERC Docket No. ER19-2019 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for Cheyenne Light, Fuel & Power Company in FERC Docket No. ER19-697 regarding a proposed Transmission Formula Rate.

Supported Kansas City Power & Light in FERC Docket No. ER19-1861-000 regarding revisions to fixed depreciation rates in the KCP&L SPP Transmission Formula Rate.

Supported Westar Energy and Kansas Gas & Electric Company in FERC Docket No. ER19-269-000 regarding revisions to fixed depreciation rates in the Westar SPP Transmission Formula Rate.

Submitted direct testimony for Midwest Power Transmission Arkansas, LLC in FERC Docket No. ER15-2236 regarding a proposed Transmission Formula Rate.

Submitted direct testimony for Kanstar Transmission, LLC in FERC Docket No. ER15-2237 regarding a proposed Transmission Formula Rate.

Supported Westar Energy and Kansas Gas & Electric Company in FERC Docket Nos. FA15-9-000 and FA15-15-000 regarding an Audit of Compliance with Rates, Terms and Conditions of Westar's Open

Access Transmission Tariff and Formula Rates, Accounting Requirements of the Uniform System of Accounts, and Reporting Requirements of the FERC Form No. 1.

Submitted direct testimony for Westar Energy in FERC Docket Nos. ER14-804 and ER14-805 regarding proposed revisions to a Generation Formula Rate.

Supported Intermountain Rural Electric Association and Tri-State G&T in FERC Docket No. ER12-1589 regarding revisions to Public Service of Colorado's Transmission Formula Rate.

Supported Intermountain Rural Electric Association in FERC Docket No. ER11-2853 regarding revisions to Public Service of Colorado's Production Formula Rate.

Supported Kansas Gas & Electric Company in FERC Docket No. FA14-3-000 regarding an Audit of Compliance with Nuclear Plant Decommissioning Trust Fund Regulations and Accounting Practices.

Supported LG&E Energy LLC in FERC Docket No. PA05-9-000 regarding an Audit of Code of Conduct, Standards of Conduct, Market-Based Rate Tariff, and MISO's Open Access Transmission Tariff at LG&E Energy LLC.

Submitted remarks and served on expert panel in FERC Docket No. RM01-10-000 on May 21, 2002 in Standards of Conduct for Transmission Providers staff conference, regarding proposed rulemaking on the functional separation of wholesale transmission and bundled sales functions for electric utilities.

Kansas

Submitted direct and rebuttal testimony for Evergy Metro, Inc. in Docket No. 23-EKCE-775-RTS regarding a jurisdictional cost allocation in a retail rate case.

Submitted report for Westar Energy, Inc. in Docket No. 21-WCNE-103-GIE regarding plans and options for funding the decommissioning trust fund, depreciation expenses, and overall cost recovery in the event of premature closing of the Wolf Creek nuclear plant.

Submitted direct and rebuttal testimony for Westar Energy, Inc. in Docket No. 18-WSEE-328-RTS regarding overall rate design, prior rate case settlement commitments, lighting tariffs, an Electric Transit rate schedule, Electric Vehicle charging tariffs, and tariff general terms and conditions.

Submitted direct and rebuttal testimony for Westar Energy, Inc. in Docket No. 18-KG&E-303-CON regarding the Evaluation, Measurement and Verification ("EM&V") of an energy efficiency demand response program offered pursuant to a large industrial customer special contract.

Submitted report for Westar Energy, Inc. in Docket No. 18-WCNE-107-GIE regarding plans and options for funding the decommissioning trust fund, depreciation expenses, and overall cost recovery in the event of premature closing of the Wolf Creek nuclear plant.

Submitted direct and rebuttal testimony for Westar Energy, Inc. in Docket No. 15-WSEE-115-RTS regarding rate designs for large customer classes, establishment of a balancing account related to new rate options, establishment of a tracking mechanism for costs related to compliance with mandated cyber and physical security standards, other rate design issues, and revenue allocation.

Kentucky

Adopted direct testimony on behalf of Kentucky Power Company in Case No. 2023-00159 regarding the zero intercept analysis in a base rate case.

Submitted responses to data requests on behalf of Big Rivers Electric Corporation and Kenergy Corp. in Case No. 2023-00312 regarding a Large Industrial Customer Standby Service Tariff.

Submitted direct testimony on behalf of Big Sandy R.E.C.C. in Case No. 2023-00285 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony, rebuttal testimony, and responses to data requests on behalf of Kenergy Corp. in Case No. 2023-00276 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony, rebuttal testimony, and responses to data requests on behalf of Fleming-Mason Energy Corporation in Case No. 2023-00223 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony and responses to data requests on behalf of Shelby Energy Cooperative in Case No. 2023-00213 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony and responses to data requests on behalf of Farmers RECC in Case No. 2023-00158 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony, rebuttal testimony, and responses to data requests on behalf of Taylor County RECC in Case No. 2023-00147 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted tariff worksheets and responses to data requests on behalf of sixteen distribution cooperative owner-members of East Kentucky Power Cooperative in Case No. 2023-00135 regarding rate design for the pass-through of an approved wholesale earning mechanism bill credit.

Submitted direct testimony and responses to data requests on behalf of Big Rivers Electric Corporation in Case No. 2023-00102 regarding a Qualifying Facilities tariff.

Submitted direct testimony on behalf of Big Rivers Electric Corporation and Kenergy Corp. in Case No. 2023-00045 regarding a marginal cost of service study in support of an economic development rate for a special contract.

Submitted direct and rebuttal testimony and responses to data requests on behalf of Jackson Purchase Energy Corporation in Case No. 2021-00358 regarding revenue requirements, adjustments, cost of service and rate design in a base rate case.

Submitted direct and rebuttal testimony and responses to data requests on behalf of Big Rivers Electric Corporation in Case No. 2021-00289 regarding a Large Industrial Customer Standby Service Tariff.

Submitted direct testimony on behalf of Big Rivers Electric Corporation and Jackson Purchase Energy Corporation in Case No. 2021-00282 regarding a marginal cost of service study in support of an economic development rate for a special contract.

Submitted direct testimony, responses to data requests, and rebuttal testimony on behalf of sixteen distribution cooperative owner-members of East Kentucky Power Cooperative in Case Nos. 2021-00104 through 2021-00119 regarding rate design for the pass-through of a proposed wholesale rate revision.

Submitted direct testimony and responses to data requests on behalf of Kenergy Corp. in Case No. 2021-00066 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony on behalf of Big Rivers Electric Corporation in Case No. 2021-00061 regarding two cost of service studies in a review of the Member Rate Stability Mechanism Charge for calendar year 2020.

Submitted direct testimony and responses to data requests on behalf of Licking Valley R.E.C.C. in Case No. 2020-00338 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Cumberland Valley Electric in Case No. 2020-00264 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Taylor County R.E.C.C. in Case No. 2020-00278 regarding the cost support and tariff changes for the implementation of a Prepay Metering Program.

Submitted direct testimony and responses to data requests on behalf of Meade County R.E.C.C. in Case No. 2020-00131 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Clark Energy Cooperative in Case No. 2020-00104 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Big Rivers Electric Corporation in Case No. 2019-00435 regarding an Environmental Compliance Plan and Environmental Surcharge rate mechanism.

Submitted direct testimony and responses to data requests on behalf of Jackson Energy Cooperative in Case No. 2019-00066 regarding revenue requirements, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and responses to data requests on behalf of Jackson Purchase Energy Corporation in Case No. 2019-00053 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a streamlined rate case.

Submitted direct testimony and data request responses on behalf of Big Rivers Electric Corporation in Case No. 2018-00146 regarding ratemaking issues associated with the anticipated termination of contracts regarding the operation of an electric generating plant owned by the City of Henderson, Kentucky.

Submitted direct testimony on behalf of fifteen distribution cooperative owner-members of East Kentucky Power Cooperative in Case No. 2018-00050 regarding the economic evaluation of and potential cost shift resulting from a proposed member purchased power agreement.

Submitted direct testimony on behalf of Big Sandy R.E.C.C. in Case No. 2017-00374 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a base rate case.

Submitted direct testimony on behalf of Progress Metal Reclamation Company in Kentucky Power Company Case No. 2017-00179 regarding the potential implementation of a Load Retention Rate or revisions to an Economic Development Rate.

Submitted direct testimony on behalf of Kenergy Corp. and Big Rivers Electric Corporation in Case No. 2016-00117 regarding a marginal cost of service study in support of an economic development rate for a special contracts customer.

Submitted rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2014-00134 regarding ratemaking treatment of revenues associated with proposed wholesale market-based-rate purchased power agreements with entities in Nebraska.

Submitted direct and rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2013-00199 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a base rate case.

Submitted direct and rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2012-00535 regarding revenue requirements, pro forma adjustments, cost of service and rate design in a base rate case.

Submitted direct and rebuttal testimony on behalf of Big Rivers Electric Corporation in Case No. 2012-00063 regarding an Environmental Compliance Plan and Environmental Surcharge rate mechanism.

Submitted direct, rebuttal, and rehearing direct testimony on behalf of Big Rivers Electric Corporation in Case No. 2011-00036 regarding revenue requirements and pro forma adjustments in a base rate case.

Submitted direct testimony for Louisville Gas & Electric Company in Case No. 2009-00549 and for Kentucky Utilities Company in Case No. 2009-00548 for adjustment of electric and gas base rates, in support of a new service offering for Low Emission Vehicles, revised special charges, and company offerings aimed at assisting customers.

Submitted discovery responses for Kentucky Utilities and/or Louisville Gas & Electric Company in various customer inquiry matters, including Case Nos. 2009-00421, 2009-00312, and 2009-00364.

Submitted discovery responses for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2008-00148 regarding the 2008 Joint Integrated Resource Plan.

Submitted discovery responses for Louisville Gas & Electric Company and Kentucky Utilities Company in Administrative Case No. 2007-00477 regarding an investigation of the energy and regulatory issues in Kentucky's 2007 Energy Act.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2007-00319 for the review, modification, and continuation of Energy Efficiency Programs and DSM Cost Recovery Mechanisms.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2007-00067 for approval of a proposed Green Energy program and associated tariff riders.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2005-00467 and 2005-00472 regarding a Certificate of Public Convenience and Necessity for the construction of transmission facilities.

Submitted discovery responses for Kentucky Utilities in Case No. 2005-00405 regarding the transfer of a utility hydroelectric power plant to a private developer.

Submitted discovery responses for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2005-00162 for the 2005 Joint Integrated Resource Plan.

Presented company position for Louisville Gas & Electric Company and Kentucky Utilities Company at public meetings held in Case Nos. 2005-00142 and 2005-00154 regarding routes for proposed transmission lines.

Supported Louisville Gas & Electric Company and Kentucky Utilities Company in a Focused Management Audit of Fuel Procurement practices by Liberty Consulting in 2004.

Supported Louisville Gas & Electric Company and Kentucky Utilities Company in an Investigation into their Membership in the Midwest Independent Transmission System Operator, Inc. ("MISO") in Case No. 2003-00266.

Supported Louisville Gas & Electric Company and Kentucky Utilities Company in a Focused Management Audit of its Earning Sharing Mechanism by Barrington-Wellesley Group in 2002-2003.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2002-00381 regarding a Certificate of Public Convenience and Necessity for the acquisition of four combustion turbines.

Submitted direct testimony for Louisville Gas & Electric Company and Kentucky Utilities Company in Case No. 2002-00029 regarding a Certificate of Public Convenience and Necessity for the acquisition of two combustion turbines.

Missouri

Submitted direct, rebuttal and surrebuttal testimony for Evergy Metro, Inc. in Case No. ER-2022-0130 regarding a jurisdictional cost allocation analysis in a retail rate case.

Virginia

Submitted direct testimony for Kentucky Utilities Company d/b/a Old Dominion Power in Case No. PUE-2002-00570 regarding a Certificate of Public Convenience and Necessity for the acquisition of four combustion turbines.

Exhibit JW-2
Revenue Requirements &
Pro Forma Adjustments

JACKSON PURCHASE ENERGY CORPORATION
Statement of Operations & Revenue Requirement
For the 12 Months Ended August 31, 2023

Line #	Description (1)	Actual Rates Actual Test Yr (2)	Pro Forma Adjustment (3)	Present Rates Adj Test Yr (4)	Proposed Rates Adj Test Yr (5)
1	<u>Operating Revenues</u>				
2	Total Sales of Electric Energy	94,026,216	(12,831,711)	81,194,505	86,780,703
3	Other Electric Revenue	1,355,252	-	1,355,252	1,355,252
4	Total Operating Revenue	95,381,468	(12,831,711)	82,549,757	88,135,954
5					
6	<u>Operating Expenses:</u>				
7	Purchased Power	70,722,286	(12,932,603)	57,789,683	57,789,683
8	Distribution Operations	4,126,999	-	4,126,999	4,126,999
9	Distribution Maintenance	7,186,249	758,989	7,945,239	7,945,239
10	Customer Accounts	1,134,564	-	1,134,564	1,134,564
11	Customer Service	608	-	608	608
12	Sales Expense	4,366	-	4,366	4,366
13	A&G	3,957,854	761,366	4,719,221	4,719,221
14	Total O&M Expense	87,132,925	(11,412,247)	75,720,678	75,720,678
15					
16	Depreciation	7,326,400	(16,250)	7,310,149	7,310,149
17	Taxes - Other	67,856	-	67,856	67,856
18	Interest on LTD	2,368,870	288,998	2,657,867	2,657,867
19	Interest - Other	153,310	(3,575)	149,735	149,735
20	Other Deductions	1,413	-	1,413	1,413
21					
22	Total Cost of Electric Service	97,050,775	(11,143,075)	85,907,700	85,907,700
23		94,527,181	(11,428,497)	83,098,684	
24	Utility Operating Margins	(1,669,307)	(1,688,636)	(3,357,943)	2,228,255
25					
26	Non-Operating Margins - Interes	308,201	-	308,201	308,201
26a	Income(Loss) from Equity Invest	-	-	-	-
27	Non-Operating Margins - Other	1,499	-	1,499	1,499
28	G&T Capital Credits	-	-	-	-
29	Other Capital Credits	119,913	-	119,913	119,913
30					
31	Net Margins	(1,239,694)	(1,688,636)	(2,928,330)	2,657,867
32					
33	Cash Receipts from Lenders	72,254		72,254	72,254
34	OTIER	0.33		(0.24)	1.87
35	TIER	0.48		(0.10)	2.00
36	TIER excluding GTCC	0.48		(0.10)	2.00
37					
38	Target TIER	2.00		2.00	2.00
39	Margins at Target TIER	2,368,870		2,657,867	2,657,867
40	Revenue Requirement	99,419,644		88,565,567	88,565,567
41	Revenue Deficiency	3,608,564		5,586,197	-
42			Target (\$) >	5,586,197	
43			Increase (\$) >		5,586,197
44			Increase (%) >		6.77%

JACKSON PURCHASE ENERGY CORPORATION
Summary of Pro Forma Adjustments

Reference Schedule #	Item (1)	Revenue (2)	Expense (3)	Non- Operating Income (4)	Net Margin (5)
1.01	FAC	(9,297,927)	(8,969,611)	-	(328,315)
1.02	ES	(3,734,413)	(3,623,000)	-	(111,412)
1.03	MRSM	3,156,156	3,141,245	-	14,911
1.04	Non-FAC PPA	(3,640,327)	(4,012,568)	-	372,241
1.05	Donations, Promo Ads & Dues	-	455,666	-	(455,666)
1.06	401k Contributions	-	(22,064)	-	22,064
1.07	Life Insurance	-	(14,628)	-	14,628
1.08	Rate Case Costs	-	18,953	-	(18,953)
1.09	Interest Expense	-	285,422	-	(285,422)
1.10	Year End Customers	684,800	531,332	-	153,468
1.11	Wages & Salaries	-	359,915	-	(359,915)
1.12	Depreciation Normalization	-	(16,250)	-	16,250
1.13	Directors Expenses	-	(29,987)	-	29,987
1.14	Right of Way	-	758,989	-	(758,989)
1.15	Health Care Costs	-	(6,488)	-	6,488
	Total	(12,831,711)	(11,143,075)	-	(1,688,636)

JACKSON PURCHASE ENERGY CORPORATION
Summary of Adjustments to Test Year Balance Sheet

Line #	Description (1)	Actual Test Yr (2)	Pro Forma Adjs (3)	Pro Forma Test Yr (4)
1	Assets and Other Debits			
2	Total Utility Plant in Service	208,827,089	-	208,827,089
3	Construction Work in Progress	6,172,076	-	6,172,076
4	Total Utility Plant	214,999,165	-	214,999,165
5	Accum Provision for Depr and Amort	(81,565,220)	-	(81,565,220)
6	Net Utility Plant	133,433,945	-	133,433,945
7				
8	Investment in Assoc Org - Patr Capital	2,023,791	-	2,023,791
9	Investment in Assoc Org - Other Gen Fnd	-	-	-
10	Investment in Assoc Org - Non Gen Fnd	2,040,064	-	2,040,064
11	Other Investment	-	-	-
12	Total Other Prop & Investments	4,063,855	-	4,063,855
13				
14	Cash - General Funds	3,506,855	-	3,506,855
15	Cash - Construction Fund Trust	-	-	-
16	Special Deposits	-	-	-
17	Temporary Investments	-	-	-
18	Accts Receivable - Sales Energy (Net)	6,563,251	-	6,563,251
19	Accts Receivable - Other (Net)	187,507	-	187,507
20	Renewable Energy Credits	-	-	-
21	Material & Supplies - Elec & Other	4,645,711	-	4,645,711
22	Prepayments	722,539	-	722,539
23	Other Current & Accr Assets	5,731,904	-	5,731,904
24	Total Current & Accr Assets	21,357,766	-	21,357,767
25				
26	Other Regulatory Assets	-	-	-
27	Other Deferred Debits	49,992	-	49,992
28				
29	Total Assets & Other Debits	158,905,558	-	158,905,559
30				
31	Liabilities & Other Credits			
32	Memberships	97,715	-	97,715
33	Patronage Capital	50,105,393	-	50,105,393
34	Operating Margins - Current Year	(199,168)	-	(199,168)
35	Non-Operating Margins	328,763	-	328,763
36	Other Margins & Equities	77,039	-	77,039
37	Total Margins & Equities	50,409,742	-	50,409,742
38				
39	Long Term Debt - RUS (Net)	-	-	-
40	Long Term Debt - FFB - RUS GUAR	66,100,260	-	66,100,260
41	Long Term Debt - Other - RUS GUAR	-	-	-
42	Long Term Debt - Other (Net)	23,141,579	-	23,141,579
43	Long Term Debt - RUS -Econ Dev - Net	-	-	-
44	Payments - Unapplied	-	-	-
45	Total Long Term Debt	89,241,838	-	89,241,839
46				
47	Accum Operating Provisions	3,163,678	-	3,163,678
48				
49	Notes Payable	2,000,000	-	2,000,000
50	Accounts Payable	8,560,971	-	8,560,971
51	Consumer Deposits	3,242,780	-	3,242,780
52	Current Maturities - Long Term Debt	-	-	-
53	Other Current & Accr Liabilities	2,244,275	-	2,244,275
54	Total Current & Accr Liabilities	16,048,026	-	16,048,026
55				
56	Regulatory Liabilities	42,274	-	42,274
57	Other Deferred Credits	-	-	-
58	Total Liabilities & Other Credits	158,905,558	-	158,905,559

JACKSON PURCHASE ENERGY CORPORATION
Summary of Adjustments to Test Year Statement of Operations

Reference Schedule >	1.01	1.02	1.03	1.04	1.05	1.06	1.07	1.08	1.09	1.10	1.11	1.12	1.13	1.14	1.15	
Adjustment Item >	FAC	ES	MRSM	Non-FAC PPA	Donations, Promo Ads & Dues	401k Contributions	Life Insurance	Rate Case Costs	Interest Expense	Year End Customers	Wages & Salaries	Depreciation Normalization	Directors Expenses	Right of Way	Health Care Costs	TOTAL
1																
2	Operating Revenues:															
3	-	-	-	-	-	-	-	-	-	684,800	-	-	-	-	-	684,800
4	(9,297,927)	(3,734,413)	3,156,156	(3,640,327)	-	-	-	-	-	-	-	-	-	-	-	(13,516,511)
5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	(9,297,927)	(3,734,413)	3,156,156	(3,640,327)	-	-	-	-	-	684,800	-	-	-	-	-	(12,831,711)
7																
8	Operating Expenses:															
9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	531,332	-	-	-	-	-	531,332
11	(8,969,611)	(3,623,000)	3,141,245	(4,012,568)	-	-	-	-	-	-	-	-	-	-	-	(13,463,935)
12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-	-	-	-	-	-	758,989	-	758,989
14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	-	-	-	-	455,666	(22,064)	(14,628)	18,953	-	-	359,915	-	(29,987)	-	(6,488)	761,366
18	(8,969,611)	(3,623,000)	3,141,245	(4,012,568)	455,666	(22,064)	(14,628)	18,953	-	531,332	359,915	-	(29,987)	758,989	(6,488)	(11,412,247)
19																
20	-	-	-	-	-	-	-	-	-	-	-	(16,250)	-	-	-	(16,250)
21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	288,998	-	-	-	-	-	-	288,998
23	-	-	-	-	-	-	-	-	(3,575)	-	-	-	-	-	-	(3,575)
24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	(8,969,611)	(3,623,000)	3,141,245	(4,012,568)	455,666	(22,064)	(14,628)	18,953	285,422	531,332	359,915	(16,250)	(29,987)	758,989	(6,488)	(11,143,075)
26																
27	(328,315)	(111,412)	14,911	372,241	(455,666)	22,064	14,628	(18,953)	(285,422)	153,468	(359,915)	16,250	29,987	(758,989)	6,488	(1,688,636)
28																
29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34																
35	(328,315)	(111,412)	14,911	372,241	(455,666)	22,064	14,628	(18,953)	(285,422)	153,468	(359,915)	16,250	29,987	(758,989)	6,488	(1,688,636)

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Fuel Adjustment Clause

Line #	Year (1)	Month (2)	Revenue (3)	Expense (4)
1	Beginning Unbilled		\$ 1,905,264	
2	2023	Jan	\$ 1,817,089	\$ 861,304
3	2023	Feb	\$ 1,410,984	\$ 396,277
4	2023	Mar	\$ 334,482	\$ 68,382
5	2023	Apr	\$ 41,934	\$ 171,003
6	2023	May	\$ 208,394	\$ 256,485
7	2023	Jun	\$ 315,344	\$ 367,863
8	2023	Jul	\$ 351,034	\$ 618,747
9	2023	Aug	\$ 441,276	\$ 496,961
10	2022	Sep	\$ 1,207,720	\$ 1,894,561
11	2022	Oct	\$ 893,359	\$ 1,292,348
12	2022	Nov	\$ 1,457,475	\$ 1,240,115
13	2022	Dec	\$ 1,831,507	\$ 1,305,566
14	Ending Unbilled		\$ (2,917,935)	
15	TOTAL		\$ 9,297,927	\$ 8,969,611
16				
17	Test Year Amount		\$ 9,297,927	\$ 8,969,611
18				
19	Pro Forma Year Amount		\$ -	\$ -
20				
21	Adjustment		\$ (9,297,927)	\$ (8,969,611)
22			net >	\$ (328,315)

This adjustment removes the FAC revenues and expenses from the test period.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Environmental Surcharge

Line #	Year (1)	Month (2)	Revenue (3)	Expense (4)
1		Beginning Unbilled	\$ 763,163	
2	2023	Jan	\$ 320,482	\$ 579,154
3	2023	Feb	\$ 284,328	\$ 224,066
4	2023	Mar	\$ 420,286	\$ 186,653
5	2023	Apr	\$ 174,572	\$ 217,799
6	2023	May	\$ 208,507	\$ 271,748
7	2023	Jun	\$ 401,851	\$ 410,898
8	2023	Jul	\$ 366,115	\$ 452,658
9	2023	Aug	\$ 492,704	\$ 432,102
10	2022	Sep	\$ 209,062	\$ 203,255
11	2022	Oct	\$ 162,863	\$ 194,818
12	2022	Nov	\$ 129,764	\$ 177,098
13	2022	Dec	\$ 302,665	\$ 272,754
14		Ending Unbilled	\$ (501,948)	
15		TOTAL	\$ 3,734,413	\$ 3,623,000
16				
17		Test Year Amount	\$ 3,734,413	\$ 3,623,000
18				
19		Pro Forma Year Amount	\$ -	\$ -
20				
21		Adjustment	\$ (3,734,413)	\$ (3,623,000)
22			net >	\$ (111,412)

This adjustment removes the ES revenues and expenses from the test period.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Member Rate Stability Mechanism

Line #	Year (1)	Month (2)	Revenue (3)	Expense (4)
1	Beginning Unbilled		\$ (480,050)	
2	2023	Jan	\$ (471,013)	\$ (215,650)
3	2023	Feb	\$ (364,224)	\$ (217,710)
4	2023	Mar	\$ (112,692)	\$ (214,857)
5	2023	Apr	\$ (151,131)	\$ (217,368)
6	2023	May	\$ (244,567)	\$ (229,501)
7	2023	Jun	\$ (324,290)	\$ (236,878)
8	2023	Jul	\$ (322,415)	\$ (237,725)
9	2023	Aug	\$ (315,166)	\$ (225,355)
10	2022	Sep	\$ (208,950)	\$ (346,317)
11	2022	Oct	\$ (140,237)	\$ (332,925)
12	2022	Nov	\$ (267,217)	\$ (335,318)
13	2022	Dec	\$ (492,200)	\$ (331,642)
14	Ending Unbilled		\$ 737,997	
15	TOTAL		\$ (3,156,156)	\$ (3,141,245)
16				
17	Test Year Amount		\$ (3,156,156)	\$ (3,141,245)
18				
19	Pro Forma Year Amount		\$ -	\$ -
20				
21	Adjustment		\$ 3,156,156	\$ 3,141,245
22			net >	\$ 14,911

This adjustment removes the MRSM revenues and expenses from the test period.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Non-FAC Purchased Power Adjustment

Line #	Year (1)	Month (2)	Revenue (3)	Expense (4)
1		Beginning Unbilled	\$ 660,677	
2	2023	Jan	\$ 422,327	\$ 357,876
3	2023	Feb	\$ 403,499	\$ 304,544
4	2023	Mar	\$ 241,022	\$ 310,399
5	2023	Apr	\$ 216,476	\$ 259,130
6	2023	May	\$ 314,511	\$ 304,613
7	2023	Jun	\$ 383,744	\$ 362,206
8	2023	Jul	\$ 402,658	\$ 413,070
9	2023	Aug	\$ 443,819	\$ 392,393
10	2022	Sep	\$ 148,213	\$ 329,006
11	2022	Oct	\$ 107,505	\$ 269,400
12	2022	Nov	\$ 253,967	\$ 317,628
13	2022	Dec	\$ 368,397	\$ 392,302
14		Ending Unbilled	\$ (726,488)	
15		TOTAL	\$ 3,640,327	\$ 4,012,568
16				
17		Test Year Amount	\$ 3,640,327	\$ 4,012,568
18				
19		Pro Forma Year Amount	\$ -	\$ -
20				
21		Adjustment	\$ (3,640,327)	\$ (4,012,568)
22			net >	\$ 372,241

This adjustment removes the Non-FAC PPA revenues and expenses from the test period.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Donations, Promotional Advertising & Dues

Line #	Item (1)	Account (2)	Excluded Amount (3)
1	Donations	426.100	\$ 1,700.00
2	Cooperative Information	912.7/8	\$ 4,365.63
3	Donations/Employee Events/Misc	921.000	\$ 187,514.53
4	Donations/Employee Events/Misc	921.100	\$ 5,015.50
5	Donations/Due	925.000	\$ 286.17
6	Donations/Employee Events/Misc	930.410	\$ 3,104.92
7	Donations/Employee Events/Misc	930.420	\$ 9,550.00
8	Outside Services	923.000	\$ 12,716.08
9	Annual Meeting - Ads, Prizes, Printing	930.220	\$ 25,556.21
10	Subscriptions/Event	930.200	\$ 6,203.46
11	Rodeo	930.207	\$ 50,973.22
12	Coop Sponsorships/Dues	930.300	\$ 14,312.83
13	NRECA dues	930.200	\$ 43,510.00
14	Other dues	580/588.2	\$ 5,284.20
15	Other dues	930.200	\$ 64,991.70
16	Scholarships	930.208	\$ 11,000.00
17	Youth Tour	930.209	\$ 9,581.16
18	Total		\$ 455,665.61

This adjustment removes charitable donations, promotional advertising expenses, and dues from the revenue requirement consistent with standard Commission practices.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

401(k) Contribution Match Expense

#	Employee #	Excluded Amount	Acct
1	1	\$ (4,670)	583
2	2	(2,318)	583.2
3	3	(2,725)	163
4	4	(2,172)	588
5	5	(2,504)	583
6	6	(2,789)	920
7	7	(4,886)	583
8	Total	\$ (22,064)	

This adjustment removes the contribution for the least generous plans for employer retirement contributions for employees participating in multiple benefit packages.

Specifically, for Non-Union employees under R&S Pension Plan and 401k match, removes the 401k match for non-union (non-contractual) employees.

Account	Total
583	(12,059)
583.2	(2,318)
588	(2,172)
920	(2,789)
	(19,339)
163	(2,725)
Total	(22,064)

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Life Insurance

A	B	C	D	E	F	G (E * 2)	H ((G-F)/G)*B
Empl #	Total Premium	Acct	Hourly Rate	Salary	Lesser of \$50k or Salary	Coverage - 2x Salary	Amount to Exclude
1	\$ 588.60	920	\$ 68.07	\$ 141,585.60	\$ 50,000.00	\$ 283,171.20	\$ (484.67)
2	285.96	920	32.81	68,244.80	50,000.00	136,489.60	(181.20)
3	368.88	920	42.60	88,610.08	50,000.00	177,220.16	(264.81)
4	228.00	920	26.15	54,392.00	50,000.00	108,784.00	(123.21)
5	319.20	925	36.68	76,294.40	50,000.00	152,588.80	(214.61)
6	398.04	920	46.04	95,763.20	50,000.00	191,526.40	(294.13)
7	339.96	583	39.28	81,702.40	50,000.00	163,404.80	(235.94)
8	339.96	583	39.28	81,702.40	50,000.00	163,404.80	(235.94)
9	281.88	920	32.55	67,704.00	50,000.00	135,408.00	(177.79)
10	339.96	584	39.28	81,702.40	50,000.00	163,404.80	(235.94)
11	339.96	593	39.28	81,702.40	50,000.00	163,404.80	(235.94)
12	207.24	583	23.56	49,004.80	49,004.80	98,009.60	(103.62)
13	323.40	583	37.32	77,625.60	50,000.00	155,251.20	(219.25)
14	182.40	903	20.82	43,307.68	43,307.68	86,615.36	(91.20)
15	240.48	583	27.49	57,179.20	50,000.00	114,358.40	(135.34)
16	373.08	584	43.21	89,876.80	50,000.00	179,753.60	(269.30)
17	186.60	903	21.59	44,909.28	44,909.28	89,818.56	(93.30)
18	373.08	584	43.21	89,876.80	50,000.00	179,753.60	(269.30)
19	174.12	903	20.03	41,662.40	41,662.40	83,324.80	(87.06)
20	373.08	583	43.21	89,876.80	50,000.00	179,753.60	(269.30)
21	501.72	583	58.17	120,993.60	50,000.00	241,987.20	(398.05)
22	1,359.84	920.1	157.52	327,641.60	50,000.00	655,283.20	(1,256.08)
23	285.96	163	32.74	68,099.20	50,000.00	136,198.40	(180.98)
24	373.08	902	33.39	69,451.20	50,000.00	138,902.40	(238.78)
25	373.08	583	43.21	89,876.80	50,000.00	179,753.60	(269.30)
26	207.24	920	23.98	49,878.40	49,878.40	99,756.80	(103.62)
27	339.96	584	39.28	81,702.40	50,000.00	163,404.80	(235.94)
28	339.96	584	39.28	81,702.40	50,000.00	163,404.80	(235.94)
29	339.96	583	39.28	81,702.40	50,000.00	163,404.80	(235.94)
30	223.80	903	25.91	53,882.40	50,000.00	107,764.80	(119.96)
31	456.00	920	52.88	109,990.40	50,000.00	219,980.80	(352.35)
32	178.32	903	20.56	42,766.88	42,766.88	85,533.76	(89.16)
33	194.88	588	22.42	46,633.60	46,633.60	93,267.20	(97.44)
34	232.20	583	26.52	55,161.60	50,000.00	110,323.20	(126.96)
35	261.24	583	30.29	62,992.80	50,000.00	125,985.60	(157.56)
36	485.04	583	56.13	116,750.40	50,000.00	233,500.80	(381.18)
37	244.56	920	27.99	58,221.28	50,000.00	116,442.56	(139.55)
38	310.92	583	35.74	74,339.20	50,000.00	148,678.40	(206.36)
39	323.40	920	37.48	77,958.40	50,000.00	155,916.80	(219.69)
40	596.88	583	72.12	150,009.60	50,000.00	300,019.20	(497.41)
41	252.96	920	29.23	60,798.40	50,000.00	121,596.80	(148.94)
42	236.28	583.2	27.21	56,603.04	50,000.00	113,206.08	(131.92)
43	310.92	584	40.07	83,345.60	50,000.00	166,691.20	(217.66)
44	273.60	583	31.42	65,353.60	50,000.00	130,707.20	(168.94)
45	323.40	584	37.32	77,625.60	50,000.00	155,251.20	(219.25)
46	269.52	588	31.25	65,000.00	50,000.00	130,000.00	(165.86)
47	215.52	583	24.70	51,376.00	50,000.00	102,752.00	(110.65)
48	178.32	583	20.26	42,130.40	42,130.40	84,260.80	(89.16)
49	290.16	902	33.39	69,451.20	50,000.00	138,902.40	(185.71)
50	219.72	588	25.40	52,832.00	50,000.00	105,664.00	(115.75)
51	339.96	583	39.28	81,702.40	50,000.00	163,404.80	(235.94)
52	339.96	583	39.28	81,702.40	50,000.00	163,404.80	(235.94)
53	373.08	584	43.21	89,876.80	50,000.00	179,753.60	(269.30)
54	518.16	588	56.59	117,707.20	50,000.00	235,414.40	(408.11)
55	373.08	584	43.21	89,876.80	50,000.00	179,753.60	(269.30)
56	339.96	583	39.28	81,702.40	50,000.00	163,404.80	(235.94)
57	257.04	184.1	29.60	61,568.00	50,000.00	123,136.00	(152.67)
58	207.24	583	23.66	49,206.56	49,206.56	98,413.12	(103.62)
59	339.96	584	39.28	81,702.40	50,000.00	163,404.80	(235.94)
60	373.08	583	43.21	89,876.80	50,000.00	179,753.60	(269.30)
61	377.28	920	43.60	90,688.00	50,000.00	181,376.00	(273.28)
62	252.96	583	29.04	60,409.44	50,000.00	120,818.88	(148.27)

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Life Insurance

A	B	C	D	E	F	G (E * 2)	H ((G-F)/G)*B
Empl #	Total Premium	Acct	Hourly Rate	Salary	Lesser of \$50k or Salary	Coverage - 2x Salary	Amount to Exclude
63	290.16	920	33.44	69,561.44	50,000.00	139,122.88	\$ (185.88)
64	373.08	584	43.21	89,876.80	50,000.00	179,753.60	\$ (269.30)
65	290.16	163	33.39	69,451.20	50,000.00	138,902.40	\$ (185.71)
66	219.72	588	25.22	52,459.68	50,000.00	104,919.36	\$ (115.01)
67	339.96	584	39.28	81,702.40	50,000.00	163,404.80	\$ (235.94)
Total	\$ 22,067.16						\$ (15,147.37)

BY ACCOUNT

Account	Total
163	\$ (366.69)
184.1	\$ (152.67)
580	\$ -
583	\$ (5,069.89)
583.2	\$ (131.92)
584	\$ (2,963.11)
588	\$ (902.17)
593	\$ (235.94)
902	\$ (424.50)
903	\$ (480.68)
910	\$ -
920	\$ (2,949.12)
920.1	\$ (1,256.08)
925	\$ (214.61)

Reduction to Expense

	\$ (14,628.01)
Reduction to Balance Sheet accounts	\$ (519.36)
Total Check	\$ (15,147.37)

This adjustment removes Life insurance premiums for coverage above the lesser of an employee's annual salary or \$50,000 from the test period.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Rate Case Expenses

Line #	Item (1)	Expense (2)
1	Legal - Goss Samford PLLC	\$ 150,000
2	Consulting - Catalyst Consulting LLC	\$ 60,000
3	Advertising / Notices	\$ -
4	Subtotal Instant Case	\$ 210,000
5		
6	Last Case	
7	Per Month Amount	\$ 5,888
8	Months Remaining when Rates Take Effect	10
9	Subtotal Last Case	\$ 58,881
10		
11	Total Amount	\$ 268,881
12	Amortization Years	3
13	Annual Amortization Amount	\$ 89,627
14		
15	Test Year Amount	\$ 70,674
16		
17	Pro Forma Year Amount	\$ 89,627
18		
19	Adjustment	\$ 18,953

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, \$5,888.08 per month through and including March 2025; "months remaining" is from proposed effective date of revised rates.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Interest Expense

#	Note #	Oustanding Principal 12/31/2023	Lender	Rate	Interest
1	1-1	985,107	RUS/FFB	2.457%	\$ 24,204.09
2	1-2	857,143	RUS/FFB	2.457%	\$ 21,060.01
3	2-1	2,584,615	RUS/FFB	4.264%	\$ 110,208.00
4	2-2	2,584,615	RUS/FFB	4.157%	\$ 107,442.46
5	2-3	3,367,006	RUS/FFB	2.144%	\$ 72,188.60
6	3-1	17,241,421	RUS/FFB	1.537%	\$ 265,000.65
7	3-2	2,900,174	RUS/FFB	1.552%	\$ 45,010.70
8	3-3	21,182,670	RUS/FFB	1.988%	\$ 421,111.47
9	3-4	4,878,749	RUS/FFB	3.262%	\$ 159,144.79
10	3-5	1,988,541	RUS/FFB	3.584%	\$ 71,269.31
11	3-6	2,680,146	RUS/FFB	3.809%	\$ 102,086.74
12	3-7	3,974,627	RUS/FFB	4.022%	\$ 159,859.50
13	3-8	4,960,162	RUS/FFB	4.928%	\$ 244,436.77
14	9003008	453,154	CFC	3.100%	\$ 14,047.76
15	9003009	705,490	CFC	3.150%	\$ 22,222.92
16	9003010	734,341	CFC	3.150%	\$ 23,131.74
17	9003011	765,018	CFC	3.200%	\$ 24,480.59
18	9003012	796,585	CFC	3.250%	\$ 25,889.03
19	9003013	830,929	CFC	3.300%	\$ 27,420.65
20	9003014	865,465	CFC	3.300%	\$ 28,560.33
21	9003015	901,975	CFC	3.350%	\$ 30,216.16
22	9003016	939,781	CFC	3.400%	\$ 31,952.55
23	9003017	980,249	CFC	3.400%	\$ 33,328.46
24	9003018	1,021,610	CFC	3.450%	\$ 35,245.53
25	9003019	1,065,126	CFC	3.500%	\$ 37,279.40
26	9003020	954,876	CFC	3.550%	\$ 33,898.10
27	9003021	694,348	CFC	3.550%	\$ 24,649.34
28	9003022	722,411	CFC	3.600%	\$ 26,006.80
29	9003023	751,764	CFC	3.650%	\$ 27,439.38
30	9003024	782,264	CFC	3.700%	\$ 28,943.78
31	9003025	709,523	CFC	3.700%	\$ 26,252.34
32	9003026	70,275	CFC	3.750%	\$ 2,635.33
33	14213340T02	593,280	CoBank	3.760%	\$ 22,307.32
34	14213340T03	273,261	CoBank	3.510%	\$ 9,591.46
35	14213340T07	464,731	CoBank	4.690%	\$ 21,795.87
36	14213340T08	1,214,291	CoBank	4.900%	\$ 59,500.24
37	14213340T09	5,289,989	CoBank	4.500%	\$ 238,049.51
38	LTD per Form 7	\$ 92,765,710			\$ 2,657,867.70
39					
40	Test Year Amount				\$ 2,368,870.00
41					
42	Pro Forma Year Amount				\$ 2,657,867.70
43					
44	Adjustment - Account 427				\$ 288,997.70
45					
46	<u>Short Term Interest</u>				
47	431.00		CoBank		\$ -
48	431.01		CFC		\$ 3,575.34
49	STD				\$ 3,575.34
50					
51	Pro Forma Year Amount				\$ -
52					
53	Adjustment - Account 431				\$ (3,575.34)

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

The adjustment also removes interest on short term borrowings repaid post-test-year.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Year-End Customers

Line #	Year (1)	Month (2)	Res - R (3)	Com - C1 (4)	Com - C3 (5)	C&I - D (6)	Total (7)
1	2023	Jan	25,100	4,290	514	652	
2	2023	Feb	24,072	5,311	516	662	
3	2023	Mar	23,793	5,579	513	636	
4	2023	Apr	23,790	5,576	514	637	
5	2023	May	23,779	5,559	514	638	
6	2023	Jun	23,824	5,554	516	642	
7	2023	Jul	23,821	5,563	516	643	
8	2023	Aug	23,853	5,572	520	645	
9	2022	Sep	25,578	3,747	510	652	
10	2022	Oct	25,594	3,757	513	650	
11	2022	Nov	25,613	3,770	512	649	
12	2022	Dec	25,479	3,852	518	650	
13	Average		24,525	4,844	515	646	
14							
15	End of Period Increase over Avg		954	(992)	3	4	
16							
17	Total kWh		328,446,062	37,317,394	11,646,814	169,761,237	
18	Average kWh		13,392	7,704	22,615	262,788	
19	Year-End kWh Adjustment		12,776,250	(7,642,208)	67,846	1,051,153	6,253,041
20							
21	(continued)						
22	Revenue Adjustment						
22	Current Base Rate Revenue		\$ 43,602,895	\$ 5,456,571	\$ 1,369,257	\$ 15,852,687	
23	Average Revenue per kWh		\$ 0.13276	\$ 0.14622	\$ 0.11756	\$ 0.09338	
24	Year End Revenue Adj		\$ 1,696,113	\$ (1,117,448)	\$ 7,976	\$ 98,159	684,800
25							
26	Expense Adjustment						
27	Avg Adj Purchase Exp per kWh		0.08497	0.08497	0.08497	0.08497	
28	Year End Expense Adj		\$ 1,085,621	\$ (649,372)	\$ 5,765	\$ 89,318	531,332
29							
30							
31			Revenue	Expense			Net Rev
32	Test Year Amount		\$ -	\$ -			\$ -
33							
34	Pro Forma Year Amount		\$ 684,800	\$ 531,332			\$ 153,468
35							
36	Adjustment		\$ 684,800	\$ 531,332			\$ 153,468
37							
38							
39	For Expense Adjustment:		Test Period Total				
40	Total Purchased Power Expense		\$ 70,722,286				
41	Less Fuel Adjustment Clause		\$ (10,310,597)				
42	Less Environmental Surcharge		\$ (3,473,198)				
43	Less MRSM & NonFAC PPA		\$ (292,035)				
44	Adjusted Purchased Power Expense		\$ 56,646,456				
45	Total Purchased Power kWh		666,650,245				

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

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Wages & Salaries

Line #	Test Year				(f)	Pro Forma Year*			Adjustment (j)
	(b)	(c)	(d)	(e)		(g)	(h)	(i)	
1		<i>Hours</i>	<i>Avg. Wage</i>	<i>Dollars</i>		<i>Hours</i>	<i>Avg. Wage</i>	<i>Dollars</i>	
2	Regular time	138,612.00	\$ 38.44	\$ 5,328,127.42		145,600.00	\$ 40.68	\$ 5,923,008.00	\$ 594,880.58
3									
4									
5	Overtime	21,995.50	\$ 64.64	\$ 1,421,681.03		21,995.50	\$ 68.40	\$ 1,504,559.41	\$ 82,878.38
6									
7									
8	Other Hours	3,957.92	\$ 46.46	\$ 183,896.64		3,957.92	\$ 49.17	\$ 194,617.09	\$ 10,720.45
9									
10	<i>Total</i>	164,565.42		\$ 6,933,705.09		171,553.42		\$ 7,622,184.49	\$ 688,479.40
11									
12									
13	Payroll Expensed		3,657,946	52%					\$ 359,914.82
14	Payroll Capitalized		1,928,085	28%					189,709.30
15	Payroll Other		1,411,237	20%					138,855.28
16	Per 2023 Form 7		6,997,268						\$ 688,479.40
17									
18									
19	Addition to Expense								
20	580	33%	\$ 118,771.89						
21	590	23%	\$ 82,780.41						
22	901	11%	\$ 39,590.63						
23	920	30%	\$ 107,974.45						
24	930	3%	\$ 10,797.44						
25	Total		\$ 359,914.82						

* Pro Forma Year based upon 70 employees at 2080 hours, same amount of OT hours and other hours as in Test Year

This adjustment normalizes wages and salaries to account for changes due to wage increases, departures, or new hires for standard year of 2,080 hours.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Depreciation Expense Normalization

Line #	Acct # (1)	Description (2)	Test Yr End Bal (3)	Fully Depr Items (4)	Rate (5)	Normalized Expense (6)	Test Year Expense (7)	Pro Forma Adj (8)
1		<u>Distribution Plant</u>						
2	360	Land	274,958	-				
3	362	Station equipment	22,963,256	-	1.60%	367,403	366,224	\$ 1,179
4	362.161	Station hardware	47,989	-	5.00%	2,399	2,399	\$ 0
5	362.162	Station software	33,207	-	5.00%	1,660	1,660	\$ 0
6	364	Poles, towers & fixtures	52,183,252	-	4.31%	2,249,119	2,186,210	\$ 62,909
7	365	Overhead conductors & devices	24,705,342	-	3.59%	886,932	868,034	\$ 18,898
8	366	Underground conduit	5,442,162	-	1.69%	91,970	91,583	\$ 387
9	367	Underground conductor & devices	21,726,344	-	2.90%	630,073	612,048	\$ 18,024
10	368	Line transformers	25,231,177	-	5.31%	1,339,776	1,313,253	\$ 26,523
11	369	Services	12,086,933	-	1.48%	178,838	176,286	\$ 2,552
12	370	Meters	2,155,944	-	3.99%	86,022	85,485	\$ 537
13	370.1	AMI meters	5,295,451	-	6.67%	353,030	345,742	\$ 7,288
14	370.161	AMI hardware	94,801	-	20.00%	18,960	-	\$ -
15	370.162	AMI software	65,234	-	20.00%	13,047	-	\$ -
16	370.2	AMI substation equipment	1,505,345	-	6.67%	100,356	98,615	\$ 1,742
17	371	Installations on customer premises	3,740,299	-	12.09%	452,202	427,009	\$ 25,193
18	373	Street Lights & Signs	682,155	-	3.47%	23,671	23,583	\$ 88
19		Subtotal	\$ 178,233,849	\$ -		\$ 6,795,459	\$ 6,598,131	\$ 165,321
20								
21		<u>General Plant</u>						
22	389	Land	298,674					
23	390.05	Structures and improvements	19,432,033	1,128,921	2.50%	457,578	485,691	\$ (28,113)
24	391	Office furniture and equipment	47,363	17,845	5.00%	1,476	1,887	\$ (411)
25	391.1	Computer hardware/software	378,398	268,530	20.00%	21,974	68,735	\$ (46,762)
26	392	Transportation equipment	4,073,983	2,357,042	10.00%	171,694	302,695	\$ (131,001)
27	392.1	Light duty transportation equipment	1,153,451	744,739	20.00%	81,742	115,876	\$ (34,133)
28	393	Stores	154,441	21,712	5.00%	6,636	7,504	\$ (868)
29	394	Tools, shop and garage	600,267	303,840	6.67%	19,762	31,093	\$ (11,331)
30	395	Laboratory	76,628	46,918	6.67%	1,981	4,539	\$ (2,559)
31	396	Power operated	1,139,181	660,538	10.00%	47,864	71,059	\$ (23,194)
32	397	Communications	745,716	297,444	5.00%	22,414	36,672	\$ (14,258)
33	397.1	Communications - Fiber	2,264,198	66,852	5.10%	112,065	79,197	\$ 32,868
34	398	Miscellaneous	228,907	93,827	10.00%	13,508	20,455	\$ (6,947)
35		Subtotal	30,593,240	6,008,210		958,693	1,225,403	(266,710)
36		Distribution & General Total	\$ 208,827,089	\$ 6,008,210		\$ 7,754,152	\$ 7,823,534	\$ (101,389)
37								
38		Clearing Accounts	(lines 26,27,28,31)					(189,197)
39								
40		This adjustment normalizes depreciation expenses by replacing test year actual expenses with test year end balances (less any fully depreciated items) at approved depreciation rates.						
41								
42		Distribution & General Total	(line 36 - line 38)					\$ 87,808
43		Clearing Accounts * 55% Expense	(line 38 * 0.55)					\$ (104,058)
44		Total Adjustment to Expense	(line 42 + line 43)					\$ (16,250)

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Directors Expenses

#	Item	Bearden	Brown	Elliott	Harris	Marshall	Barnes	Bell	Teitloff	Total
1	NRECA Annual Meeting Fees & Expenses	-	-	-	-	-	-	-	-	-
2	NRECA Regional Meeting	4,807.07	-	-	-	-	-	-	-	4,807.07
3	NRECA School Fees & Expenses	-	5,851.45	-	-	1,380.00	4,206.16	5,939.89	5,834.71	23,212.21
4	NRECA Director Conference	-	-	-	-	4,098.42	-	-	-	4,098.42
5	KAEC Annual Meeting fees & expenses	779.00	2,596.55	-	-	-	-	-	2,626.38	6,001.93
6	Big Rivers Annual Meeting	325.00	311.88	-	-	315.63	-	488.84	307.50	1,748.85
7	KAEC Director Meeting fees & expenses	2,211.82	-	-	-	-	-	-	-	2,211.82
8	NRECA Legislative Conference	4,205.76	-	-	-	-	-	-	-	4,205.76
9	KAEC Legislative	572.28	-	-	-	876.29	-	-	-	1,448.57
10	TOTAL	12,900.93	8,759.88	-	-	6,670.34	4,206.16	6,428.73	8,768.59	47,734.63
11										
12										
13	Items to be removed:	Amount						Test Year Amount		\$ 47,734.63
14	KAEC Annual Meeting fees & expenses (Brown, Teitloff)	(5,222.93)								
15	Big Rivers Annual Meeting	(1,748.85)								
16	NRECA Legislative Conference	(4,205.76)						Pro Forma Amount		\$ 17,747.76
17	KAEC Legislative	(1,448.57)								
18	NRECA School Fees (Marshall, Barnes, Bell, Teitloff)	(17,360.76)								
19	Total to be removed:	\$ (29,986.87)						Adjustment		\$ (29,986.87)

This adjustment removes certain Director expenses consistent with recent Commission orders and standard Commission practices.

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Right of Way

#	Account 593.3 Item	Cost
1	Test Year Right of Way + Chemical Spraying expense	\$ 3,914,880
2	Pro Forma Cost at 358 miles (\$12,427.01/mile) + budgeted chemical spraying	\$ 4,673,870
3	Adjustment	\$ 758,989

This adjustment adds to expense for new contract miles for 1/5 overhead line on system

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended August 31, 2023

Health Care Costs

#	Item	(A)	(B)	(C)	(D)	(E)
		Employee Premiums	Employer Premiums	Health Insurance Total Premiums	12%	(D - A) ProForma Adj
1						
2	Health, Dental, Vision	\$ 108,968.72	\$ 853,170.48	\$ 962,139.20	115,456.70	\$ 6,487.98
3						
4	Actual Test Year Expense					\$ 853,170.48
5						
6	Pro Forma Test Year Expense					\$ 846,682.50
7						
8	Expense Adjustment					\$ (6,487.98)
9						
10	GL Accounts:	Employer Portion	Employee Portion			
11	163.00	25,689.60	3,494.40			Balance Sheet
12	184.10	13,651.20	940.80			Balance Sheet
13	583.00	288,740.48	43,817.92			
14	583.20	13,651.20	940.80			
15	584.00	146,401.20	31,054.80			
16	588.00	96,408.00	6,678.40			
17	593.00	12,038.40	2,553.60			
18	902.00	24,076.80	5,107.20			
19	903.00	68,256.00	4,704.00			
20	920.00	176,296.00	12,230.40			
21	920.10	13,651.20	940.80			
22	925.00	13,651.20	940.80			
23	Total	892,511.28	113,403.92			

Exhibit JW-3
COSS: Summary of Results

JACKSON PURCHASE ENERGY CORPORATION
Summary of Rates of Return by Class

#	Rate	Code	Pro Forma Operating Revenue	Pro Forma Operating Expenses	Margin	Rate Base	Pro Forma Rate of Return on Rate Base
1	R - Residential	R	\$ 46,859,860	\$ 46,812,583	\$ 47,277	\$ 98,616,400	0.05%
2	C-1 Small Commercial Single Phase	C1	\$ 4,502,303	\$ 5,577,485	\$ (1,075,182)	\$ 16,588,511	-6.48%
3	C-3 Small Commercial Three Phase	C3	\$ 1,390,529	\$ 1,501,763	\$ (111,234)	\$ 3,656,491	-3.04%
4	D - Commercial and Industrial Demand < 3,000 kW	D	\$ 16,379,806	\$ 15,971,873	\$ 407,933	\$ 20,919,999	1.95%
5	D - Commercial and Industrial - DIRECT SERVED	D	\$ 11,548,430	\$ 11,434,297	\$ 114,133	\$ -	NA
6	I-E - Large Commercial Existing	I-E	\$ 1,726,252	\$ 1,720,531	\$ 5,721	\$ 1,944,755	0.29%
7	OL - Outdoor Lighting	OL	\$ 1,290,106	\$ 968,728	\$ 321,377	\$ 4,034,545	7.97%
8	Total		\$ 83,697,285	\$ 83,987,260	\$ (289,975)	\$ 145,760,701	-0.20%

#	Rate	Code	Share of Revenue	Share of Energy
9	R - Residential	R	56.0%	51.6%
10	C-1 Small Commercial Single Phase	C1	5.4%	5.9%
11	C-3 Small Commercial Three Phase	C3	1.7%	1.8%
12	D - Commercial and Industrial Demand < 3,000 kW	D	19.6%	26.7%
13	D - Commercial and Industrial - DIRECT SERVED	D	13.8%	10.2%
14	I-E - Large Commercial Existing	I-E	2.1%	2.9%
15	OL - Outdoor Lighting	OL	1.5%	1.0%
16			100.0%	100.0%

JACKSON PURCHASE ENERGY CORPORATION
Summary of Cost-Based Rates

Cost-Based Rates

#	Rate	Customer \$/Month	Energy \$/KWH	Demand \$/KW
1	R - Residential	53.45	0.103180	
2	C-1 Small Commercial Single Phase	59.37	0.069625	
3	C-3 Small Commercial Three Phase	80.74	0.095063	
4	D - Commercial and Industrial Demand < 3,000 kW	130.61	0.053310	11.47
5	I-E - Large Commercial Existing	1,964.97	0.052784	12.94

Exhibit JW-4
COSS: Functionalization &
Classification

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
<u>Plant in Service</u>								
<u>Intangible Plant</u>								
301.00 ORGANIZATION	P301	PT&D	\$ -	-	-	-	-	-
302.00 FRANCHISES	P302	PT&D	-	-	-	-	-	-
303.00 MISC. INTANGIBLE	P303	PT&D	-	-	-	-	-	-
Total Intangible Plant	PINT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Steam Production</u>								
310.00 LAND AND LAND RIGHTS	P310	F016	\$ -	-	-	-	-	-
311.00 STRUCTURES AND IMPROVEMENTS	P311	F016	-	-	-	-	-	-
312.00 BOILER PLANT EQUIPMENT	P312	F016	-	-	-	-	-	-
313.00 ENGINES AND ENGINE DRIVEN GENERATORS	P313	F016	-	-	-	-	-	-
314.00 TURBOGENERATOR UNITS	P314	F016	-	-	-	-	-	-
315.00 ACCESSORY ELEC EQUIP	P315	F016	-	-	-	-	-	-
316.00 MISC POWER PLANT EQUIPMENT	P316	F016	-	-	-	-	-	-
317.00 ASSET RETIREMENT COST FOR STEAM PROD	P317	F016	-	-	-	-	-	-
Total Steam Production Plant	PPROD		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Transmission</u>								
350.00 LAND AND LAND RIGHTS	P350	F011	\$ -	-	-	-	-	-
352.00 STRUCTURES AND IMPROVEMENTS	P352	F011	-	-	-	-	-	-
353.00 STATION EQUIPMENT	P353	F011	-	-	-	-	-	-
354.00 TOWERS AND FIXTURES	P354	F011	-	-	-	-	-	-
355.00 POLES AND FIXTURES	P355	F011	-	-	-	-	-	-
356.00 CONDUCTORS AND DEVICES	P356	F011	-	-	-	-	-	-
359.00 ROADS AND TRAILS	P359	F011	-	-	-	-	-	-
Total Transmission Plant	PTRAN		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Plant in Service										
Intangible Plant										
301.00 ORGANIZATION	P301	PT&D	-	-	-	-	-	-	-	-
302.00 FRANCHISES	P302	PT&D	-	-	-	-	-	-	-	-
303.00 MISC. INTANGIBLE	P303	PT&D	-	-	-	-	-	-	-	-
Total Intangible Plant	PINT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Steam Production										
310.00 LAND AND LAND RIGHTS	P310	F016	-	-	-	-	-	-	-	-
311.00 STRUCTURES AND IMPROVEMENTS	P311	F016	-	-	-	-	-	-	-	-
312.00 BOILER PLANT EQUIPMENT	P312	F016	-	-	-	-	-	-	-	-
313.00 ENGINES AND ENGINE DRIVEN GENERATORS	P313	F016	-	-	-	-	-	-	-	-
314.00 TURBOGENERATOR UNITS	P314	F016	-	-	-	-	-	-	-	-
315.00 ACCESSORY ELEC EQUIP	P315	F016	-	-	-	-	-	-	-	-
316.00 MISC POWER PLANT EQUIPMENT	P316	F016	-	-	-	-	-	-	-	-
317.00 ASSET RETIREMENT COST FOR STEAM PROD	P317	F016	-	-	-	-	-	-	-	-
Total Steam Production Plant	PPROD		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
350.00 LAND AND LAND RIGHTS	P350	F011	-	-	-	-	-	-	-	-
352.00 STRUCTURES AND IMPROVEMENTS	P352	F011	-	-	-	-	-	-	-	-
353.00 STATION EQUIPMENT	P353	F011	-	-	-	-	-	-	-	-
354.00 TOWERS AND FIXTURES	P354	F011	-	-	-	-	-	-	-	-
355.00 POLES AND FIXTURES	P355	F011	-	-	-	-	-	-	-	-
356.00 CONDUCTORS AND DEVICES	P356	F011	-	-	-	-	-	-	-	-
359.00 ROADS AND TRAILS	P359	F011	-	-	-	-	-	-	-	-
Total Transmission Plant	PTRAN		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
Plant in Service (Continued)							
Distribution							
360.00	LAND AND LAND RIGHTS	P360	F001	\$ 274,958	-	-	274,958
361.00	STRUCTURES AND IMPROVEMENTS	P361	F001	-	-	-	-
362.00	STATION EQUIPMENT	P362	F001	23,044,452	-	-	23,044,452
364.00	POLES, TOWERS AND FIXTURES	P364	F002	52,183,252	-	-	-
365.00	OVERHEAD CONDUCTORS AND DEVICE	P365	F003	24,705,342	-	-	-
366.00	UNDERGROUND CONDUIT	P366	F004	5,442,162	-	-	-
367.00	UNDERGROUND CONDUCTORS AND DEV	P367	F004	21,726,344	-	-	-
368.00	LINE TRANSFORMERS	P368	F005	25,231,177	-	-	-
369.00	SERVICES	P369	F006	12,086,933	-	-	-
370.00	METERS	P370	F007	9,116,776	-	-	-
371.00	INSTALLATIONS ON CONSUMERS PRE	P371	F013	3,740,299	-	-	-
372.00	LEASED PROP. ON CONSUMERS PREMISES	P372	F013	-	-	-	-
373.00	STREET LIGHTING AND SIGNAL SYS	P373	F008	682,155	-	-	-
	Total Distribution Plant	PDIST		\$ 178,233,849	\$ -	\$ -	\$ 23,319,410
	Total Transmission and Distribution Plant	PT&D		\$ 178,233,849	\$ -	\$ -	\$ 23,319,410
	Total Production, Transmission & Distribution Plant	PPT&D		\$ 178,233,849	\$ -	\$ -	\$ 23,319,410

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Plant in Service (Continued)										
Distribution										
360.00	LAND AND LAND RIGHTS	P360	F001	-	-	-	-	-	-	-
361.00	STRUCTURES AND IMPROVEMENTS	P361	F001	-	-	-	-	-	-	-
362.00	STATION EQUIPMENT	P362	F001	-	-	-	-	-	-	-
364.00	POLES, TOWERS AND FIXTURES	P364	F002	8,562,191	43,621,061	-	-	-	-	-
365.00	OVERHEAD CONDUCTORS AND DEVICE	P365	F003	4,053,635	20,651,707	-	-	-	-	-
366.00	UNDERGROUND CONDUIT	P366	F004	4,412,982	1,029,180	-	-	-	-	-
367.00	UNDERGROUND CONDUCTORS AND DEV	P367	F004	17,617,624	4,108,720	-	-	-	-	-
368.00	LINE TRANSFORMERS	P368	F005	12,300,332	12,930,845	-	-	-	-	-
369.00	SERVICES	P369	F006	-	-	-	12,086,933	-	-	-
370.00	METERS	P370	F007	-	-	-	-	9,116,776	-	-
371.00	INSTALLATIONS ON CONSUMERS PRE	P371	F013	-	-	-	-	-	3,740,299	-
372.00	LEASED PROP. ON CONSUMERS PREMISES	P372	F013	-	-	-	-	-	-	-
373.00	STREET LIGHTING AND SIGNAL SYS	P373	F008	-	-	-	-	-	682,155	-
	Total Distribution Plant		PDIST	\$ 46,946,763	\$ 82,341,513	\$ -	\$ 12,086,933	\$ 9,116,776	\$ 4,422,454	\$ -
	Total Transmission and Distribution Plant		PT&D	\$ 46,946,763	\$ 82,341,513	\$ -	\$ 12,086,933	\$ 9,116,776	\$ 4,422,454	\$ -
	Total Production, Transmission & Distribution Plant		PPT&D	\$ 46,946,763	\$ 82,341,513	\$ -	\$ 12,086,933	\$ 9,116,776	\$ 4,422,454	\$ -

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Plant in Service (Continued)								
General Plant								
389.00	LAND AND LAND RIGHTS	P389	PT&D	\$ 298,674	-	-	-	39,077
390.00	STRUCTURES AND IMPROVEMENTS	P390	PT&D	19,432,033	-	-	-	2,542,410
391.00	OFFICE FURNITURE AND EQUIPMENT	P391	PT&D	425,761	-	-	-	55,705
392.00	TRANSPORTATION EQUIPMENT	P392	PT&D	5,227,434	-	-	-	683,937
393.00	STORES EQUIPMENT	P393	PT&D	154,441	-	-	-	20,206
394.00	TOOLS, SHOP & GARAGE EQUIPMENT	P394	PT&D	600,267	-	-	-	78,537
395.00	LABORATORY EQUIPMENT	P395	PT&D	76,628	-	-	-	10,026
396.00	POWER OPERATED EQUIPMENT	P396	PT&D	1,139,181	-	-	-	149,046
397.00	COMMUNICATION EQUIPMENT	P397	PT&D	3,009,915	-	-	-	393,805
398.00	MISCELLANEOUS EQUIPMENT	P398	PT&D	228,907	-	-	-	29,949
399.00	OTHER TANGIBLE PROPERTY	P399	PT&D	-	-	-	-	-
	Total General Plant	PGP		\$ 30,593,240	\$ -	\$ -	\$ -	\$ 4,002,698
	Total Plant in Service	TPIS		\$ 208,827,089	\$ -	\$ -	\$ -	\$ 27,322,108
Construction Work in Progress (CWIP)								
	CWIP Production	CWIP1	PPROD	\$ -	-	-	-	-
	CWIP Transmission	CWIP2	PTRAN	-	-	-	-	-
	CWIP Distribution	CWIP3	PDIST	5,894,817	-	-	-	771,254
	CWIP General Plant	CWIP4	PGP	-	-	-	-	-
	CWIP Other	CWIP5	PDIST	-	-	-	-	-
	Total Construction Work in Progress	TCWIP		\$ 5,894,817	\$ -	\$ -	\$ -	\$ 771,254
	Total Utility Plant			\$ 214,721,906	\$ -	\$ -	\$ -	\$ 28,093,363

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management	
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	
Plant in Service (Continued)											
General Plant											
389.00	LAND AND LAND RIGHTS	P389	PT&D	78,671	137,983	-	20,255	15,277	7,411	-	-
390.00	STRUCTURES AND IMPROVEMENTS	P390	PT&D	5,118,394	8,977,324	-	1,317,784	993,961	482,160	-	-
391.00	OFFICE FURNITURE AND EQUIPMENT	P391	PT&D	112,145	196,696	-	28,873	21,778	10,564	-	-
392.00	TRANSPORTATION EQUIPMENT	P392	PT&D	1,376,905	2,415,001	-	354,499	267,387	129,707	-	-
393.00	STORES EQUIPMENT	P393	PT&D	40,680	71,350	-	10,473	7,900	3,832	-	-
394.00	TOOLS, SHOP & GARAGE EQUIPMENT	P394	PT&D	158,110	277,315	-	40,707	30,704	14,894	-	-
395.00	LABORATORY EQUIPMENT	P395	PT&D	20,184	35,401	-	5,196	3,920	1,901	-	-
396.00	POWER OPERATED EQUIPMENT	P396	PT&D	300,060	526,286	-	77,254	58,270	28,266	-	-
397.00	COMMUNICATION EQUIPMENT	P397	PT&D	792,811	1,390,538	-	204,117	153,959	74,684	-	-
398.00	MISCELLANEOUS EQUIPMENT	P398	PT&D	60,294	105,752	-	15,523	11,709	5,680	-	-
399.00	OTHER TANGIBLE PROPERTY	P399	PT&D	-	-	-	-	-	-	-	-
	Total General Plant	PGP		\$ 8,058,254	\$ 14,133,643	\$ -	\$ 2,074,681	\$ 1,564,864	\$ 759,099	\$ -	\$ -
	Total Plant in Service	TPIS		\$ 55,005,017	\$ 96,475,156	\$ -	\$ 14,161,614	\$ 10,681,640	\$ 5,181,554	\$ -	\$ -
Construction Work in Progress (CWIP)											
	CWIP Production	CWIP1	PPROD	-	-	-	-	-	-	-	-
	CWIP Transmission	CWIP2	PTRAN	-	-	-	-	-	-	-	-
	CWIP Distribution	CWIP3	PDIST	1,552,694	2,723,322	-	399,757	301,524	146,266	-	-
	CWIP General Plant	CWIP4	PGP	-	-	-	-	-	-	-	-
	CWIP Other	CWIP5	PDIST	-	-	-	-	-	-	-	-
	Total Construction Work in Progress	TCWIP		\$ 1,552,694	\$ 2,723,322	\$ -	\$ 399,757	\$ 301,524	\$ 146,266	\$ -	\$ -
	Total Utility Plant			\$ 56,557,711	\$ 99,198,478	\$ -	\$ 14,561,371	\$ 10,983,164	\$ 5,327,820	\$ -	\$ -

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
Rate Base							
Utility Plant							
Plant in Service			\$ 208,827,089	\$ -	\$ -	\$ -	\$ 27,322,108
Construction Work in Progress (CWIP)			5,894,817	-	-	-	771,254.50
Total Utility Plant	TUP		\$ 214,721,906	\$ -	\$ -	\$ -	\$ 28,093,363
Less: Accumulated Provision for Depreciation							
Electric Plant Amortization	ADEPREPA	TUP	-	-	-	-	-
Retirement Work in Progress	RWIP	PDIST	-	-	-	-	-
Steam Production	ADEPRPP	PPROD	-	-	-	-	-
Transmission	ADEPRTD	PTRAN	-	-	-	-	-
Dist	ADEPRD12	PDIST	3,852,144	-	-	-	503,999
Dist-Structures	ADEPRD1	P361	-	-	-	-	-
Dist-Station	ADEPRD2	P362	3,933,928	-	-	-	3,933,928
Dist-Poles and Fixtures	ADEPRD3	P364	20,090,826	-	-	-	-
Dist-OH Conductor	ADEPRD4	P365	11,171,223	-	-	-	-
Dist-UG Conduit	ADEPRD5	P366	1,667,203	-	-	-	-
Dist-UG Conductor	ADEPRD6	P367	6,621,520	-	-	-	-
Dist-Line Transformers	ADEPRD7	P368	11,503,771	-	-	-	-
Dist-Services	ADEPRD8	P369	3,555,090	-	-	-	-
Dist-Meters	ADEPRD9	P370	479,102	-	-	-	-
Dist-Installations on Customer Premises	ADEPRD10	P371	2,256,092	-	-	-	-
Dist-Lighting & Signal Systems	ADEPRD11	P373	318,809	-	-	-	-
Accum Amtz - Electric Plant Acquisition		PGP	-	-	-	-	-
Accum Amtz - Electric Plant in Service		PGP	-	-	-	-	-
General Plant		PGP	6,698,503	-	-	-	876,406
Total Accumulated Depreciation & Amort	TADEPR		\$ 72,148,212	\$ -	\$ -	\$ -	\$ 5,314,332
Net Utility Plant	NTPLANT		\$ 142,573,694	\$ -	\$ -	\$ -	\$ 22,779,030
Working Capital							
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	\$ 2,051,330	\$ -	\$ -	\$ -	\$ 117,818
Materials and Supplies (13-Month Avg)	M&S	TPIS	3,861,072	-	-	-	505,167
Prepayments (13-Month Average)	PREPAY	TPIS	517,286	-	-	-	67,680
Total Working Capital	TWC		\$ 6,429,687	\$ -	\$ -	\$ -	\$ 690,665
Less: Customer Deposits	CSTDEP	TPIS	\$ 3,242,680	-	-	-	424,259
Net Rate Base	RB		\$ 145,760,701	\$ -	\$ -	\$ -	\$ 23,045,436

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Rate Base										
Utility Plant										
Plant in Service			\$ 55,005,017	\$ 96,475,156	\$ -	\$ 14,161,614	\$ 10,681,640	\$ 5,181,554	\$ -	\$ -
Construction Work in Progress (CWIP)			1,552,693.76	2,723,321.98	-	399,757.16	301,523.69	146,266.04	-	-
Total Utility Plant	TUP		\$ 56,557,711	\$ 99,198,478	\$ -	\$ 14,561,371	\$ 10,983,164	\$ 5,327,820	\$ -	\$ -
Less: Accumulated Provision for Depreciation										
Electric Plant Amortization	ADEPREPA	TUP	-	-	-	-	-	-	-	-
Retirement Work in Progress	RWIP	PDIST	-	-	-	-	-	-	-	-
Steam Production	ADEPRPP	PPROD	-	-	-	-	-	-	-	-
Transmission	ADEPRTP	PTRAN	-	-	-	-	-	-	-	-
Dist	ADEPRD12	PDIST	1,014,654	1,779,636	-	261,233	197,040	95,582	-	-
Dist-Structures	ADEPRD1	P361	-	-	-	-	-	-	-	-
Dist-Station	ADEPRD2	P362	-	-	-	-	-	-	-	-
Dist-Poles and Fixtures	ADEPRD3	P364	3,296,488	16,794,338	-	-	-	-	-	-
Dist-OH Conductor	ADEPRD4	P365	1,832,966	9,338,257	-	-	-	-	-	-
Dist-UG Conduit	ADEPRD5	P366	1,351,914	315,289	-	-	-	-	-	-
Dist-UG Conductor	ADEPRD6	P367	5,369,309	1,252,211	-	-	-	-	-	-
Dist-Line Transformers	ADEPRD7	P368	5,608,149	5,895,622	-	-	-	-	-	-
Dist-Services	ADEPRD8	P369	-	-	-	3,555,090	-	-	-	-
Dist-Meters	ADEPRD9	P370	-	-	-	-	479,102	-	-	-
Dist-Installations on Customer Premises	ADEPRD10	P371	-	-	-	-	-	2,256,092	-	-
Dist-Lighting & Signal Systems	ADEPRD11	P373	-	-	-	-	-	318,809	-	-
Accum Amtz - Electric Plant Acquisition	PGP		-	-	-	-	-	-	-	-
Accum Amtz - Electric Plant in Service	PGP		-	-	-	-	-	-	-	-
General Plant	PGP		1,764,385	3,094,614	-	454,259	342,633	166,208	-	-
Total Accumulated Depreciation & Amort	TADEPR		\$ 20,237,866	\$ 38,469,966	\$ -	\$ 4,270,582	\$ 1,018,775	\$ 2,836,691	\$ -	\$ -
Net Utility Plant	NTPLANT		\$ 36,319,845	\$ 60,728,512	\$ -	\$ 10,290,789	\$ 9,964,389	\$ 2,491,129	\$ -	\$ -
Working Capital										
Cash Working Capital - Operation and Maintenance Expenses	CWC	OMLPP	\$ 350,796	\$ 1,185,409	\$ -	\$ 27,954	\$ 168,009	\$ 10,746	\$ 189,925	\$ 672
Materials and Supplies (13-Month Avg)	M&S	TPIS	1,017,006	1,783,760	-	261,839	197,496	95,803	-	-
Prepayments (13-Month Average)	PREPAY	TPIS	136,253	238,979	-	35,080	26,459	12,835	-	-
Total Working Capital	TWC		\$ 1,504,055	\$ 3,208,148	\$ -	\$ 324,872	\$ 391,965	\$ 119,385	\$ 189,925	\$ 672
Less: Customer Deposits	CSTDEP	TPIS	854,121	1,498,072	-	219,902	165,865	80,459	-	-
Net Rate Base	RB		\$ 36,969,778	\$ 62,438,587	\$ -	\$ 10,395,759	\$ 10,190,489	\$ 2,530,054	\$ 189,925	\$ 672

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Operation and Maintenance Expenses								
Steam Power Production Operations Expense								
500 OPERATION SUPV AND ENGINEERING	OM500	PPROD	\$ -	-	-	-	-	-
501 FUEL	OM501	F017	-	-	-	-	-	-
502 STEAM EXPENSES	OM502	F016	-	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	OM503	F016	-	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	OM504	F016	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	F016	-	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	OM506	F016	-	-	-	-	-	-
507 RENTS	OM507	F016	-	-	-	-	-	-
509 ALLOWANCES	OM509	F017	-	-	-	-	-	-
Total Steam Production Operation Expense	OMPO		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Steam Power Production Maintenance Expense								
510 MAINTENANCE SUPV AND ENGINEERING	OM510	F017	\$ -	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	F016	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	F017	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	F017	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	F016	-	-	-	-	-	-
Total Steam Production Maintenance Expense	OMPM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Steam Production Operation and Maintenance Expenses	OMP		-	-	-	-	-	-

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Operation and Maintenance Expenses										
Steam Power Production Operations Expense										
500 OPERATION SUPV AND ENGINEERING	OM500	PPROD	-	-	-	-	-	-	-	-
501 FUEL	OM501	F017	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	OM502	F016	-	-	-	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	OM503	F016	-	-	-	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	OM504	F016	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	OM505	F016	-	-	-	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	OM506	F016	-	-	-	-	-	-	-	-
507 RENTS	OM507	F016	-	-	-	-	-	-	-	-
509 ALLOWANCES	OM509	F017	-	-	-	-	-	-	-	-
Total Steam Production Operation Expense	OMPO		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Steam Power Production Maintenance Expense										
510 MAINENANCE SUPV AND ENGINEERING	OM510	F017	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	OM511	F016	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	OM512	F017	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	OM513	F017	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	OM514	F016	-	-	-	-	-	-	-	-
Total Steam Production Maintenance Expense	OMPM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Steam Production Operation and Maintenance Expenses	OMP		-	-	-	-	-	-	-	-

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Operation and Maintenance Expenses (Continued)								
Purchased Power								
555 PURCHASED POWER	OM555	OMPP	\$ 70,722,286	\$ 18,054,875	\$ 52,667,411	-	-	-
556 SYSTEM CONTROL & LOAD DISPATCHING	OM556	OMPP	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	OMPP	-	-	-	-	-	-
559 RENEWABLE ENERGY CR EXP	OM559	OMPP	-	-	-	-	-	-
Total Purchased Power	TPP		\$ 70,722,286	\$ 18,054,875	\$ 52,667,411	\$ -	\$ -	\$ -
Transmission Expenses								
560 OPERATION SUPERVISION AND ENG	OM560	PTRAN	\$ -	-	-	-	-	-
561 LOAD DISPATCHING	OM561	PTRAN	-	-	-	-	-	-
562 STATION EXPENSES	OM562	PTRAN	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	PTRAN	-	-	-	-	-	-
564 UNDERGROUND LINE EXPENSES	OM564	PTRAN	-	-	-	-	-	-
565 TRANSMISION OF ELEC BY OTHERS	OM565	PTRAN	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	OM568	PTRAN	-	-	-	-	-	-
569 MAINTENANCE OF STRUCTURES	OM569	PTRAN	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	PTRAN	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	PTRAN	-	-	-	-	-	-
572 MAINT OF UNDERGROUND LINES	OM572	PTRAN	-	-	-	-	-	-
573 MAINT MISC	OM573	PTRAN	-	-	-	-	-	-
574 MAINT OF TRANS PLANT	OM574	PTRAN	-	-	-	-	-	-
Total Transmission Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Operation Expense								
580 OPERATION SUPERVISION AND ENGI	OM580	PDIST	\$ 780,896	-	-	-	-	102,169
581 LOAD DISPATCHING	OM581	P362	-	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	331,830	-	-	-	-	331,830
583 OVERHEAD LINE EXPENSES	OM583	P365	916,258	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	291,571	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P371	5,901	-	-	-	-	-
586 METER EXPENSES	OM586	P370	742,819	-	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	P369	17,459	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	1,040,265	-	-	-	-	136,104
588 MISC DISTR EXP -- MAPPING	OM588x	F015	-	-	-	-	-	-
589 RENTS	OM589	PDIST	-	-	-	-	-	-
Total Distribution Operation Expense	OMDO		\$ 4,126,999	\$ -	\$ -	\$ -	\$ -	\$ 570,104

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Operation and Maintenance Expenses (Continued)										
Purchased Power										
555 PURCHASED POWER	OM555	OMPP	-	-	-	-	-	-	-	-
556 SYSTEM CONTROL & LOAD DISPATCHING	OM556	OMPP	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	OM557	OMPP	-	-	-	-	-	-	-	-
559 RENEWABLE ENERGY CR EXP	OM559	OMPP	-	-	-	-	-	-	-	-
Total Purchased Power	TPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Expenses										
560 OPERATION SUPERVISION AND ENG	OM560	PTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	OM561	PTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	OM562	PTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	OM563	PTRAN	-	-	-	-	-	-	-	-
564 UNDERGROUND LINE EXPENSES	OM564	PTRAN	-	-	-	-	-	-	-	-
565 TRANSMISION OF ELEC BY OTHERS	OM565	PTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	OM566	PTRAN	-	-	-	-	-	-	-	-
567 RENTS	OM567	PTRAN	-	-	-	-	-	-	-	-
568 MAINTENANCE SUPERVISION AND ENG	OM568	PTRAN	-	-	-	-	-	-	-	-
569 MAINTENANCE OF STRUCTURES	OM569	PTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	OM570	PTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	OM571	PTRAN	-	-	-	-	-	-	-	-
572 MAINT OF UNDERGROUND LINES	OM572	PTRAN	-	-	-	-	-	-	-	-
573 MAINT MISC	OM573	PTRAN	-	-	-	-	-	-	-	-
574 MAINT OF TRANS PLANT	OM574	PTRAN	-	-	-	-	-	-	-	-
Total Transmission Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Operation Expense										
580 OPERATION SUPERVISION AND ENGI	OM580	PDIST	205,688	360,763	-	52,956	39,943	19,376	-	-
581 LOAD DISPATCHING	OM581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	OM582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	OM583	P365	150,339	765,919	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	OM584	P367	236,431	55,140	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	OM585	P371	-	-	-	-	-	5,901	-	-
586 METER EXPENSES	OM586	P370	-	-	-	-	742,819	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	OM586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	OM587	P369	-	-	-	17,459	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	OM588	PDIST	274,006	480,588	-	70,546	53,210	25,812	-	-
588 MISC DISTR EXP -- MAPPING	OM588x	F015	-	-	-	-	-	-	-	-
589 RENTS	OM589	PDIST	-	-	-	-	-	-	-	-
Total Distribution Operation Expense	OMDO		\$ 866,464	\$ 1,662,409	\$ -	\$ 140,961	\$ 835,973	\$ 51,089	\$ -	\$ -

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Operation and Maintenance Expenses (Continued)								
Distribution Maintenance Expense								
590 MAINTENANCE SUPERVISION AND EN	OM590	PDIST	\$ -	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	98,633	-	-	-	-	98,633
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	6,712,196	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	146,374	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	1,115	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	6,369	-	-	-	-	-
597 MAINTENANCE OF METERS	OM597	P370	166,886	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	OM598	PDIST	54,677	-	-	-	-	7,154
Total Distribution Maintenance Expense	OMDM		\$ 7,186,249	\$ -	\$ -	\$ -	\$ -	105,787
Total Distribution Operation and Maintenance Expenses			11,313,248	-	-	-	-	675,891
Transmission and Distribution Expenses			11,313,248	-	-	-	-	675,891
Steam Production, Transmission and Distribution Expenses			11,313,248	-	-	-	-	675,891
Production, Purchased Power, Trans and Distr Expenses	OMSUB		\$ 82,035,534	\$ 18,054,875	\$ 52,667,411	\$ -	\$ -	675,891
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	OM901	F009	\$ 127,824	-	-	-	-	-
902 METER READING EXPENSES	OM902	F009	33,555	-	-	-	-	-
903 RECORDS AND COLLECTION	OM903	F009	\$ 869,128	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F009	104,056	-	-	-	-	-
905 MISC CUST ACCOUNTS	OM903	F009	-	-	-	-	-	-
Total Customer Accounts Expense	OMCA		\$ 1,134,564	\$ -	\$ -	\$ -	\$ -	-
Customer Service Expense								
907 SUPERVISION	OM907	F010	\$ -	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F010	608	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	OM908x	F012	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F010	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F012	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F010	-	-	-	-	-	-
911 SUPERVISION	OM911	F010	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F012	4,366	-	-	-	-	-
913 ADVERTISING EXPENSES	OM913	F012	-	-	-	-	-	-
914 SALES	OM914	F012	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F012	-	-	-	-	-	-
917 MISC SALES EXPENSE	OM917	F012	-	-	-	-	-	-
Total Customer Service Expense	OMCS		\$ 4,974	\$ -	\$ -	\$ -	\$ -	-
Sub-Total Transmission, Distribution, Cust Acct and Cust Service	OMSUB2		12,452,786	-	-	-	-	675,891

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Operation and Maintenance Expenses (Continued)										
Distribution Maintenance Expense										
590 MAINTENANCE SUPERVISION AND EN	OM590	PDIST	-	-	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	OM592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	OM593	P365	1,101,332	5,610,864	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	OM594	P367	118,693	27,681	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	OM595	P368	544	571	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	OM596	P373	-	-	-	-	-	6,369	-	-
597 MAINTENANCE OF METERS	OM597	P370	-	-	-	-	166,886	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	OM598	PDIST	14,402	25,260	-	3,708	2,797	1,357	-	-
Total Distribution Maintenance Expense	OMDM		\$ 1,234,970	\$ 5,664,377	\$ -	\$ 3,708	\$ 169,682	\$ 7,725	\$ -	\$ -
Total Distribution Operation and Maintenance Expenses			2,101,434	7,326,786	-	144,669	1,005,655	58,814	-	-
Transmission and Distribution Expenses			2,101,434	7,326,786	-	144,669	1,005,655	58,814	-	-
Steam Production, Transmission and Distribution Expenses			2,101,434	7,326,786	-	144,669	1,005,655	58,814	-	-
Production, Purchased Power, Trans and Distr Expenses	OMSUB		\$ 2,101,434	\$ 7,326,786	\$ -	\$ 144,669	\$ 1,005,655	\$ 58,814	\$ -	\$ -
Customer Accounts Expense										
901 SUPERVISION/CUSTOMER ACCTS	OM901	F009	-	-	-	-	-	-	127,824	-
902 METER READING EXPENSES	OM902	F009	-	-	-	-	-	-	33,555	-
903 RECORDS AND COLLECTION	OM903	F009	-	-	-	-	-	-	869,128	-
904 UNCOLLECTIBLE ACCOUNTS	OM904	F009	-	-	-	-	-	-	104,056	-
905 MISC CUST ACCOUNTS	OM903	F009	-	-	-	-	-	-	-	-
Total Customer Accounts Expense	OMCA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,134,564	\$ -
Customer Service Expense										
907 SUPERVISION	OM907	F010	-	-	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	OM908	F010	-	-	-	-	-	-	608	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	OM908x	F012	-	-	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	OM909	F010	-	-	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	OM909x	F012	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	OM910	F010	-	-	-	-	-	-	-	-
911 SUPERVISION	OM911	F010	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	OM912	F012	-	-	-	-	-	-	-	4,366
913 ADVERTISING EXPENSES	OM913	F012	-	-	-	-	-	-	-	-
914 SALES	OM914	F012	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	OM916	F012	-	-	-	-	-	-	-	-
917 MISC SALES EXPENSE	OM917	F012	-	-	-	-	-	-	-	-
Total Customer Service Expense	OMCS		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 608	\$ 4,366
Sub-Total Transmission, Distribution, Cust Acct and Cust Service	OMSUB2		2,101,434	7,326,786	-	144,669	1,005,655	58,814	1,135,172	4,366

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
Operation and Maintenance Expenses (Continued)							
Administrative and General Expense							
920 ADMIN. & GEN. SALARIES-	OM920	OMSUB2	\$ 1,814,672	-	-	-	98,494
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB2	403,942	-	-	-	26,780
923 OUTSIDE SERVICES EMPLOYED	OM923	OMSUB2	274,380	-	-	-	14,892
924 PROPERTY INSURANCE	OM924	NTPLANT	38,682	-	-	-	6,180
925 INJURIES AND DAMAGES - INSURAN	OM925	LBSUB2	187,683	-	-	-	12,443
926 EMPLOYEE BENEFITS	OM926	LBSUB2	79,394	-	-	-	5,264
928 ASSOCIATED DUES	OM928	OMSUB2	90,983	-	-	-	4,938
929 DUPLICATE CHARGES - CREDIT	OM929	OMSUB2	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	OM930	OMSUB2	691,860	-	-	-	37,552
931 RENTS AND LEASES	OM931	NTPLANT	-	-	-	-	-
932 MAINTENANCE OF GENERAL PLANT	OM932	PGP	-	-	-	-	-
933 TRANSPORTATION EXPENSES	OM933	PGP	-	-	-	-	-
935 MAINT OF GENERAL PLANT	OM935	NTPLANT	376,260	-	-	-	60,115
Total Administrative and General Expense	OMAG		\$ 3,957,854	\$ -	\$ -	\$ -	\$ 266,657
Total Operation and Maintenance Expenses	TOM		\$ 87,132,925	\$ 18,054,875	\$ 52,667,411	\$ -	\$ 942,548
Operation and Maintenance Expenses Less Purchase Power	OMLPP		\$ 16,410,640	\$ -	\$ -	\$ -	\$ 942,548

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Operation and Maintenance Expenses (Continued)										
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	OM920	OMSUB2	306,230	1,067,690	-	21,082	146,548	8,571	165,422	636
921 OFFICE SUPPLIES AND EXPENSES	OM921	LBSUB2	68,985	174,587	-	9,420	46,648	3,819	73,702	-
923 OUTSIDE SERVICES EMPLOYED	OM923	OMSUB2	46,302	161,435	-	3,188	22,158	1,296	25,012	96
924 PROPERTY INSURANCE	OM924	NTPLANT	9,854	16,476	-	2,792	2,703	676	-	-
925 INJURIES AND DAMAGES - INSURAN	OM925	LBSUB2	32,052	81,118	-	4,377	21,674	1,774	34,244	-
926 EMPLOYEE BENEFITS	OM926	LBSUB2	13,559	34,315	-	1,852	9,169	751	14,486	-
928 ASSOCIATED DUES	OM928	OMSUB2	15,354	53,531	-	1,057	7,348	430	8,294	32
929 DUPLICATE CHARGES - CREDIT	OM929	OMSUB2	-	-	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	OM930	OMSUB2	116,753	407,066	-	8,038	55,873	3,268	63,069	243
931 RENTS AND LEASES	OM931	NTPLANT	-	-	-	-	-	-	-	-
932 MAINTENANCE OF GENERAL PLANT	OM932	PGP	-	-	-	-	-	-	-	-
933 TRANSPORTATION EXPENSES	OM933	PGP	-	-	-	-	-	-	-	-
935 MAINT OF GENERAL PLANT	OM935	NTPLANT	95,850	160,266	-	27,158	26,297	6,574	-	-
Total Administrative and General Expense	OMAG		\$ 704,938	\$ 2,156,485	\$ -	\$ 78,963	\$ 338,418	\$ 27,158	\$ 384,229	\$ 1,007
Total Operation and Maintenance Expenses	TOM		\$ 2,806,372	\$ 9,483,271	\$ -	\$ 223,631	\$ 1,344,073	\$ 85,972	\$ 1,519,400	\$ 5,372
Operation and Maintenance Expenses Less Purchase Power	OMLPP		\$ 2,806,372	\$ 9,483,271	\$ -	\$ 223,631	\$ 1,344,073	\$ 85,972	\$ 1,519,400	\$ 5,372

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Other Expenses								
Depreciation Expenses								
Steam Prod Plant	DEPRPP	PPROD	-	-	-	-	-	-
Transmission	DEPRTP	PTRAN	-	-	-	-	-	-
Dist-Structures	DEPRDP1	P361	-	-	-	-	-	-
Dist-Station	DEPRDP2	P362	-	-	-	-	-	-
Dist-Poles and Fixtures	DEPRDP3	P364	-	-	-	-	-	-
Dist-OH Conductor	DEPRDP4	P365	-	-	-	-	-	-
Dist-UG Conduit	DEPRDP5	P366	-	-	-	-	-	-
Dist-UG Conductor	DEPRDP6	P367	-	-	-	-	-	-
Dist-Line Transformers	DEPRDP7	P368	-	-	-	-	-	-
Dist-Services	DEPRDP8	P369	-	-	-	-	-	-
Dist-Meters	DEPRDP9	P370	-	-	-	-	-	-
Dist-Installations on Customer Premises	DEPRDP10	P371	-	-	-	-	-	-
Dist-Lighting & Signal Systems	DEPRDP11	P373	-	-	-	-	-	-
Distribution Plant	DEPRDP12	PDIST	6,598,131	-	-	-	-	863,273
General Plant	DEPRGP	PGP	728,269	-	-	-	-	95,284
Asset Retirement Costs	DEPRGP	PGP	-	-	-	-	-	-
AMORT LIMITED-TERM ELECT PLANT	DEPRLTEP	PT&D	-	-	-	-	-	-
AMORT ELECT PLANT ACQUISIT ADJ	DEPRAADJ	PDIST	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		\$ 7,326,400	-	-	-	-	958,557
Property Taxes	PTAX	NTPLANT	\$ -	-	-	-	-	-
Other Taxes (PSC Assessment)	OT	NTPLANT	\$ 67,856	-	-	-	-	10,841
Interest -- LTD	INTLTD	NTPLANT	\$ 2,368,870	-	-	-	-	378,475
Interest -- Other	INTOTH	NTPLANT	\$ 153,310	-	-	-	-	24,494
Other Deductions	DONAT	NTPLANT	\$ 1,413	-	-	-	-	226
Regulatory Liabilities	REGLIAB	NTPLANT	\$ -	-	-	-	-	-
Other Deductions	DEDUCT	NTPLANT	\$ -	-	-	-	-	-
Total Other Expenses	TOE		\$ 9,917,849	\$ -	\$ -	\$ -	\$ -	1,372,594
Total Cost of Service (O&M + Other Expenses)			\$ 97,050,775	\$ 18,054,875	\$ 52,667,411	\$ -	\$ -	2,315,141

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Other Expenses										
Depreciation Expenses										
Steam Prod Plant	DEPRPP	PPROD	-	-	-	-	-	-	-	-
Transmission	DEPRTP	PTRAN	-	-	-	-	-	-	-	-
Dist-Structures	DEPRDP1	P361	-	-	-	-	-	-	-	-
Dist-Station	DEPRDP2	P362	-	-	-	-	-	-	-	-
Dist-Poles and Fixtures	DEPRDP3	P364	-	-	-	-	-	-	-	-
Dist-OH Conductor	DEPRDP4	P365	-	-	-	-	-	-	-	-
Dist-UG Conduit	DEPRDP5	P366	-	-	-	-	-	-	-	-
Dist-UG Conductor	DEPRDP6	P367	-	-	-	-	-	-	-	-
Dist-Line Transformers	DEPRDP7	P368	-	-	-	-	-	-	-	-
Dist-Services	DEPRDP8	P369	-	-	-	-	-	-	-	-
Dist-Meters	DEPRDP9	P370	-	-	-	-	-	-	-	-
Dist-Installations on Customer Premises	DEPRDP10	P371	-	-	-	-	-	-	-	-
Dist-Lighting & Signal Systems	DEPRDP11	P373	-	-	-	-	-	-	-	-
Distribution Plant	DEPRDP12	PDIST	1,737,946	3,048,243	-	447,452	337,499	163,717	-	-
General Plant	DEPRGP	PGP	191,826	336,450	-	49,388	37,251	18,070	-	-
Asset Retirement Costs	DEPRGP	PGP	-	-	-	-	-	-	-	-
AMORT LIMITED-TERM ELECT PLANT	DEPRLTEP	PT&D	-	-	-	-	-	-	-	-
AMORT ELECT PLANT ACQUISIT ADJ	DEPRAADJ	PDIST	-	-	-	-	-	-	-	-
Total Depreciation Expense	TDEPR		1,929,772	3,384,693	-	496,840	374,750	181,787	-	-
Property Taxes	PTAX	NTPLANT	-	-	-	-	-	-	-	-
Other Taxes (PSC Assessment)	OT	NTPLANT	17,286	28,903	-	4,898	4,742	1,186	-	-
Interest -- LTD	INTLTD	NTPLANT	603,456	1,009,007	-	170,982	165,559	41,390	-	-
Interest -- Other	INTOTH	NTPLANT	39,055	65,302	-	11,066	10,715	2,679	-	-
Other Deductions	DONAT	NTPLANT	360	602	-	102	99	25	-	-
Regulatory Liabilities	REGLIAB	NTPLANT	-	-	-	-	-	-	-	-
Other Deductions	DEDUCT	NTPLANT	-	-	-	-	-	-	-	-
Total Other Expenses	TOE		\$ 2,589,930	\$ 4,488,507	\$ -	\$ 683,888	\$ 555,865	\$ 227,067	\$ -	\$ -
Total Cost of Service (O&M + Other Expenses)			\$ 5,396,301	\$ 13,971,778	\$ -	\$ 907,519	\$ 1,899,938	\$ 313,038	\$ 1,519,400	\$ 5,372

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Labor Expenses								
Steam Power Production Operations Expense								
500 OPERATION SUPV AND ENGINEERING	LB500	PPROD	\$ -	-	-	-	-	-
501 FUEL	LB501	F017	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	F016	-	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	LB503	F016	-	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	LB504	F016	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	F016	-	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	LB506	F016	-	-	-	-	-	-
507 RENTS	LB507	F016	-	-	-	-	-	-
509 ALLOWANCES	LB509	F017	-	-	-	-	-	-
Total Steam Production Operation Expense	LBPO		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Steam Power Production Maintenance Expense								
510 MAINTENANCE SUPV AND ENGINEERING	LB510	F017	\$ -	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	F016	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	F017	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	F017	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	F016	-	-	-	-	-	-
Total Steam Production Maintenance Expense	LBPM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Steam Production Operation and Maintenance Expenses	LBP		-	-	-	-	-	-

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Labor Expenses										
Steam Power Production Operations Expense										
500 OPERATION SUPV AND ENGINEERING	LB500	PPROD	-	-	-	-	-	-	-	-
501 FUEL	LB501	F017	-	-	-	-	-	-	-	-
502 STEAM EXPENSES	LB502	F016	-	-	-	-	-	-	-	-
503 STEAM FROM OTHER SOURCES	LB503	F016	-	-	-	-	-	-	-	-
504 STEAM TRANSFERRED - CREDIT	LB504	F016	-	-	-	-	-	-	-	-
505 ELECTRIC EXPENSES	LB505	F016	-	-	-	-	-	-	-	-
506 MISC STEAM POWER EXPENSES	LB506	F016	-	-	-	-	-	-	-	-
507 RENTS	LB507	F016	-	-	-	-	-	-	-	-
509 ALLOWANCES	LB509	F017	-	-	-	-	-	-	-	-
Total Steam Production Operation Expense	LBPO		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Steam Power Production Maintenance Expense										
510 MAINENANCE SUPV AND ENGINEERING	LB510	F017	-	-	-	-	-	-	-	-
511 MAINTENANCE OF STRUCTURES	LB511	F016	-	-	-	-	-	-	-	-
512 MAINTENANCE OF BOILER PLANT	LB512	F017	-	-	-	-	-	-	-	-
513 MAINTENANCE OF ELECTRIC PLANT	LB513	F017	-	-	-	-	-	-	-	-
514 MAINTENANCE OF MISC STEAM PLANT	LB514	F016	-	-	-	-	-	-	-	-
Total Steam Production Maintenance Expense	LBPM		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Steam Production Operation and Maintenance Expenses	LBP		-	-	-	-	-	-	-	-

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Labor Expenses (Continued)								
Purchased Power								
555 PURCHASED POWER	LB555	OMPP	\$ -	-	-	-	-	-
557 OTHER EXPENSES	LB557	OMPP		-	-	-	-	-
Total Purchased Power Labor	LBPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Labor Expenses								
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	\$ -	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN		-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN		-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN		-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN		-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	LB568	PTRAN		-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN		-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN		-	-	-	-	-
Total Transmission Labor Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Operation Labor Expense								
580 OPERATION SUPERVISION AND ENGI	LB580	PDIST	\$ 591,723	-	-	-	-	77,419
581 LOAD DISPATCHING	LB581	P362		-	-	-	-	-
582 STATION EXPENSES	LB582	P362		81,264	-	-	-	81,264
583 OVERHEAD LINE EXPENSES	LB583	P365		137,395	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367		45,368	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P371		-	-	-	-	-
586 METER EXPENSES	LB586	P370		383,857	-	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012		-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P369		-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST		854,293	-	-	-	111,772
589 RENTS	LB589	PDIST		-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		\$ 2,093,900	\$ -	\$ -	\$ -	\$ -	\$ 270,455

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Labor Expenses (Continued)										
Purchased Power										
555 PURCHASED POWER	LB555	OMPP	-	-	-	-	-	-	-	-
557 OTHER EXPENSES	LB557	OMPP	-	-	-	-	-	-	-	-
Total Purchased Power Labor	LBPP		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Labor Expenses										
560 OPERATION SUPERVISION AND ENG	LB560	PTRAN	-	-	-	-	-	-	-	-
561 LOAD DISPATCHING	LB561	PTRAN	-	-	-	-	-	-	-	-
562 STATION EXPENSES	LB562	PTRAN	-	-	-	-	-	-	-	-
563 OVERHEAD LINE EXPENSES	LB563	PTRAN	-	-	-	-	-	-	-	-
566 MISC. TRANSMISSION EXPENSES	LB566	PTRAN	-	-	-	-	-	-	-	-
568 MAINTENACE SUPERVISION AND ENG	LB568	PTRAN	-	-	-	-	-	-	-	-
570 MAINT OF STATION EQUIPMENT	LB570	PTRAN	-	-	-	-	-	-	-	-
571 MAINT OF OVERHEAD LINES	LB571	PTRAN	-	-	-	-	-	-	-	-
Total Transmission Labor Expenses			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Operation Labor Expense										
580 OPERATION SUPERVISION AND ENGI	LB580	PDIST	155,860	273,368	-	40,128	30,267	14,682	-	-
581 LOAD DISPATCHING	LB581	P362	-	-	-	-	-	-	-	-
582 STATION EXPENSES	LB582	P362	-	-	-	-	-	-	-	-
583 OVERHEAD LINE EXPENSES	LB583	P365	22,544	114,851	-	-	-	-	-	-
584 UNDERGROUND LINE EXPENSES	LB584	P367	36,788	8,580	-	-	-	-	-	-
585 STREET LIGHTING EXPENSE	LB585	P371	-	-	-	-	-	-	-	-
586 METER EXPENSES	LB586	P370	-	-	-	-	383,857	-	-	-
586 METER EXPENSES - LOAD MANAGEMENT	LB586x	F012	-	-	-	-	-	-	-	-
587 CUSTOMER INSTALLATIONS EXPENSE	LB587	P369	-	-	-	-	-	-	-	-
588 MISCELLANEOUS DISTRIBUTION EXP	LB588	PDIST	225,021	394,671	-	57,934	43,698	21,197	-	-
589 RENTS	LB589	PDIST	-	-	-	-	-	-	-	-
Total Distribution Operation Labor Expense	LBDO		\$ 440,213	\$ 791,470	\$ -	\$ 98,062	\$ 457,822	\$ 35,880	\$ -	\$ -

JACKSON PURCHASE ENERGY CORPORATION

Cost of Service Study

Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Labor Expenses (Continued)								
Distribution Maintenance Labor Expense								
590 MAINTENANCE SUPERVISION AND EN	LB590	PDIST	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	10,596	-	-	-	-	10,596
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	1,239,146	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	102,565	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	3,972	-	-	-	-	-
597 MAINTENANCE OF METERS	LB597	P370	38,268	-	-	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	36,904	-	-	-	-	4,828
Total Distribution Maintenance Labor Expense	LBDM		\$ 1,431,452	\$ -	\$ -	\$ -	\$ -	15,425
Total Distribution Operation and Maintenance Labor Expenses			3,525,351	-	-	-	-	285,879
Transmission and Distribution Labor Expenses			3,525,351	-	-	-	-	285,879
Purchased Power, Transmission and Distribution Labor Expenses	LBSUB		\$ 3,525,351	\$ -	\$ -	\$ -	\$ -	285,879
Customer Accounts Expense								
901 SUPERVISION/CUSTOMER ACCTS	LB901	F009	\$ 127,824	-	-	-	-	-
902 METER READING EXPENSES	LB902	F009	30,019	-	-	-	-	-
903 RECORDS AND COLLECTION	LB903	F009	628,936	-	-	-	-	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F009	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F009	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		\$ 786,780	\$ -	\$ -	\$ -	\$ -	-
Customer Service Expense								
907 SUPERVISION	LB907	F010	\$ -	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F010	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F012	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F010	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F012	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F010	-	-	-	-	-	-
911 SUPERVISION	LB911	F010	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F012	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F012	-	-	-	-	-	-
915 MDSE-JOBING-CONTRACT	LB915	F012	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F012	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		\$ -	\$ -	\$ -	\$ -	\$ -	-
Sub-Total Trans, Distr, Cust Acct and Cust Service Labor Exp	LBSUB2		4,312,131	-	-	-	-	285,879

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Labor Expenses (Continued)										
Distribution Maintenance Labor Expense										
590 MAINTENANCE SUPERVISION AND EN	LB590	PDIST	-	-	-	-	-	-	-	-
592 MAINTENANCE OF STATION EQUIPME	LB592	P362	-	-	-	-	-	-	-	-
593 MAINTENANCE OF OVERHEAD LINES	LB593	P365	203,318	1,035,828	-	-	-	-	-	-
594 MAINTENANCE OF UNDERGROUND LIN	LB594	P367	83,169	19,396	-	-	-	-	-	-
595 MAINTENANCE OF LINE TRANSFORME	LB595	P368	-	-	-	-	-	-	-	-
596 MAINTENANCE OF ST LIGHTS & SIG SYSTEMS	LB596	P373	-	-	-	-	-	3,972	-	-
597 MAINTENANCE OF METERS	LB597	P370	-	-	-	-	38,268	-	-	-
598 MAINTENANCE OF MISC DISTR PLANT	LB598	PDIST	9,721	17,049	-	2,503	1,888	916	-	-
Total Distribution Maintenance Labor Expense	LBDM		\$ 296,208	\$ 1,072,273	\$ -	\$ 2,503	\$ 40,156	\$ 4,888	\$ -	\$ -
Total Distribution Operation and Maintenance Labor Expenses			736,420	1,863,743	-	100,564	497,977	40,767	-	-
Transmission and Distribution Labor Expenses			736,420	1,863,743	-	100,564	497,977	40,767	-	-
Purchased Power, Transmission and Distribution Labor Expenses	LBSUB		\$ 736,420	\$ 1,863,743	\$ -	\$ 100,564	\$ 497,977	\$ 40,767	\$ -	\$ -
Customer Accounts Expense										
901 SUPERVISION/CUSTOMER ACCTS	LB901	F009	-	-	-	-	-	-	127,824	-
902 METER READING EXPENSES	LB902	F009	-	-	-	-	-	-	30,019	-
903 RECORDS AND COLLECTION	LB903	F009	-	-	-	-	-	-	628,936	-
904 UNCOLLECTIBLE ACCOUNTS	LB904	F009	-	-	-	-	-	-	-	-
905 MISC CUST ACCOUNTS	LB903	F009	-	-	-	-	-	-	-	-
Total Customer Accounts Labor Expense	LBCA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 786,780	\$ -
Customer Service Expense										
907 SUPERVISION	LB907	F010	-	-	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXPENSES	LB908	F010	-	-	-	-	-	-	-	-
908 CUSTOMER ASSISTANCE EXP-LOAD MGMT	LB908x	F012	-	-	-	-	-	-	-	-
909 INFORMATIONAL AND INSTRUCTIONA	LB909	F010	-	-	-	-	-	-	-	-
909 INFORM AND INSTRUC -LOAD MGMT	LB909x	F012	-	-	-	-	-	-	-	-
910 MISCELLANEOUS CUSTOMER SERVICE	LB910	F010	-	-	-	-	-	-	-	-
911 SUPERVISION	LB911	F010	-	-	-	-	-	-	-	-
912 DEMONSTRATION AND SELLING EXP	LB912	F012	-	-	-	-	-	-	-	-
913 WATER HEATER - HEAT PUMP PROGRAM	LB913	F012	-	-	-	-	-	-	-	-
915 MDSE-JOBING-CONTRACT	LB915	F012	-	-	-	-	-	-	-	-
916 MISC SALES EXPENSE	LB916	F012	-	-	-	-	-	-	-	-
Total Customer Service Labor Expense	LBCS		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total Trans, Distr, Cust Acct and Cust Service Labor Exp	LBSUB2		736,420	1,863,743	-	100,564	497,977	40,767	786,780	-

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment	
				Demand	Energy	Demand	Demand	
Labor Expenses (Continued)								
Administrative and General Expense								
920 ADMIN. & GEN. SALARIES-	LB920	OMSUB2	\$ 1,733,793	-	-	-	94,104	
921 OFFICE SUPPLIES AND EXPENSES	LB921	LBSUB2	1,449	-	-	-	96	
923 OUTSIDE SERVICES EMPLOYED	LB923	OMSUB2	-	-	-	-	-	
924 PROPERTY INSURANCE	LB924	NTPLANT	-	-	-	-	-	
925 INJURIES AND DAMAGES - INSURAN	LB925	LBSUB2	57,210	-	-	-	3,793	
926 EMPLOYEE BENEFITS	LB926	LBSUB2	31,957	-	-	-	2,119	
928 REGULATORY COMMISSION EXPENSES	LB928	OMSUB2	-	-	-	-	-	
929 DUPLICATE CHARGES-CR	LB929	OMSUB2	-	-	-	-	-	
930 MISCELLANEOUS GENERAL EXPENSES	LB930	OMSUB2	37,812	-	-	-	2,052	
931 RENTS AND LEASES	LB931	NTPLANT	-	-	-	-	-	
935 MAINTENANCE OF GENERAL PLANT	LB935	PGP	138,006	-	-	-	18,056	
950 PAYROLL GENERAL LEDGER DEFAULT	LB950	PGP	-	-	-	-	-	
Total Administrative and General Expense	LBAG		\$ 2,000,228	\$ -	\$ -	\$ -	\$ 120,220	
Total Operation and Maintenance Expenses	TLB		\$ 6,312,359	\$ -	\$ -	\$ -	\$ 406,099	
Operation and Maintenance Expenses Less Purchase Power	LBLPP		\$ 6,312,359	\$ -	\$ -	\$ -	\$ 406,099	

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Labor Expenses (Continued)										
Administrative and General Expense										
920 ADMIN. & GEN. SALARIES-	LB920	OMSUB2	292,581	1,020,104	-	20,142	140,017	8,189	158,049	608
921 OFFICE SUPPLIES AND EXPENSES	LB921	LBSUB2	247	626	-	34	167	14	264	-
923 OUTSIDE SERVICES EMPLOYED	LB923	OMSUB2	-	-	-	-	-	-	-	-
924 PROPERTY INSURANCE	LB924	NTPLANT	-	-	-	-	-	-	-	-
925 INJURIES AND DAMAGES - INSURAN	LB925	LBSUB2	9,770	24,727	-	1,334	6,607	541	10,438	-
926 EMPLOYEE BENEFITS	LB926	LBSUB2	5,458	13,812	-	745	3,690	302	5,831	-
928 REGULATORY COMMISSION EXPENSES	LB928	OMSUB2	-	-	-	-	-	-	-	-
929 DUPLICATE CHARGES-CR	LB929	OMSUB2	-	-	-	-	-	-	-	-
930 MISCELLANEOUS GENERAL EXPENSES	LB930	OMSUB2	6,381	22,247	-	439	3,054	179	3,447	13
931 RENTS AND LEASES	LB931	NTPLANT	-	-	-	-	-	-	-	-
935 MAINTENANCE OF GENERAL PLANT	LB935	PGP	36,351	63,757	-	9,359	7,059	3,424	-	-
950 PAYROLL GENERAL LEDGER DEFAULT	LB950	PGP	-	-	-	-	-	-	-	-
Total Administrative and General Expense	LBAG		\$ 350,788	\$ 1,145,273	\$ -	\$ 32,054	\$ 160,594	\$ 12,648	\$ 178,030	\$ 621
Total Operation and Maintenance Expenses	TLB		\$ 1,087,208	\$ 3,009,016	\$ -	\$ 132,618	\$ 658,571	\$ 53,415	\$ 964,810	\$ 621
Operation and Maintenance Expenses Less Purchase Power	LBLPP		\$ 1,087,208	\$ 3,009,016	\$ -	\$ 132,618	\$ 658,571	\$ 53,415	\$ 964,810	\$ 621

JACKSON PURCHASE ENERGY CORPORATION

Cost of Service Study

Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	Power Supply		Transmission	Station Equipment
				Demand	Energy	Demand	Demand
Functional Vectors							
Station Equipment	F001		1.000000	0.000000	0.000000	0.000000	1.000000
Poles, Towers and Fixtures	F002		1.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		1.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		1.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		1.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		1.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		1.000000	0.000000	0.000000	0.000000	0.000000
Street Lighting	F008		1.000000	0.000000	0.000000	0.000000	0.000000
Meter Reading	F009		1.000000	0.000000	0.000000	0.000000	0.000000
Billing	F010		1.000000	0.000000	0.000000	0.000000	0.000000
Transmission	F011		1.000000	0.000000	0.000000	1.000000	0.000000
Load Management	F012		1.000000	0.000000	0.000000	0.000000	0.000000
Purchased Power Expenses	OMPP		1.000000	0.2553	0.7447	-	-
Intallations on Customer Premises - Plant in Service	F013		1.000000	0.000000	0.000000	0.000000	0.000000
Intallations on Customer Premises - Accum Depr	F014		1.000000	0.000000	0.000000	0.000000	0.000000
Mapping	F015		1.000000	0.000000	0.000000	0.000000	0.000000
Production - Demand	F016		1.000000	1.000000	0.000000	0.000000	0.000000
Production - Energy	F017		1.000000	0.000000	1.000000	0.000000	0.000000

JACKSON PURCHASE ENERGY CORPORATION

Cost of Service Study

Functional Assignment and Classification

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Pri & Sec. Distr Plant		Customer Services		Meters	Lighting	Meter Reading Billing and Cust Acct Service	Load Management
			Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
Functional Vectors										
Station Equipment	F001		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Poles, Towers and Fixtures	F002		0.164079	0.835921	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Overhead Conductors and Devices	F003		0.164079	0.835921	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Underground Conductors and Devices	F004		0.810888	0.189112	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Line Transformers	F005		0.487505	0.512495	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Services	F006		0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000
Meters	F007		0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	0.000000
Street Lighting	F008		0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000
Meter Reading	F009		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Billing	F010		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
Transmission	F011		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Load Management	F012		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000
Purchased Power Expenses	OMPP		-	-	-	-	-	-	-	-
Intallations on Customer Premises - Plant in Service	F013		0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000
Intallations on Customer Premises - Accum Depr	F014		0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000
Mapping	F015		0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production - Demand	F016		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Production - Energy	F017		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

Exhibit JW-5
COSS: Allocation to Rate Classes &
Returns

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Plant in Service										
Production & Purchase Power										
Demand	PLPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	PLPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	PLPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
Demand	PLTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	PLSED	SA1	\$ 27,322,108	\$ 17,190,455	\$ 1,681,883	\$ 478,274	\$ 6,915,789	\$ -	\$ 872,562	\$ 183,144
Primary & Secondary Distribution Plant										
Demand	PLDPD	DA1	\$ 55,005,017	\$ 34,571,747	\$ 888,795	\$ 1,422,486	\$ 16,098,317	\$ -	\$ 1,781,855	\$ 241,818
Customer	PLDPC	C01	\$ 96,475,156	\$ 77,226,939	\$ 15,254,037	\$ 1,620,659	\$ 2,035,271	\$ -	\$ 3,149	\$ 335,101
Total Primary Distribution Plant	PLD		\$ 151,480,173	\$ 111,798,686	\$ 16,142,831	\$ 3,043,145	\$ 18,133,588	\$ -	\$ 1,785,004	\$ 576,918
Customer Services										
Demand	PLCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	PLCSC	SERV	\$ 14,161,614	\$ 7,392,865	\$ 3,212,561	\$ 856,396	\$ 2,026,280	\$ -	\$ 6,270	\$ 667,241
Total Customer Services			\$ 14,161,614	\$ 7,392,865	\$ 3,212,561	\$ 856,396	\$ 2,026,280	\$ -	\$ 6,270	\$ 667,241
Meters										
Customer	PLMC	C03	\$ 10,681,640	\$ 5,576,195	\$ 2,423,129	\$ 645,952	\$ 1,528,357	\$ -	\$ 4,729	\$ 503,278
Lighting Systems										
Customer	PLLSC	C04	\$ 5,181,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,181,554
Meter Reading, Billing and Customer Service										
Customer	PLMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Load Management										
Customer	PLCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	PLT		\$ 208,827,089	\$ 141,958,202	\$ 23,460,404	\$ 5,023,768	\$ 28,604,015	\$ -	\$ 2,668,566	\$ 7,112,135

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Net Utility Plant										
Production & Purchase Power										
Demand	NPPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	NPPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	NPPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
Demand	NPTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	NPSED	SA1	\$ 22,779,030	\$ 14,332,053	\$ 1,402,222	\$ 398,748	\$ 5,765,842	\$ -	\$ 727,474	\$ 152,691
Primary Distribution Plant										
Demand	NPDPD	DA1	\$ 36,319,845	\$ 22,827,745	\$ 586,872	\$ 939,268	\$ 10,629,728	\$ -	\$ 1,176,560	\$ 159,672
Customer	NPDPC	C01	\$ 60,728,512	\$ 48,612,278	\$ 9,602,005	\$ 1,020,161	\$ 1,281,148	\$ -	\$ 1,982	\$ 210,937
Total Primary Distribution Plant			\$ 97,048,357	\$ 71,440,023	\$ 10,188,877	\$ 1,959,430	\$ 11,910,877	\$ -	\$ 1,178,542	\$ 370,609
Customer Services										
Demand	NPCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	NPCSC	SERV	\$ 10,290,789	\$ 5,372,157	\$ 2,334,465	\$ 622,316	\$ 1,472,433	\$ -	\$ 4,556	\$ 484,862
Total Customer Services			\$ 10,290,789	\$ 5,372,157	\$ 2,334,465	\$ 622,316	\$ 1,472,433	\$ -	\$ 4,556	\$ 484,862
Meters										
Customer	NPMC	C03	\$ 9,964,389	\$ 5,201,765	\$ 2,260,421	\$ 602,577	\$ 1,425,731	\$ -	\$ 4,412	\$ 469,484
Lighting Systems										
Customer	NPLSC	C04	\$ 2,491,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,491,129
Meter Reading, Billing and Customer Service										
Customer	NPMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Load Management										
Customer	NPCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	NPT		\$ 142,573,694	\$ 96,345,997	\$ 16,185,984	\$ 3,583,070	\$ 20,574,882	\$ -	\$ 1,914,984	\$ 3,968,776
				0.68						

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Net Cost Rate Base										
Production & Purchase Power										
Demand	RBPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	RBPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	RBPPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
Demand	RBTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	RBSED	SA1	\$ 23,045,436	\$ 14,499,670	\$ 1,418,621	\$ 403,411	\$ 5,833,275	\$ -	\$ 735,982	\$ 154,477
Primary Distribution Plant										
Demand	RBDPD	DA1	\$ 36,969,778	\$ 23,236,241	\$ 597,373	\$ 956,076	\$ 10,819,944	\$ -	\$ 1,197,614	\$ 162,530
Customer	RBDPC	C01	\$ 62,438,587	\$ 49,981,168	\$ 9,872,391	\$ 1,048,889	\$ 1,317,225	\$ -	\$ 2,038	\$ 216,877
Total Primary Distribution Plant			\$ 99,408,366	\$ 73,217,409	\$ 10,469,765	\$ 2,004,965	\$ 12,137,169	\$ -	\$ 1,199,652	\$ 379,406
Customer Services										
Demand	RBCSD	CSA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	RBCSC	SERV	\$ 10,395,759	\$ 5,426,955	\$ 2,358,277	\$ 628,663	\$ 1,487,452	\$ -	\$ 4,603	\$ 489,808
Total Customer Services			\$ 10,395,759	\$ 5,426,955	\$ 2,358,277	\$ 628,663	\$ 1,487,452	\$ -	\$ 4,603	\$ 489,808
Meters										
Customer	RBMC	C03	\$ 10,190,489	\$ 5,319,797	\$ 2,311,712	\$ 616,250	\$ 1,458,082	\$ -	\$ 4,512	\$ 480,137
Lighting Systems										
Customer	RBLSC	C04	\$ 2,530,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,530,054
Meter Reading, Billing and Customer Service										
Customer	RBMRC	C05	\$ 189,925	\$ 152,032	\$ 30,030	\$ 3,190	\$ 4,007	\$ -	\$ 6	\$ 660
Load Management										
Customer	RBCSC	C06	\$ 672	\$ 538	\$ 106	\$ 11	\$ 14	\$ -	\$ 0	\$ 2
Total	RBT		\$ 145,760,701	\$ 98,616,400	\$ 16,588,511	\$ 3,656,491	\$ 20,919,999	\$ -	\$ 1,944,755	\$ 4,034,545
			1.0000	0.6766	0.1138	0.0251	0.1435	-	0.0133	0.0277

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Operation and Maintenance Expenses										
Production & Purchase Power										
Demand	OMPPD	PPDA	\$ 18,054,875	\$ 10,099,469	\$ 988,113	\$ 280,988	\$ 4,063,057	\$ 2,003,015	\$ 512,634	\$ 107,598
Energy	OMPPE	PPEA	\$ 52,667,411	\$ 24,070,265	\$ 2,734,816	\$ 853,540	\$ 12,441,002	\$ 10,765,565	\$ 1,334,462	\$ 467,761
Total Purchase Power	OMPPT		\$ 70,722,286	\$ 34,169,734	\$ 3,722,930	\$ 1,134,529	\$ 16,504,058	\$ 12,768,580	\$ 1,847,096	\$ 575,359
Transmission										
Demand	OMTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	OMSED	SOMA	\$ 942,548	\$ 593,030	\$ 58,021	\$ 16,499	\$ 238,578	\$ -	\$ 30,101	\$ 6,318
Primary Distribution Plant										
Demand	OMDPD	DOM	\$ 2,806,372	\$ 1,763,861	\$ 45,347	\$ 72,576	\$ 821,341	\$ -	\$ 90,911	\$ 12,338
Customer	OMDPC	C01	\$ 9,483,271	\$ 7,591,219	\$ 1,499,434	\$ 159,307	\$ 200,062	\$ -	\$ 310	\$ 32,940
Total Primary Distribution Plant			\$ 12,289,643	\$ 9,355,079	\$ 1,544,781	\$ 231,882	\$ 1,021,403	\$ -	\$ 91,220	\$ 45,277
			1.000	0.761	0.126	0.019	0.083	-	0.007	0.004
Customer Services										
Demand	OMCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	OMCSC	SERV	\$ 223,631	\$ 116,744	\$ 50,731	\$ 13,524	\$ 31,998	\$ -	\$ 99	\$ 10,537
Total Customer Services			\$ 223,631	\$ 116,744	\$ 50,731	\$ 13,524	\$ 31,998	\$ -	\$ 99	\$ 10,537
Meters										
Customer	OMMC	C03	\$ 1,344,073	\$ 701,654	\$ 304,903	\$ 81,280	\$ 192,313	\$ -	\$ 595	\$ 63,328
Lighting Systems										
Customer	OMLSC	C04	\$ 85,972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,972
Meter Reading, Billing and Customer Service										
Customer	OMMRBC	C05	\$ 1,519,400	\$ 1,216,257	\$ 240,238	\$ 25,524	\$ 32,054	\$ -	\$ 50	\$ 5,278
Load Management										
Customer	OMCSC	C06	\$ 5,372	\$ 4,301	\$ 849	\$ 90	\$ 113	\$ -	\$ 0.2	\$ 19
Total	OMT		\$ 87,132,925	\$ 46,156,798	\$ 5,922,452	\$ 1,503,329	\$ 18,020,518	\$ 12,768,580	\$ 1,969,161	\$ 792,086
			1.0000	0.5297	0.0680	0.0173	0.2068	0.1465	0.0226	0.0091

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Labor Expenses										
Production & Purchase Power										
Demand	LBPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	LBPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	LBPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
Demand	LBDT	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	LBSED	SOMA	\$ 406,099	\$ 255,508	\$ 24,998	\$ 7,109	\$ 102,792	\$ -	\$ 12,969	\$ 2,722
Primary Distribution Plant										
Demand	LBDPD	DOM	\$ 1,087,208	\$ 683,332	\$ 17,568	\$ 28,116	\$ 318,193	\$ -	\$ 35,219	\$ 4,780
Customer	LBDCP	C01	\$ 3,009,016	\$ 2,408,673	\$ 475,766	\$ 50,548	\$ 63,479	\$ -	\$ 98	\$ 10,452
Total Primary Distribution Plant			\$ 4,096,225	\$ 3,092,005	\$ 493,334	\$ 78,664	\$ 381,672	\$ -	\$ 35,318	\$ 15,231
Customer Services										
Demand	LBCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	LBCSC	SERV	\$ 132,618	\$ 69,231	\$ 30,084	\$ 8,020	\$ 18,975	\$ -	\$ 59	\$ 6,248
Total Customer Services			\$ 132,618	\$ 69,231	\$ 30,084	\$ 8,020	\$ 18,975	\$ -	\$ 59	\$ 6,248
Meters										
Customer	LPMC	C03	\$ 658,571	\$ 343,798	\$ 149,397	\$ 39,826	\$ 94,230	\$ -	\$ 292	\$ 31,029
Lighting Systems										
Customer	LBLSC	C04	\$ 53,415	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,415
Meter Reading, Billing and Customer Service										
Customer	LBMRC	C05	\$ 964,810	\$ 772,316	\$ 152,550	\$ 16,208	\$ 20,354	\$ -	\$ 31	\$ 3,351
Load Management										
Customer	LBCSC	C06	\$ 621	\$ 497	\$ 98	\$ 10	\$ 13	\$ -	\$ 0	\$ 2
Total	LBT		\$ 6,312,359	\$ 4,533,356	\$ 850,461	\$ 149,836	\$ 618,037	\$ -	\$ 48,669	\$ 112,000
			1.0000	0.7182	0.1347	0.0237	0.0979	-	0.0077	0.0177

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Depreciation Expenses										
Production & Purchase Power										
Demand	DPPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	DPPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	DPPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
Demand	DPTD	TA1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	DPSD	SA1	\$ 958,557	\$ 603,103	\$ 59,006	\$ 16,780	\$ 242,631	\$ -	\$ 30,613	\$ 6,425
Primary Distribution Plant										
Demand	DPDPD	DA1	\$ 1,929,772	\$ 1,212,900	\$ 31,182	\$ 49,906	\$ 564,786	\$ -	\$ 62,514	\$ 8,484
Customer	DPDPC	C01	\$ 3,384,693	\$ 2,709,397	\$ 535,166	\$ 56,859	\$ 71,405	\$ -	\$ 110	\$ 11,757
Total Primary Distribution Plant			\$ 5,314,465	\$ 3,922,297	\$ 566,348	\$ 106,764	\$ 636,191	\$ -	\$ 62,624	\$ 20,240
Customer Services										
Demand	DPCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	DPCSC	SERV	\$ 496,840	\$ 259,368	\$ 112,708	\$ 30,045	\$ 71,089	\$ -	\$ 220	\$ 23,409
Total Customer Services			\$ 496,840	\$ 259,368	\$ 112,708	\$ 30,045	\$ 71,089	\$ -	\$ 220	\$ 23,409
Meters										
Customer	DPMC	C03	\$ 374,750	\$ 195,633	\$ 85,012	\$ 22,662	\$ 53,620	\$ -	\$ 166	\$ 17,657
Lighting Systems										
Customer	DPLSC	C04	\$ 181,787	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 181,787
Meter Reading, Billing and Customer Service										
Customer	DPMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Load Management										
Customer	DPCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	DPT		\$ 7,326,400	\$ 4,980,401	\$ 823,075	\$ 176,252	\$ 1,003,531	\$ -	\$ 93,623	\$ 249,519
			1.0000	0.6798	0.1123	0.0241	0.1370	-	0.0128	0.0341

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Property Taxes										
Production & Purchase Power										
Demand	PTPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	PTPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	PTPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
Demand	PTTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	PTSED	SOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary Distribution Plant										
Demand	PTDPD	DOM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	PTDPC	C01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Primary Distribution Plant			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Services										
Demand	PTCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	PTCSC	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Customer Services			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meters										
Customer	PTMC	C03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lighting Systems										
Customer	PTLSC	C04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meter Reading, Billing and Customer Service										
Customer	PTMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Load Management										
Customer	PTCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	PTT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Other Taxes										
Production & Purchase Power										
Demand	OTPPD	PPDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy	OTPPE	PPEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Purchase Power	OTPPT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission										
Demand	OTTD	TOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Station Equipment										
Demand	OTSED	SOMA	\$ 10,841	\$ 6,821	\$ 667	\$ 190	\$ 2,744	\$ -	\$ 346	\$ 73
Primary Distribution Plant										
Demand	OTDPD	DOM	\$ 17,286	\$ 10,865	\$ 279	\$ 447	\$ 5,059	\$ -	\$ 560	\$ 76
Customer	OTDPC	C01	\$ 28,903	\$ 23,136	\$ 4,570	\$ 486	\$ 610	\$ -	\$ 1	\$ 100
Total Primary Distribution Plant			\$ 46,189	\$ 34,001	\$ 4,849	\$ 933	\$ 5,669	\$ -	\$ 561	\$ 176
Customer Services										
Demand	OTCSD	SERV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	OTCSC	SERV	\$ 4,898	\$ 2,557	\$ 1,111	\$ 296	\$ 701	\$ -	\$ 2	\$ 231
Total Customer Services			\$ 4,898	\$ 2,557	\$ 1,111	\$ 296	\$ 701	\$ -	\$ 2	\$ 231
Meters										
Customer	OTMC	C03	\$ 4,742	\$ 2,476	\$ 1,076	\$ 287	\$ 679	\$ -	\$ 2	\$ 223
Lighting Systems										
Customer	OTLSC	C04	\$ 1,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,186
Meter Reading, Billing and Customer Service										
Customer	OTMRBC	C05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Load Management										
Customer	OTCSC	C06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	OTT		\$ 67,856	\$ 45,855	\$ 7,703	\$ 1,705	\$ 9,792	\$ -	\$ 911	\$ 1,889
			1.0000	0.6758	0.1135	0.0251	0.1443	-	0.0134	0.0278

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW	D - Commercial and Industrial - DIRECT SERVED	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
							D	D		
Cost of Service Summary – Unadjusted Results										
Operating Revenues										
Total Sales of Electric Energy	REVUC	R01	\$ 95,173,745	\$ 51,072,587	\$ 6,279,829	\$ 1,628,408	\$ 19,775,588	\$ 12,887,924	\$ 2,101,023	\$ 1,428,386
Other Electric Revenues		RCRev	\$ 1,355,252	\$ 1,206,858	\$ 148,394	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Revenues		TOR	\$ 96,528,996	\$ 52,279,445	\$ 6,428,223	\$ 1,628,408	\$ 19,775,588	\$ 12,887,924	\$ 2,101,023	\$ 1,428,386
Operating Expenses										
Operation and Maintenance Expenses			\$ 87,132,925	\$ 46,156,798	\$ 5,922,452	\$ 1,503,329	\$ 18,020,518	\$ 12,768,580	\$ 1,969,161	\$ 792,086
Depreciation and Amortization Expenses			7,326,400	4,980,401	823,075	176,252	1,003,531	-	93,623	249,519
Property Taxes		NPT	-	-	-	-	-	-	-	-
Other Taxes			67,856	45,855	7,703	1,705	9,792	-	911	1,889
Total Operating Expenses		TOE	\$ 94,527,181	\$ 51,183,054	\$ 6,753,231	\$ 1,681,286	\$ 19,033,841	\$ 12,768,580	\$ 2,063,696	\$ 1,043,494
Utility Operating Margin		TOM	\$ 2,001,815	\$ 1,096,391	\$ (325,008)	\$ (52,878)	\$ 741,746	\$ 119,343	\$ 37,327	\$ 384,892
Net Cost Rate Base			\$ 145,760,701	\$ 98,616,400	\$ 16,588,511	\$ 3,656,491	\$ 20,919,999	\$ -	\$ 1,944,755	\$ 4,034,545
Rate of Return			1.37%	1.11%	-1.96%	-1.45%	3.55%	NA	1.92%	9.54%
Unitized Rate of Return			1.00	0.81	(1.43)	(1.05)	2.58	NA	1.40	6.95

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential	C-1 Small Commercial Single Phase	C-3 Small Commercial Three Phase	D - Commercial and Industrial Demand < 3,000 kW	D - Commercial and Industrial - DIRECT SERVED	I-E - Large Commercial Existing	OL - Outdoor Lighting
				R	C1	C3	D	D	I-E	OL
Cost of Service Summary -- Adjusted Results										
Operating Revenues										
Total Operating Revenue -- Actual			\$ 96,528,996	\$ 52,279,445	\$ 6,428,223	\$ 1,628,408	\$ 19,775,588	\$ 12,887,924	\$ 2,101,023	\$ 1,428,386
Pro-Forma Adjustments:										
1 FAC	FAC	Energy	\$ (9,297,927)	\$ (4,894,846)	\$ (556,143)	\$ (169,122)	\$ (2,403,461)	\$ (921,430)	\$ (257,803)	\$ (95,122)
2 ES	ES	Energy	\$ (3,734,413)	\$ (1,965,962)	\$ (223,369)	\$ (67,926)	\$ (965,324)	\$ (370,082)	\$ (103,544)	\$ (38,205)
3 MRSM	MRSM	Energy	\$ 3,156,156	\$ 1,661,542	\$ 188,781	\$ 57,408	\$ 815,848	\$ 312,777	\$ 87,511	\$ 32,289
4 Non-FAC PPA	NFPPA	Energy	\$ (3,640,327)	\$ (1,916,432)	\$ (217,741)	\$ (66,215)	\$ (941,004)	\$ (360,758)	\$ (100,935)	\$ (37,242)
5 Normalize Rate Adj			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Year End Customers	YEC		\$ 684,800	\$ 1,696,113	\$ (1,117,448)	\$ 7,976	\$ 98,159	\$ -	\$ -	\$ -
7 Revenue Increase			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pro Forma Adjustments			\$ (12,831,711)	\$ (5,419,585)	\$ (1,925,920)	\$ (237,879)	\$ (3,395,782)	\$ (1,339,494)	\$ (374,771)	\$ (138,280)
Total Pro-Forma Operating Revenue			\$ 83,697,285	\$ 46,859,860	\$ 4,502,303	\$ 1,390,529	\$ 16,379,806	\$ 11,548,430	\$ 1,726,252	\$ 1,290,106
Operating Expenses										
Total Operating Expenses -- Actual	TOE		\$ 94,527,181	\$ 51,183,054	\$ 6,753,231	\$ 1,681,286	\$ 19,033,841	\$ 12,768,580	\$ 2,063,696	\$ 1,043,494
Pro-Forma Adjustments:										
1 FAC	FAC		\$ (8,969,611)	\$ (4,722,006)	\$ (536,505)	\$ (163,151)	\$ (2,318,593)	\$ (888,893)	\$ (248,700)	\$ (91,763)
2 ES	ES		\$ (3,623,000)	\$ (1,907,310)	\$ (216,705)	\$ (65,900)	\$ (936,525)	\$ (359,041)	\$ (100,455)	\$ (37,065)
3 MRSM	MRSM		\$ 3,141,245	\$ 1,653,692	\$ 187,889	\$ 57,137	\$ 811,994	\$ 311,299	\$ 87,097	\$ 32,136
4 Non-FAC PPA	NFPPA		\$ (4,012,568)	\$ (2,112,396)	\$ (240,006)	\$ (72,986)	\$ (1,037,226)	\$ (397,648)	\$ (111,256)	\$ (41,050)
5 Donations, Promo Ads & Dues	RBT		\$ (213,387)	\$ (144,370)	\$ (24,285)	\$ (5,353)	\$ (30,626)	\$ -	\$ (2,847)	\$ (5,906)
6 401k Contributions	LBT		\$ (22,064)	\$ (15,845)	\$ (2,973)	\$ (524)	\$ (2,160)	\$ -	\$ (170)	\$ (391)
7 Life Insurance	LBT		\$ (14,628)	\$ (10,505)	\$ (1,971)	\$ (347)	\$ (1,432)	\$ -	\$ (113)	\$ (260)
8 Rate Case Costs	RBT		\$ 26,803	\$ 18,134	\$ 3,050	\$ 672	\$ 3,847	\$ -	\$ 358	\$ 742
9 Interest Expense	RBT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 Year End Customers	YEC		\$ 531,332	\$ 1,085,621	\$ (649,372)	\$ 5,765	\$ 89,318	\$ -	\$ -	\$ -
11 Wages & Salaries	LBT		\$ 359,915	\$ 258,481	\$ 48,491	\$ 8,543	\$ 35,239	\$ -	\$ 2,775	\$ 6,386
12 Depreciation Normalization	DPT		\$ (16,250)	\$ (11,047)	\$ (1,826)	\$ (391)	\$ (2,226)	\$ -	\$ (208)	\$ (553)
13 Directors Expenses	RBT		\$ (29,987)	\$ (20,288)	\$ (3,413)	\$ (752)	\$ (4,304)	\$ -	\$ (400)	\$ (830)
14 Right of Way	RBT		\$ 2,308,768	\$ 1,562,028	\$ 262,753	\$ 57,917	\$ 331,361	\$ -	\$ 30,804	\$ 63,905
15 Health Care Costs	LBT		\$ (6,488)	\$ (4,659)	\$ (874)	\$ (154)	\$ (635)	\$ -	\$ (50)	\$ (115)
Total Pro Forma Adjustments			\$ (10,539,921)	\$ (4,370,471)	\$ (1,175,745)	\$ (179,523)	\$ (3,061,969)	\$ (1,334,283)	\$ (343,165)	\$ (74,766)
Total Pro-forma Operating Expenses			\$ 83,987,260	\$ 46,812,583	\$ 5,577,485	\$ 1,501,763	\$ 15,971,873	\$ 11,434,297	\$ 1,720,531	\$ 968,728
Utility Operating Margin -- Pro-Forma			\$ (289,975)	\$ 47,277	\$ (1,075,182)	\$ (111,234)	\$ 407,933	\$ 114,133	\$ 5,721	\$ 321,377
Net Cost Rate Base			\$ 145,760,701	\$ 98,616,400	\$ 16,588,511	\$ 3,656,491	\$ 20,919,999	\$ -	\$ 1,944,755	\$ 4,034,545
Pro-forma Rate Base Adjustments Reserved	RBT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pro-forma Rate Base			\$ 145,760,701	\$ 98,616,400	\$ 16,588,511	\$ 3,656,491	\$ 20,919,999	\$ -	\$ 1,944,755	\$ 4,034,545
Rate of Return			-0.20%	0.05%	-6.48%	-3.04%	1.95%	NA	0.29%	7.97%
Unitized Rate of Return			1.00	(0.24)	32.58	15.29	(9.80)	NA	(1.48)	(40.04)

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Allocation Factors										
Energy Allocation Factors										
Energy Usage by Class	E01	Energy	1.000000	0.526445	0.059814	0.018189	0.258494	0.099101	0.027727	0.010230
Demand Allocation Factors										
Purchase Power -- Average 12 CP	D01	12CP	1.000000	0.615748	0.060244	0.017131	0.247718	0.021345	0.031254	0.006560
Station Equipment -- Maximum Class Demand	D02	NCP	1.000000	0.600525	0.061695	0.020358	0.252801	0.029855	0.026937	0.007829
Primary Distribution Plant -- Maximum Class Demand	D03	NCP	1.000000	0.600525	0.061695	0.020358	0.252801	0.029855	0.026937	0.007829
Services	SERV		1.000000	0.522035	0.226850	0.060473	0.143083	-	0.000443	0.047116
Misc. Service Revenue	MISCSEV		1.000000	0.522035	0.226850	0.060473	0.143083	-	0.000443	0.047116
Residential & Commercial Rev	RCRev		57,352,416	51,072,587	6,279,829					
Customer Allocation Factors										
Primary Distribution Plant -- Average Number of Customers	C01	Cust01	1.000000	0.800485	0.158114	0.016799	0.021096	-	0.000033	0.003473
Customer Services -- Average Number of Customers	C02	Cust02	1.000000	0.800485	0.158114	0.016799	0.021096	-	0.000033	0.003473
Meter Costs -- Weighted Cost of Meters	C03		1.000000	0.522035	0.226850	0.060473	0.143083	-	0.000443	0.047116
Lighting Systems -- Lighting Customers	C04	Cust04	1.000000	-	-	-	-	-	-	1.000000
Meter Reading and Billing -- Weighted Cost	C05	Cust02	1.000000	0.800485	0.158114	0.016799	0.021096	-	0.000033	0.003473
Load Management	C06	Cust06	1.000000	0.800485	0.158114	0.016799	0.021096	-	0.000033	0.003473
Other Allocation Factors										
Rev	R01		95,173,745	51,072,587	6,279,829	1,628,408	19,775,588	12,887,924	2,101,023	1,428,386
Energy	E01		636,845,787	328,446,062	37,317,394	11,646,814	169,761,237	65,082,407	18,209,134	6,382,739
Loss Factor				0.050	0.050	0.025	-	-	-	0.0500
Energy Including Losses	Energy		656,731,065	345,732,697	39,281,467	11,945,450	169,761,237	65,082,407	18,209,134	6,718,673
Customers (Monthly Bills)			367,647	294,296	58,130	6,176	7,756	-	12	1,277
Average Customers (Bills/12)	Cust01		30,637	24,525	4,844	515	646	-	1	106
Average Customers (Lighting = Lights)	Cust02		30,637	24,525	4,844	515	646	-	1	106
Average Customers (Lighting =45 Lights per Cust)	Cust03		30,637	24,525	4,844	515	646	-	1	106
Lighting	Cust04		1.0000	-	-	-	-	-	-	1.0000
Average Customers (Lighting = 0)	Cust05		30,531	24,525	4,844	515	646	-	1	-
Load Management	Cust06		30,637	24,525	4,844	515	646	-	1	106
Winter CP Demands	WCP		974,725	581,061	57,542	16,512	258,422	20,569	31,638	8,982
Summer CP Demands	SCP		394,410	261,980	24,939	6,944	80,737	8,656	11,154	-
12 Month Sum of Coincident Demands	12CP		1,369,135	843,042	82,482	23,455	339,159	29,224	42,792	8,982
Class Maximum Demands	NCP		203,436	122,168	12,551	4,142	51,429	6,074	5,480	1,593
Sum of the Individual Customer Demands	SICD		3,303,337	2,502,601	64,339	48,802	567,211	41,749	61,131	17,505

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Allocation Factors (continued)										
Transmission Residual Demand Allocator	TRDA		1,369,135	843,042	82,482	23,455	339,159	29,224	42,792	8,982
Transmission Plant In Service			\$ -							
Customer Specific Assignment										
Transmission Residual	TRDA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Total	TA1		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Plant Allocator	T01	TA1	-	-	-	-	-	-	-	-
Transmission Residual Demand Allocator	TOMDA		1,369,135	843,042	82,482	23,455	339,159	29,224	42,792	8,982
Transmission Plant In Service			\$ -							
Customer Specific Assignment			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Residual	TOMDA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Total	TOMA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission O&M Allocator	T02	TOMA	-	-	-	-	-	-	-	-
Distribution Residual Demand Allocator	DDA		3,981,737	2,502,601	64,339	102,972	1,165,335	-	128,986	17,505
Distribution Plant In Service			\$ 46,946,763							
Customer Specific Assignment										
Distribution Residual	DOMDA		\$ 46,946,763	\$ 29,506,974.3	\$ 758,586	\$ 1,214,091	\$ 13,739,908	\$ -	\$ 1,520,812	\$ 206,391
Distribution Total	DT1		\$ 46,946,763	\$ 29,506,974.3	\$ 758,586	\$ 1,214,091	\$ 13,739,908	\$ -	\$ 1,520,812	\$ 206,391
Distribution Plant Allocator	DA1	DT1	1.000000	0.62852	0.01616	0.02586	0.29267	-	0.03239	0.00440
Distribution Residual Demand Allocator	DOMDA		3,981,737	2,502,600.76	64,339	102,972	1,165,335	-	128,986	17,505
Distribution Plant In Service			\$ 46,946,763							
Customer Specific Assignment										
Distribution Residual	DOMDA		\$ 46,946,763	\$ 29,506,974.3	\$ 758,586	\$ 1,214,091	\$ 13,739,908	\$ -	\$ 1,520,812	\$ 206,391
Distribution Total	DOMA		\$ 46,946,763	\$ 29,506,974.3	\$ 758,586	\$ 1,214,091	\$ 13,739,908	\$ -	\$ 1,520,812	\$ 206,391
Distribution O&M Allocator	DOM	DOMA	1.000000	0.62852	0.01616	0.02586	0.29267	-	0.03239	0.00440
Substation Residual Demand Allocator	SDA		1,339,911	843,042	82,482	23,455	339,159	-	42,792	8,982
Substation Plant In Service			\$ 23,319,410							
Customer Specific Assignment										
Substation Residual	SDA		\$ 23,319,410	\$ 14,672,048	\$ 1,435,486	\$ 408,207	\$ 5,902,624	\$ -	\$ 744,732	\$ 156,314
Substation Total	ST1		\$ 23,319,410	\$ 14,672,048	\$ 1,435,486	\$ 408,207	\$ 5,902,624	\$ -	\$ 744,732	\$ 156,314
Substation Plant Allocator	SA1	ST1	1.000000	0.62918	0.06156	0.01751	0.25312	-	0.03194	0.00670
Substation Residual Demand Allocator	SOMDA		\$ 1,339,911	843,042	82,482	23,455	339,159	-	42,792	8,982
Substation Plant In Service			\$ 23,319,410							
Customer Specific Assignment										
Substation Residual	SOMDA		\$ 23,319,410	\$ 14,672,048	\$ 1,435,486	\$ 408,207	\$ 5,902,624	\$ -	\$ 744,732	\$ 156,314
Substation Total	STOM		\$ 23,319,410	\$ 14,672,048	\$ 1,435,486	\$ 408,207	\$ 5,902,624	\$ -	\$ 744,732	\$ 156,314
Substation O&M Allocator	SOMA	STOM	1.000000	0.62918	0.06156	0.01751	0.25312	-	0.03194	0.00670

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential	C-1 Small Commercial	Commercial Three	C-3 Small	D - Commercial	D - Commercial	I-E - Large	OL - Outdoor
				R	Single Phase C1	Phase C3	and Industrial Demand < 3,000 kW D	and Industrial - DIRECT SERVED D	Commercial Existing I-E	Lighting OL	
Allocation Factors (continued)											
Customer Services Demand	CSD		3,981,737	2,502,601	64,339	102,972	1,165,335	-	128,986	17,505	
Customer Services Allocator	CSA	CSD	1.000000	0.62852	0.01616	0.02586	0.29267	-	0.03239	0.00440	
Purchased Power Residual Demand Allocator	PPDRA		1,339,911	843,042	82,482	23,455	339,159	-	42,792	8,982	
Purchased Power Demand Costs			\$ 18,054,875								
Customer Specific Assignment			\$ 2,003,015					2,003,015			
Purchased Power Demand Residual	PPDRA		\$ 16,051,860	\$ 10,099,469	\$ 988,113	\$ 280,988	\$ 4,063,057	\$ -	\$ 512,634	\$ 107,598	
Purchased Power Demand Total	PPDT		\$ 18,054,875	\$ 10,099,469	\$ 988,113	\$ 280,988	\$ 4,063,057	\$ 2,003,015	\$ 512,634	\$ 107,598	
Purchased Power Demand Allocator	PPDA	PPDT	1.000000	0.55938	0.05473	0.01556	0.22504	0.11094	0.02839	0.00596	
Purchased Power Residual Energy Allocator	PPERA		571,763,380	328,446,062	37,317,394	11,646,814	169,761,237	-	18,209,134	6,382,739	
Purchased Power Energy Costs			\$ 52,667,411								
Customer Specific Assignment			\$ 10,765,565	-	-			10,765,565			
Purchased Power Energy Residual	PPERA		\$ 41,901,846	\$ 24,070,265	\$ 2,734,816	\$ 853,540	\$ 12,441,002	\$ -	\$ 1,334,462	\$ 467,761	
Purchased Power Energy Total	PPET		\$ 52,667,411	\$ 24,070,265	\$ 2,734,816	\$ 853,540	\$ 12,441,002	\$ 10,765,565	\$ 1,334,462	\$ 467,761	
Purchased Power Energy Allocator	PPEA	PPET	1.000000	0.45702	0.05193	0.01621	0.23622	0.20441	0.02534	0.00888	

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Operating Expenses										
Purchased Power Demand			\$ 18,054,875	\$ 10,099,469	\$ 988,113	\$ 280,988	\$ 4,063,057	\$ 2,003,015	\$ 512,634	\$ 107,598
Purchased Power Energy			\$ 52,667,411	\$ 24,070,265	\$ 2,734,816	\$ 853,540	\$ 12,441,002	\$ 10,765,565	\$ 1,334,462	\$ 467,761
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand	0.28		\$ 6,665,377	\$ 4,190,579	\$ 194,503	\$ 156,397	\$ 1,875,139	\$ -	\$ 215,045	\$ 33,713
Distribution Customer	0.72		\$ 17,139,519	\$ 12,822,741	\$ 2,835,798	\$ 390,360	\$ 654,644	\$ -	\$ 1,555	\$ 434,422
Total			\$ 94,527,181	\$ 51,183,054	\$ 6,753,231	\$ 1,681,286	\$ 19,033,841	\$ 12,768,580	\$ 2,063,696	\$ 1,043,494
Pro-Forma Operating Expenses										
Purchased Power Demand			\$ 18,054,875	\$ 10,099,469	\$ 988,113	\$ 280,988	\$ 4,063,057	\$ 2,003,015	\$ 512,634	\$ 107,598
Purchased Power Energy			\$ 39,734,808	\$ 18,067,867	\$ 1,280,117	\$ 614,406	\$ 9,049,970	\$ 9,431,282	\$ 961,148	\$ 330,018
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 7,335,328	\$ 4,647,519	\$ 272,610	\$ 173,088	\$ 1,967,277	\$ -	\$ 223,486	\$ 51,347
Distribution Customer			\$ 18,862,249	\$ 13,997,728	\$ 3,036,645	\$ 433,280	\$ 891,569	\$ -	\$ 23,262	\$ 479,765
Total			\$ 83,987,260	\$ 46,812,583	\$ 5,577,485	\$ 1,501,763	\$ 15,971,873	\$ 11,434,297	\$ 1,720,531	\$ 968,728
		PPA exp	\$ (10,539,921)							
		Check	\$ -							
Rate Base										
Production & Purchased Power Demand			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Production & Purchased Power Energy			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 60,015,215	\$ 37,735,911	\$ 2,015,995	\$ 1,359,487	\$ 16,653,220	\$ -	\$ 1,933,596	\$ 317,007
Distribution Customer			\$ 85,745,486	\$ 60,880,490	\$ 14,572,516	\$ 2,297,004	\$ 4,266,779	\$ -	\$ 11,159	\$ 3,717,538
Total			\$ 145,760,701	\$ 98,616,400	\$ 16,588,511	\$ 3,656,491	\$ 20,919,999	\$ -	\$ 1,944,755	\$ 4,034,545
Revenue Requirement Calculated at a Rate of Return of 2.85%										
Production & Purchased Power Demand			\$ 18,054,875	\$ 10,099,469	\$ 988,113	\$ 280,988	\$ 4,063,057	\$ 2,003,015	\$ 512,634	\$ 107,598
Production & Purchased Power Energy			\$ 39,734,808	\$ 18,067,867	\$ 1,280,117	\$ 614,406	\$ 9,049,970	\$ 9,431,282	\$ 961,148	\$ 330,018
Transmission Demand			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution Demand			\$ 9,043,503	\$ 5,721,572	\$ 329,990	\$ 211,783	\$ 2,441,267	\$ -	\$ 278,521	\$ 60,370
Distribution Customer			\$ 21,302,768	\$ 15,730,531	\$ 3,451,413	\$ 498,658	\$ 1,013,012	\$ -	\$ 23,580	\$ 585,575
Total			\$ 88,135,954	\$ 49,619,439	\$ 6,049,634	\$ 1,605,835	\$ 16,567,305	\$ 11,434,297	\$ 1,775,883	\$ 1,083,561
			\$ 88,135,954	< target						
			\$ -	< diff						

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential	C-1 Small Commercial Single Phase	C-3 Small Commercial Three Phase	D - Commercial and Industrial Demand < 3,000 kW	D - Commercial and Industrial - DIRECT SERVED	I-E - Large Commercial Existing	OL - Outdoor Lighting
				R	C1	C3	D	D	I-E	OL
Operating Expenses-Unit Costs										
Production & Purchased Power Demand (per KWH or KW)				0.03075	0.02648	0.02413	7.16		8.39	
Purchased Power Energy (per KWH)				0.05501	0.03430	0.05275	0.05331		0.05278	
Transmission Demand (per KWH or KW)				-	-	-	-		-	
Distribution Demand (per KWH or KW)				0.01415	0.00731	0.01486	3.47		3.66	
Distribution Customer (per Customer)				47.56	52.24	70.16	114.95		1,938.50	
Rate Base-Unit Costs										
Production & Purchased Power Demand (per KWH or KW)				-	-	-	-		-	
Purchased Power Energy (per KWH)				-	-	-	-		-	
Transmission Demand (per KWH or KW)				-	-	-	-		-	
Distribution Demand (per KWH or KW)				0.11489	0.05402	0.11673	29.36		31.63	
Distribution Customer (per Customer)				206.87	250.69	371.92	550.13		929.90	

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Unit Revenue Requirement @ Current Class Revenues	Various			0.05%	-6.48%	-3.04%	1.95%		0.29%	
Production & Purchased Power										
Production & Purchased Power Demand (Per KWH or KW)				0.030749	0.026479	0.024126	7.16		8.39	
Production & Purchased Power Demand Margin (Per KWH or KW)				-	-	-	-		-	
Production & Purchased Power Energy (Per KWH)				0.055010	0.034304	0.052753	0.053310		0.052784	
Production & Purchased Power Energy Margin (Per KWH)				-	-	-	-		-	
Transmission Demand										
Transmission Demand (Per KWH or KW)				-	-	-	-		-	
Transmission Demand Margin (Per KWH or KW)				-	-	-	-		-	
Total Transmission Demand (Per KWH or KW)				-	-	-	-		-	
Distribution Demand										
Distribution Demand (Per KWH or KW)				0.014150	0.007305	0.014861	3.47		3.66	
Distribution Demand Margin (Per KWH or KW)				<u>0.000055</u>	<u>(0.003501)</u>	<u>(0.003551)</u>	<u>0.57</u>		<u>0.09</u>	
Total Distribution Demand (Per KWH or KW)				0.014205	0.003804	0.011311	4.04		3.75	
Distribution Customer										
Distribution Customer (Per Customer Per Month)				47.56	52.24	70.16	114.95		1,938.50	
Distribution Customer Margin (Per Customer Per Month)				<u>0.10</u>	<u>(16.25)</u>	<u>(11.31)</u>	<u>10.73</u>		<u>2.74</u>	
Total Distribution Customer (Per Customer Per Month)				47.66	35.99	58.84	125.68		1,941.24	

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential	C-1 Small Commercial Single Phase	C-3 Small Commercial Three Phase	D - Commercial and Industrial Demand < 3,000 kW	D - Commercial and Industrial - DIRECT SERVED	I-E - Large Commercial Existing	OL - Outdoor Lighting
				R	C1	C3	D	D	I-E	OL
Unit Revenue Requirement @ Total System Rate of Return		-0.20%		-0.20%	-0.20%	-0.20%	-0.20%		-0.20%	
Production & Purchased Power										
Production & Purchased Power Demand (Per KWH or KW)				0.030749	0.026479	0.024126	7.16		8.39	
Production & Purchased Power Demand Margin (Per KWH or KW)				-	-	-	-		-	
Production & Purchased Power Energy (Per KWH)				0.055010	0.034304	0.052753	0.053310		0.052784	
Production & Purchased Power Energy Margin (Per KWH)				-	-	-	-		-	
Transmission Demand										
Transmission Demand (Per KWH or KW)				-	-	-	-		-	
Transmission Demand Margin (Per KWH or KW)				-	-	-	-		-	
Total Transmission Demand (Per KWH or KW)				-	-	-	-		-	
Distribution Demand										
Distribution Demand (Per KWH or KW)				0.014150	0.007305	0.014861	3.47		3.66	
Distribution Demand Margin (Per KWH or KW)				(0.000229)	(0.000107)	(0.000232)	(0.06)		(0.06)	
Total Distribution Demand (Per KWH or KW)				0.013921	0.007198	0.014629	3.41		3.59	
Distribution Customer										
Distribution Customer (Per Customer Per Month)				47.56	52.24	70.16	114.95		1,938.50	
Distribution Customer Margin (Per Customer Per Month)				(0.41)	(0.50)	(0.74)	(1.09)		(1.85)	
Total Distribution Customer (Per Customer Per Month)				47.15	51.74	69.42	113.86		1,936.65	

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential	C-1 Small Commercial Single Phase	C-3 Small Commercial Three Phase	D - Commercial and Industrial Demand < 3,000 kW	D - Commercial and Industrial - DIRECT SERVED	I-E - Large Commercial Existing	OL - Outdoor Lighting
				R	C1	C3	D	D	I-E	OL
Unit Revenue Requirement @ Specified Rate of Return	2.85%			2.85%	2.85%	2.85%	2.85%		2.85%	
Production & Purchased Power										
Production & Purchased Power Demand (Per KWH or KW)				0.030749	0.026479	0.024126	7.16		8.39	
Production & Purchased Power Demand Margin (Per KWH or KW)				-	-	-	-		-	
Production & Purchased Power Energy (Per KWH)				0.055010	0.034304	0.052753	0.053310		0.052784	
Production & Purchased Power Energy Margin (Per KWH)				-	-	-	-		-	
Transmission Demand										
Transmission Demand (Per KWH or KW)				-	-	-	-		-	
Transmission Demand Margin (Per KWH or KW)				-	-	-	-		-	
Total Transmission Demand (Per KWH or KW)				-	-	-	-		-	
Distribution Demand										
Distribution Demand (Per KWH or KW)				0.014150	0.007305	0.014861	3.47		3.66	
Distribution Demand Margin (Per KWH or KW)				0.003270	0.001538	0.003322	0.84		0.90	
Total Distribution Demand (Per KWH or KW)				0.017420	0.008843	0.018184	4.30		4.56	
Distribution Customer										
Distribution Customer (Per Customer Per Month)				47.56	52.24	70.16	114.95		1,938.50	
Distribution Customer Margin (Per Customer Per Month)				5.89	7.14	10.59	15.66		26.47	
Total Distribution Customer (Per Customer Per Month)				53.45	59.37	80.74	130.61		1,964.97	

JACKSON PURCHASE ENERGY CORPORATION
Cost of Service Study
Class Allocation

12 Months Ended August 31, 2023

Description	Name	Allocation Vector	Total System	R - Residential R	C-1 Small Commercial Single Phase C1	C-3 Small Commercial Three Phase C3	D - Commercial and Industrial Demand < 3,000 kW D	D - Commercial and Industrial - DIRECT SERVED D	I-E - Large Commercial Existing I-E	OL - Outdoor Lighting OL
Summary of Cost-Based Charges										
At Current Class Rate of Return			1.37%	0.05%	-6.48%	-3.04%	1.95%		0.29%	
Customer Charge (\$/month)				47.66	35.99	58.84	125.68		1,941.24	
Energy Charge (\$/kWh)				0.099964	0.064586	0.088189	0.053310		0.052784	
Demand Charge (\$/kW)				-	-	-	11.20		12.13	
At Current Total System Rate of Return			-0.20%	-0.20%	-0.20%	-0.20%	-0.20%		0.00%	
Customer Charge (\$/month)				47.15	51.74	69.42	113.86		1,936.65	
Energy Charge (\$/kWh)				0.099681	0.067980	0.091508	0.053310		0.052784	
Demand Charge (\$/kW)				-	-	-	10.57		11.98	
At Specified Total System Rate of Return			2.85%	2.85%	2.85%	2.85%	2.85%		0.00%	
Customer Charge (\$/month)				53.45	59.37	80.74	130.61		1,964.97	
Energy Charge (\$/kWh)				0.103180	0.069625	0.095063	0.053310		0.052784	
Demand Charge (\$/kW)				-	-	-	11.47		12.94	

Exhibit JW-6
COSS: Billing Determinants

JACKSON ENERGY COOPERATIVE

Summary of Billing Determinants and Demand Analysis

Rate Class	Code	Average Customers	kWh	Revenue	12 - Month Individual Customer Demand	Sum of Individual Customer Max Demand	Class Demand During Peak Month	Sum of Coincident Demands	Summer Coincident Demands	Winter Coincident Demands
R - Residential	R	24,525	328,446,062	\$ 51,072,587	2,502,601	260,917	122,168	843,042	261,980	581,061
C-1 Small Commercial Single Phase	C1	4,844	37,317,394	\$ 6,279,829	64,339	20,263	12,551	82,482	24,939	57,542
C-3 Small Commercial Three Phase	C3	515	11,646,814	\$ 1,628,408	48,802	4,726	4,142	23,455	6,944	16,512
D - Commercial and Industrial Demand < 3,000 kW	D	646	169,761,237	\$ 19,775,588	567,211	70,829	51,429	339,159	80,737	258,422
D - Commercial and Industrial - DIRECT SERVED	D	1	65,082,407	\$ 12,887,924	41,749	6,074	6,074	29,224	8,656	20,569
I-E - Large Commercial Existing	I-E	1	18,209,134	\$ 2,101,023	61,131	5,480	5,480	42,792	11,154	31,638
OL - Outdoor Lighting	OL	106	6,382,739	\$ 1,428,386	17,505	1,593	1,593	8,982	-	8,982
Total		30,638	636,845,787	\$ 95,173,745	3,303,337	369,882	203,436	1,369,135	394,410	974,725

JACKSON ENERGY COOPERATIVE

Summary of Billing Determinants and Demand Analysis

Rate Class	Code	Rate Class	Average Customers	kWh	% KWH	Revenue	% Revenue
R - Residential	R	R	24,525	328,446,062	51.57%	\$ 51,072,587	53.66%
C-1 Small Commercial Single Phase	C1	C1	4,844	37,317,394	5.86%	\$ 6,279,829	6.60%
C-3 Small Commercial Three Phase	C3	C3	515	11,646,814	1.83%	\$ 1,628,408	1.71%
D - Commercial and Industrial Demand < 3,000 kW	D	D	646	169,761,237	26.66%	\$ 19,775,588	20.78%
D - Commercial and Industrial - DIRECT SERVED	D	D	1	65,082,407	10.22%	\$ 12,887,924	13.54%
I-E - Large Commercial Existing	I-E	I-E	1	18,209,134	2.86%	\$ 2,101,023	2.21%
OL - Outdoor Lighting	OL	OL	106	6,382,739	1.00%	\$ 1,428,386	1.50%
Total		Total	30,638	636,845,787	100.00%	\$ 95,173,745	100.00%
		Total w/o OL	30,532				

JACKSON ENERGY COOPERATIVE
 Summary of Billing Determinants and Demand Analysis

Rate Schedule	Code	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2022
R - Residential	R	25,100	24,072	23,793	23,790	23,779	23,824	23,821	23,853	25,578
kWh		34,763,363	31,169,818	23,559,010	22,774,537	19,106,227	24,681,118	31,613,277	34,941,947	33,414,893
Average Demand		46,725	46,383.66	31,665	31,631	25,680	34,279.33	42,490.96	46,965	46,410
Diversified Load Factor		58.46%	64.56%	51.65%	72.46%	39.84%	38.16%	42.77%	51.43%	43.92%
Non-Coincident Demand		79,921	71,850	61,312	43,654	64,457	89,831	99,342	91,323	105,677
Coincidence Factor		90.00%	90.00%	85.00%	80.00%	85.00%	90.00%	95.00%	95.00%	90.00%
Coincident Demand		71,929	64,665	52,115	34,923	54,789	80,848	94,375	86,757	95,109
Individual Customer Load Factor		18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%
Sum of Individual Customer Demands		259,583	257,687	175,919	175,729	142,669	190,441	236,061	260,917	257,831
C-1 Small Commercial Single Phase	C1	4,290	5,311	5,579	5,576	5,559	5,554	5,563	5,572	3,747
kWh		3,467,440	3,919,757	2,991,441	2,569,715	2,567,822	3,095,264	3,689,641	3,976,250	3,142,645
Average Demand		4,661	5,832.97	4,021	3,569	3,451	4,298.98	4,959.19	5,344	4,365
Diversified Load Factor		50.53%	64.56%	51.65%	72.46%	39.84%	38.16%	42.77%	51.43%	43.92%
Non-Coincident Demand		9,223	9,036	7,785	4,926	8,663	11,266	11,594	10,392	9,939
Coincidence Factor		75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Coincident Demand		6,917	6,777	5,839	3,694	6,497	8,449	8,696	7,794	7,454
Individual Customer Load Factor		23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%
Sum of Individual Customer Demands		20,263	3,592	4,071	4,182	4,114	4,615	4,315	4,035	3,944
C-3 Small Commercial Three Phase	C3	514	516	513	514	514	516	516	520	510
kWh		984,603	854,056	906,093	789,931	934,421	1,045,795	1,174,886	1,218,336	1,060,033
Average Demand		1,323	1,270.92	1,218	1,097	1,256	1,452.49	1,579.15	1,638	1,472
Diversified Load Factor		50.53%	64.56%	51.65%	72.46%	39.84%	38.16%	42.77%	51.43%	43.92%
Non-Coincident Demand		2,619	1,969	2,358	1,514	3,152	3,806	3,692	3,184	3,352
Coincidence Factor		75.00%	75.00%	75.00%	75.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Coincident Demand		1,964	1,477	1,769	1,136	2,049	2,474	2,400	2,070	2,179
Individual Customer Load Factor		28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
Sum of Individual Customer Demands		4,726	3,592	4,071	4,182	4,114	4,615	4,315	4,035	3,944

JACKSON ENERGY COOPERATIVE
 Summary of Billing Determinants and Demand Analysis

Rate Schedule	Code						Class Demand				
		Oct 2022	Nov 2022	Dec 2022	Total	Max Demand	Peak Month	Coin Demand	Coin Demand	Coin Demand	
R - Residential	R	25,594	25,613	25,479	294,296						
kWh		24,218,886	20,007,686	28,195,300	328,446,062						
Average Demand		32,552	27,788	37,897	37,494						
Diversified Load Factor		65.75%	36.09%	31.02%							
Non-Coincident Demand		49,510	77,005	122,168	956,052		122,168				
Coincidence Factor		85.00%	80.00%	85.00%							
Coincident Demand		42,083	61,604	103,843	843,042			843,042	261,980	581,061	
Individual Customer Load Factor		18.00%	18.00%	18.00%							
Sum of Individual Customer Demands		180,846	154,380	210,538	2,502,601	260,917					
C-1 Small Commercial Single Phase	C1	3,757	3,770	3,852	58,130						
kWh		2,574,457	2,426,308	2,896,654	37,317,394						
Average Demand		3,460	3,370	3,893	4,260						
Diversified Load Factor		65.75%	36.09%	31.02%							
Non-Coincident Demand		5,263	9,338	12,551	109,976		12,551				
Coincidence Factor		75.00%	75.00%	75.00%							
Coincident Demand		3,947	7,004	9,413	82,482			82,482	24,939	57,542	
Individual Customer Load Factor		23.00%	23.00%	23.00%							
Sum of Individual Customer Demands		3,890	3,650	3,668	64,339	20,263					
C-3 Small Commercial Three Phase	C3	513	512	518	6,176						
kWh		906,704	816,136	955,820	11,646,814						
Average Demand		1,219	1,134	1,285	1,330						
Diversified Load Factor		65.75%	36.09%	31.02%							
Non-Coincident Demand		1,854	3,141	4,142	34,783		4,142				
Coincidence Factor		65.00%	65.00%	65.00%							
Coincident Demand		1,205	2,042	2,692	23,455			23,455	6,944	16,512	
Individual Customer Load Factor		28.00%	28.00%	28.00%							
Sum of Individual Customer Demands		3,890	3,650	3,668	48,802	4,726					

JACKSON ENERGY COOPERATIVE
 Summary of Billing Determinants and Demand Analysis

<u>Rate Schedule</u>	<u>Code</u>	<u>Jan 2023</u>	<u>Feb 2023</u>	<u>Mar 2023</u>	<u>Apr 2023</u>	<u>May 2023</u>	<u>Jun 2023</u>	<u>Jul 2023</u>	<u>Aug 2023</u>	<u>Sep 2022</u>
D - Commercial and Industrial Demand < 3,000 kW	D	652	662	636	637	638	642	643	645	652
kWh		14,203,709	12,639,339	13,693,825	12,081,485	13,969,547	15,960,540	16,024,319	16,895,806	14,699,379
Average Demand		19,091	18,808.54	18,406	16,780	18,776	22,167.42	21,538.06	22,709	20,416
Diversified Load Factor		52.53%	52.57%	51.86%	48.88%	36.51%	94.51%	51.86%	53.23%	49.54%
Non-Coincident Demand		36,340	35,778	35,493	34,327	51,429	23,455	41,534	42,660	41,210
Coincidence Factor		75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%	75.00%
Coincident Demand		27,255	26,833	26,620	25,746	38,572	17,592	31,151	31,995	30,908
Individual Customer Load Factor		42.53%	42.57%	41.86%	38.88%	26.51%	84.51%	41.86%	43.23%	39.54%
Sum of Individual Customer Demands		44,884	44,182	43,973	43,156	70,829	26,231	51,457	52,527	51,632
D - Commercial and Industrial - DIRECT SERVED	D	1	1	1	1	1	1	1	1	1
kWh		5,500,748	5,032,519	5,499,739	5,580,049	5,795,784	5,608,668	5,742,306	4,496,924	5,261,821
Average Demand		7,393	7,489	7,392	7,750	7,790	7,789.82	7,718.15	6,044	7,308
Diversified Load Factor		184.84%	187.79%	201.42%	238.57%	248.82%	238.40%	255.21%	99.52%	244.50%
Non-Coincident Demand		4,000	3,988	3,670	3,249	3,131	3,268	3,024	6,074	2,989
Coincidence Factor		70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Coincident Demand		2,800	2,791	2,569	2,274	2,192	2,287	2,117	4,252	2,092
Individual Customer Load Factor		184.84%	187.79%	201.42%	238.57%	248.82%	238.40%	255.21%	99.52%	244.50%
Sum of Individual Customer Demands		4,000	3,988	3,670	3,249	3,131	3,268	3,024	6,074	2,989
I-E - Large Commercial Existing	I-E	1	1	1	1	1	1	1	1	1
kWh		1,617,690	1,507,705	1,700,527	1,196,593	1,563,671	1,564,535	1,497,836	1,840,302	1,595,306
Average Demand		2,174	2,243.61	2,286	1,662	2,102	2,172.97	2,013.22	2,474	2,216
Diversified Load Factor		40.61%	42.54%	41.80%	31.58%	42.20%	40.81%	39.25%	45.14%	44.73%
Non-Coincident Demand		5,354	5,275	5,468	5,263	4,980	5,325	5,129	5,480	4,954
Coincidence Factor		70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Coincident Demand		3,748	3,692	3,827	3,684	3,486	3,728	3,590	3,836	3,468
Individual Customer Load Factor		40.61%	42.54%	41.80%	31.58%	42.20%	40.81%	39.25%	45.14%	44.73%
Sum of Individual Customer Demands		5,354	5,275	5,468	5,263	4,980	5,325	5,129	5,480	4,954
OL - Outdoor Lighting	OL	106	107	107	107	106	106	106	104	109
kWh		541,487	535,152	527,216	520,834	514,467	511,458	504,817	499,298	566,470
Average Demand		728	796.36	709	723	691	710.36	678.52	671	787
Diversified Load Factor		50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Non-Coincident Demand		1,456	1,593	1,417	1,447	1,383	1,421	1,357	1,342	1,574
Coincidence Factor		100.00%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Coincident Demand		1,456	1,593	1,417	-	-	-	-	-	-
Individual Customer Load Factor		50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Sum of Individual Customer Demands		1,456	1,593	1,417	1,447	1,383	1,421	1,357	1,342	1,574
Metered CP, All but Direct Serve		113,269	107,828	94,156	71,457	107,584	115,378	142,329	136,703	141,210
Calculated CP All but Direct Serve		113,269	107,828	94,156	71,457	107,584	115,378	142,329	136,703	141,210
Difference		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

JACKSON ENERGY COOPERATIVE
 Summary of Billing Determinants and Demand Analysis

Rate Schedule	Code	Class Demand					Max Demand	Peak Month	Coin Demand	Coin Demand	Coin Demand
		Oct 2022	Nov 2022	Dec 2022	Total						
D - Commercial and Industrial Demand < 3,000 kW	D	650	649	650	7,756						
kWh		12,317,776	12,820,789	14,454,723	169,761,237						
Average Demand		16,556	17,807	19,428	19,379						
Diversified Load Factor		46.53%	48.33%	51.73%							
Non-Coincident Demand		35,585	36,842	37,559	452,212		51,429				
Coincidence Factor		75.00%	75.00%	75.00%							
Coincident Demand		26,689	27,631	28,169	339,159			339,159	80,737	258,422	
Individual Customer Load Factor		36.53%	38.33%	41.73%							
Sum of Individual Customer Demands		45,327	46,453	46,560	567,211	70,829					
D - Commercial and Industrial - DIRECT SERVED	D	1	1	1	12						
kWh		5,583,848	5,400,001	5,580,000	65,082,407						
Average Demand		7,505	7,500	7,500	7,429						
Diversified Load Factor		247.50%	290.25%	273.60%							
Non-Coincident Demand		3,032	2,584	2,741	41,749		6,074				
Coincidence Factor		70.00%	70.00%	70.00%							
Coincident Demand		2,123	1,809	1,919	29,224			29,224	8,656	20,569	
Individual Customer Load Factor		247.50%	290.25%	273.60%							
Sum of Individual Customer Demands		3,032	2,584	2,741	41,749	6,074					
I-E - Large Commercial Existing	I-E	1	1	1	12						
kWh		1,431,637	1,332,671	1,360,661	18,209,134						
Average Demand		1,924	1,851	1,829	2,079						
Diversified Load Factor		42.19%	40.42%	38.39%							
Non-Coincident Demand		4,560	4,579	4,764	61,131		5,480				
Coincidence Factor		70.00%	70.00%	70.00%							
Coincident Demand		3,192	3,205	3,335	42,792			42,792	11,154	31,638	
Individual Customer Load Factor		42.19%	40.42%	38.39%							
Sum of Individual Customer Demands		4,560	4,579	4,764	61,131	5,480					
OL - Outdoor Lighting	OL	108	106	105	1,277						
kWh		561,384	552,949	547,207	6,382,739						
Average Demand		755	768	735	729						
Diversified Load Factor		50.00%	50.00%	50.00%							
Non-Coincident Demand		1,509	1,536	1,471	17,505		1,593				
Coincidence Factor		100.00%	100.00%	100.00%							
Coincident Demand		1,509	1,536	1,471	8,982			8,982	-	8,982	
Individual Customer Load Factor		50.00%	50.00%	50.00%							
Sum of Individual Customer Demands		1,509	1,536	1,471	17,505	1,593					
Metered CP, All but Direct Serve		80,748	104,831	150,842	1,366,335						
Calculated CP All but Direct Serve		80,748	104,831	150,842	1,366,335	100%					
Difference		(0)	(0)	(0)	(0)						

Exhibit JW-7
COSS: Purchased Power, Meters, &
Services

JACKSON PURCHASE ENERGY CORPORATION
Meter Costs

#	Rate	Rate Code	Installed Meters	Avg Meter Cost	Total Cost	Allocation Factor
1	R - Residential	R	24,525	\$ 250	\$ 6,131,167	52.20%
2	C-1 Small Commercial Single Phase	C1	4,844	\$ 550	\$ 2,664,292	22.68%
3	C-3 Small Commercial Three Phase	C3	515	\$ 1,380	\$ 710,240	6.05%
4	D - Commercial and Industrial Demand < 3,000 kW	D	646	\$ 2,600	\$ 1,680,467	14.31%
5	D - Commercial and Industrial - DIRECT SERVED	D	1	\$ -	\$ -	0.00%
6	I-E - Large Commercial Existing	I-E	1	\$ 5,200	\$ 5,200	0.04%
7	OL - Outdoor Lighting	OL	106	\$ 5,200	\$ 553,367	4.71%
8	Total		30,638	\$ 383.34	\$ 11,744,732	100.00%

JACKSON PURCHASE ENERGY CORPORATION
Service Costs

#	Rate	Rate Code	Average Number of Services	Average Service Cost	Total Cost	Allocation Factor
1	R - Residential	R	24,525	\$ 250	6,131,167	52.20%
2	C-1 Small Commercial Single Phase	C1	4,844	\$ 550	2,664,292	22.68%
3	C-3 Small Commercial Three Phase	C3	515	\$ 1,380	710,240	6.05%
4	D - Commercial and Industrial Demand < 3,000 kW	D	646	\$ 2,600	1,680,467	14.31%
5	D - Commercial and Industrial - DIRECT SERVED	D	1	\$ -	-	0.00%
6	I-E - Large Commercial Existing	I-E	1	\$ 5,200	5,200	0.04%
7	OL - Outdoor Lighting	OL	106	\$ 5,200	553,367	4.71%
8	Total		30,638	\$ 383.34	\$ 11,744,732	100.00%

Exhibit JW-8
COSS: Zero Intercept Analysis

JACKSON PURCHASE ENERGY CORPORATION
Zero Intercept & Minimum System Analyses

Account 365 - Overhead Conductors and Devices

Description	Size	Cost	Quantity	Actual	Linear Regression Inputs		
				Unit Cost (\$ per Unit)	y^n^0.5	n^0.5	xn^0.5
#2/0 OH ACSR	133.07	\$ 8,609.29	72,497	0.12	31.97	269.25	35,829.45
#4 ACSR OH	41.74	428,726.24	3,093,766	0.14	243.75	1,758.91	73,416.92
#2 ACSR OH	66.37	5,476,410.56	10,673,477	0.51	1,676.27	3,267.03	216,832.70
#1/0 ACSR OH	105.53	1,311,076.11	3,962,526	0.33	658.63	1,990.61	210,069.02
#3/0 ACSR OH	167.80	563,372.95	2,608,751	0.22	348.80	1,615.16	271,024.32
#4/0 ACSR OH	211.59	448,665.54	913,858	0.49	469.34	955.96	202,273.32
#336.4 AAAC & 336 LINNETT OH	336.40	2,324,844.12	4,909,740	0.47	1,049.22	2,215.79	745,392.87
#397.5 AAAC OH	397.50	22,645.84	36,404	0.62	118.69	190.80	75,842.33
#652.4 MCM OH	652.40	61,226.09	51,559	1.19	269.64	227.07	148,137.90
#2, #4, #6 Stranded OH Bare Copper	26.25	220,573.30	59,897	3.68	901.26	244.74	6,424.39
CWC OH	26.25	76,258.28	1,531,215	0.44	544.47	1,237.42	32,482.35
#4 TPX OH Secondary	41.74	17,302.96	87,045	0.42	123.91	295.03	12,314.71
#6 DPX OH Secondary	26.25	160,993.97	189,801	0.27	117.63	435.66	11,436.12
#2 TPX OH Secondary	67.37	830,343.06	327,569	0.57	326.23	572.34	38,558.31
#1/0 TPX OH Secondary	105.53	1,826,632.53	784,387	0.87	770.52	885.66	93,463.30
#2/0 TPX OH Secondary	133.07	33,692.22	16,823	1.10	142.67	129.70	17,259.65
#3/0 TPX OH Secondary	167.80	7,802.88	3,599	1.32	79.19	59.99	10,066.60
#4/0 TPX OH Secondary	211.59	102,447.29	17,034	1.45	189.25	130.51	27,615.80
#336.4 TPX OH Secondary	336.40	14,621.70	2,314	1.88	90.44	48.10	16,182.20
#2 QUAD OH Secondary	66.37	43,539.27	2,264	1.20	57.10	47.58	3,157.98
#1/0 QUAD OH Secondary	105.53	94,977.35	9,480	1.30	126.57	97.37	10,274.96
#2/0 QUAD OH Secondary	133.07	6,276.53	2,826	1.65	87.71	53.16	7,074.02
#3/0 QUAD OH Secondary	167.80	1,731.90	1,430	1.85	69.96	37.82	6,345.41
#4/0 QUAD OH Secondary	211.59	54,318.70	7,284	2.05	174.96	85.35	18,058.61
#336. MCM QUAD OH Secondary	336.00	62,163.52	6,199	2.35	185.02	78.73	26,454.53
#8 WP OH Secondary	16.51	17,999.57	239,528	0.08	36.78	489.42	8,079.77
#500 MCM Alum OH	500.00	3,167.60	1,205	2.63	91.25	34.71	17,356.55
#6 Solid Bare Copper	26.25	72,358.52	76,084	0.38	104.82	275.83	7,240.62
#6 Hard Drawn OH	26.25	8,873.03	173,613	0.45	187.50	416.67	10,937.56
#6 A Steel OH	26.25	41.55	2,393	0.45	22.01	48.92	1,284.11
3 #6 AWC OH	26.25	6,237.12	18,559	0.34	45.78	136.23	3,576.07
#7 Aluminum OH	20.82	291.84	462	0.63	13.58	21.49	447.51
#12 TW OH Secondary	6.53	87.72	1,000	0.09	2.77	31.62	206.50
TOTAL		\$ 14,308,309.15	29,884,589				

Zero Intercept Linear Regression Results

Size Coefficient (\$ per MCM)	0.00021
Zero Intercept (\$ per Unit)	0.40023
R-Square	0.7890

LINEST Array

0.00021	0.40023
0.00038	0.06180
0.78905	216.65171

Plant Classification

Total Number of Units	29,884,589
Zero Intercept (\$/Unit)	\$ 0.40
Minimum System (\$/Unit)	\$ 0.08
Use Min System (M) or Zero Intercept (Z)?	Z
Zero Intercept or Min System Cost (\$)	\$ 11,960,612
Total Cost of Sample	\$ 14,308,309
Percentage of Total	0.8359
Percentage Classified as Customer-Related	83.59%
Percentage Classified as Demand-Related	16.41%

JACKSON PURCHASE ENERGY CORPORATION
Zero Intercept & Minimum System Analyses

Account 367 - Underground Conductors and Devices

Description	Size	Cost	Quantity	Actual	Linear Regression Inputs		
				Unit Cost (\$ per Unit)	y*n^0.5	n^0.5	xn^0.5
#2 Copper URD Primary	66.37	\$ 6,847.50	10,343	0.66	67.33	101.70	6,749.86
#1/0 Aluminun URD Primary Cable	105.53	5,150,258.83	1,881,239	2.74	3,754.98	1,371.58	144,743.12
#2 Aluminum URD Primary	66.37	734,775.09	603,945	1.22	945.49	777.14	51,578.71
#750 Aluminum URD Primary	750.00	1,983,913.10	134,077	14.80	5,418.08	366.17	274,623.95
#750 Copper URD Primary	750.00	471.06	86	5.48	50.80	9.27	6,955.21
#4/0 Aluminum URD Primary	211.59	840,772.10	195,616	4.30	1,900.97	442.28	93,583.96
#500 Copper URD Primary	500.00	107,004.63	39,451	2.71	538.73	198.62	99,311.38
#500 Aluminum URD Primary	500.00	1,374,739.26	124,607	11.03	3,894.48	353.00	176,498.58
#500 Copper URD Secondary	500.00	12,341.51	2,626	4.70	240.84	51.24	25,622.26
#2 TPX Secondary URD	66.37	2,690.72	32	84.09	475.66	5.66	375.45
#1/0 TPX URD Secondary	105.53	46,805.61	10,814	4.33	450.10	103.99	10,974.11
#2/0 TPX URD Secondary	133.07	411.89	89	4.63	43.66	9.43	1,255.38
#4/0 TPX URD Secondary	211.59	122,456.00	20,900	5.86	847.05	144.57	30,589.50
#350 MCM TPX URD Secondary	350.00	191,197.40	47,965	3.99	873.01	219.01	76,653.20
#1/0 QUAD URD Secondary	105.53	272.37	92	2.96	28.40	9.59	1,012.21
#4/0 QUAD URD Secondary	211.59	2,220.23	218	10.18	150.37	14.76	3,124.12
#350 QUAD URD Secondary	350.00	6,984.85	270	25.87	425.08	16.43	5,751.09
#4/0 3PH URD SUBM TENN. RIVER XIN	211.59	29,038.70	2,504	11.60	580.31	50.04	10,588.06
#10/2 UF with Ground URD Secondary V	663.69	2,430.82	1,495	1.63	62.87	38.67	25,661.73
#12/2 UF URD Secondary Wire	796.43	2,185.15	1,506	1.45	56.31	38.81	30,907.15
#10/2 UF URD Secondary Wire	663.69	23.83	10	2.38	7.54	3.16	2,098.77
#8 UF URD Secondary Wire	16.51	5,519.66	3,009	1.83	100.62	54.85	905.59
#6 UF URD Secondary Wire	26.25	4,875.74	2,642	1.85	94.86	51.40	1,349.26
#6 DPX URD Conductor	26.25	114,049.31	74,191	1.54	418.71	272.38	7,149.98
TOTAL		\$ 10,742,285.36	3,157,727				

Zero Intercept Linear Regression Results

Size Coefficient (\$ per MCM)	0.01771
Zero Intercept (\$ per Unit)	0.64334
R-Square	0.9397

LINEST Array

0.01771	0.64334
0.00149	0.33369
0.93966	425.89367

Plant Classification

Total Number of Units	3,157,727
Zero Intercept (\$/Unit)	\$ 0.64
Minimum System (\$/Unit)	\$ 0.66
Use Min System (M) or Zero Intercept (Z)?	Z
Zero Intercept or Min System Cost (\$)	\$ 2,031,499
Total Cost of Sample	\$ 10,742,285
Percentage of Total	0.1891
Percentage Classified as Customer-Related	18.91%
Percentage Classified as Demand-Related	81.09%

JACKSON PURCHASE ENERGY CORPORATION
Zero Intercept & Minimum System Analyses

Account 368 - Line Transformers

Description	Size	Cost	Quantity	Actual	Linear Regression Inputs			NARUC CAM	
				Unit Cost (\$ per Unit)	y^n^0.5	n^0.5	xn^0.5	Incl?	Qty
1 KVA Conventional Transf	1.00	\$ 41,455.51	83	499.46	4,550.33	9.11	9.11	1	83
1.5 KVA Conventional Transf	1.50	322,794.73	384	840.61	16,472.55	19.60	29.39	1	384
10 KVA Conventional Transf	10.00	10,064.55	9	1,118.28	3,354.85	3.00	30.00	1	9
15 KVA Conventional Transf	15.00	7,011,317.20	8,523	822.63	75,945.73	92.32	1,384.80	1	8,523
25 KVA Conventional Transf	25.00	2,809,011.21	3,257	862.45	49,220.34	57.07	1,426.75	1	3,257
37.5 KVA Conventional Transf	37.50	840,972.16	718	1,171.27	31,384.80	26.80	1,004.83	1	718
50 KVA Conventional Transf	50.00	502,801.20	415	1,211.57	24,681.54	20.37	1,018.58	1	415
75 KVA Conventional Transf	75.00	240,995.39	152	1,585.50	19,547.31	12.33	924.66	0	-
100 KVA Conventional Transf	100.00	157,600.50	83	1,898.80	17,298.90	9.11	911.04	0	-
167 KVA Conventional Transf	167.00	229,085.76	77	2,975.14	26,106.75	8.77	1,465.42	0	-
250 KVA Conventional Transf	350.00	149,648.22	35	4,275.66	25,295.17	5.92	2,070.63	0	-
333 KVA Conventional Transf	333.00	99,631.71	21	4,744.37	21,741.42	4.58	1,526.00	0	-
500 KVA Conventional Transf	500.00	17,453.37	3	5,817.79	10,076.71	1.73	866.03	0	-
833 KVA Conventional Transf	833.00	54,832.00	4	13,708.00	27,416.00	2.00	1,666.00	0	-
10 KVA CSP Transf	10.00	156,911.20	840	186.80	5,413.95	28.98	289.83	1	840
15 KVA CSP Transf	15.00	456,186.32	1,733	263.24	10,958.29	41.63	624.44	1	1,733
25 KVA CSP Transf	25.00	275,830.82	843	327.20	9,500.12	29.03	725.86	1	843
37.5 KVA CSP Transf	37.50	33,366.49	84	397.22	3,640.58	9.17	343.69	1	84
25 KVA Padmount Transf	25.00	3,511,565.69	2,766	1,269.55	66,768.97	52.59	1,314.82	1	2,766
37.5 KVA Padmount Transf	37.50	174,341.26	111	1,570.64	16,547.74	10.54	395.09	1	111
50 KVA Padmount Transf	50.00	860,378.08	680	1,265.26	32,993.99	26.08	1,303.84	1	680
75 KVA Padmount Transf	75.00	614,970.47	200	3,074.85	43,484.98	14.14	1,060.66	0	-
100 KVA Padmount Transf	100.00	167,802.46	72	2,330.59	19,775.71	8.49	848.53	0	-
150 KVA Padmount Transf	150.00	102,064.52	15	6,804.30	26,352.95	3.87	580.95	0	-
167 KVA Padmount Transf	167.00	264,100.20	94	2,809.58	27,239.86	9.70	1,619.13	0	-
112.5 KVA Padmount Transf	113.50	251,532.77	46	5,468.10	37,086.48	6.78	769.79	0	-
225 KVA Padmount Transf	225.00	304,351.65	50	6,087.03	43,041.82	7.07	1,590.99	0	-
250 KVA Padmount Transf	250.00	16,479.00	3	5,493.00	9,514.16	1.73	433.01	0	-
300 KVA Padmount Transf	300.00	584,191.52	85	6,872.84	63,364.47	9.22	2,765.86	0	-
500 KVA Padmount Transf	500.00	547,312.06	63	8,687.49	68,954.84	7.94	3,968.63	0	-
750 KVA Padmount Transf	750.00	373,452.40	36	10,373.68	62,242.07	6.00	4,500.00	0	-
1000 KVA Padmount Transf	1,000.00	269,582.18	17	15,857.78	65,383.28	4.12	4,123.11	0	-
1500 KVA Padmount Transf	1,500.00	266,110.66	15	17,740.71	68,709.48	3.87	5,809.48	0	-
2000 KVA Padmount Transf	2,000.00	48,276.30	2	24,138.15	34,136.50	1.41	2,828.43	0	-
2500 KVA Padmount Transf	2,500.00	102,927.12	2	51,463.56	72,780.46	1.41	3,535.53	0	-
TOTAL		\$ 21,869,396.68	21,521						20,446

Zero Intercept Linear Regression Results

Size Coefficient (\$ per MCM)	13.43959
Zero Intercept (\$ per Unit)	548.17325
R-Square	0.9188

LINEST Array

13.43959	548.17325
2.57425	86.89768
0.91880	9,305.23160

Plant Classification

Total Number of Units	*	20,446	* Only single-phase up to 50 KVA should be included
Zero Intercept (\$/Unit)	\$	548.17	in the Customer-related component per NARUC CAM
Minimum System (\$/Unit)	\$	186.80	
Use Min System (M) or Zero Intercept (Z)?		Z	
Zero Intercept or Min System Cost (\$)	\$	11,207,950	
Total Cost of Sample	\$	21,869,397	
Percentage of Total		0.5125	
Percentage Classified as Customer-Related		51.25%	
Percentage Classified as Demand-Related		48.75%	

Exhibit JW-9
Present & Proposed Rates

JACKSON PURCHASE ENERGY CORPORATION
Present and Proposed Rates

Rate Class			Rates			Revenues					
#	Code	Billing Unit	Present Rate	Proposed Rate	Incr (Decr) Over Pres	Test Year Revenue	Present Revenue	Proposed Revenue	Increase \$	Increase %	Increase Avg Bill
1	R	Facilities Charge (per month)	20.35	30.35	10.00	\$ 51,044,255	\$ 52,740,452	\$ 57,005,176	\$ 4,264,725	8.1%	\$13.95
		Energy Charge (per kWh)	0.114521	0.118059	0.003538						
2	C1	Facilities Charge (per month)	20.35	30.35	10.00	\$ 6,319,638	\$ 5,202,158	\$ 5,769,389	\$ 567,231	10.9%	\$12.27
		Energy Charge (per kWh)	0.114521	0.118059	0.003538						
3	C3	Facilities Charge (per month)	32.27	42.27	10.00	\$ 1,621,936	\$ 1,630,043	\$ 1,728,565	\$ 98,522	6.0%	\$15.85
		Energy Charge (per kWh)	0.100453	0.103557	0.003104						
4	D	Facilities Charge (per month)	48.42	58.42	10.00	\$ 19,554,787	\$ 19,622,301	\$ 20,181,516	\$ 559,215	2.8%	\$71.69
		Demand Charge (per kW)	9.01	9.29	0.28						
		Energy Charge 1st 200 (per kWh)	0.062202	0.064124	0.001922						
		Energy Charge 2nd 200 (per kWh)	0.052104	0.053714	0.001610						
		Energy Charge 3rd 200 (per kWh)	0.046973	0.048424	0.001451						
		Energy Charge Over 600 (per kWh)	0.041993	0.043291	0.001298						
5	D	Direct Served (total)	-	-	-	\$ 12,887,924	\$ 12,887,924	\$ 12,887,924	\$ -	0.0%	\$0.00
6	I-E	Service Charge (per month)	414.97	424.97	10.00	\$ 2,088,057	\$ 2,088,057	\$ 2,140,106	\$ 52,049	2.5%	\$4,337.43
		Energy Charge (per kWh)	0.039094	0.040302	0.001208						
		Demand Charge 1st 3000 (\$)	47,721.03	49,195.52	1,474.49						
		Demand Charge Over 3000 (per kW)	15.91	16.40	0.49						
7	OL	Totals	various	various	various	\$ 1,428,386	\$ 1,428,386	\$ 1,472,520	\$ 44,135	3.1%	NA
8		TOTAL				\$ 94,944,983	\$ 95,599,320	\$ 101,185,196	\$ 5,585,876	5.8%	

Target 5,586,197
Variance \$ (321) -0.01%

JACKSON PURCHASE ENERGY CORPORATION
R - Residential
R

	Test Year Rate			Present Rate			Proposed Rates			Increase	
	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings		
Customer Charge	<i>Customers per Customer</i>			<i>Customers per Customer</i>			<i>Customers per Customer</i>				
Test Year	294,296	\$ 20.35	\$ 5,988,924	305,748	\$ 20.35	\$ 6,221,972	Annual	305,748	\$ 30.35	\$ 9,279,452	49.1%
Energy Charge	<i>kWh Per kWh</i>			<i>kWh Per kWh</i>			<i>kWh Per kWh</i>				
All Hours	328,446,062	\$0.114521	\$ 37,613,971	341,222,312	\$0.114521	\$ 39,077,120	All Hours	341,222,312	\$0.118059	\$ 40,284,365	3.1%
Other							Other				
FAC		\$0.01677	\$ 5,509,021		\$0.01677	\$ 5,509,021	FAC		\$0.01614	\$ 5,509,021	0.0%
ES		\$0.00544	\$ 1,786,786		\$0.00544	\$ 1,786,786	ES		\$0.00524	\$ 1,786,786	0.0%
MRSM		-\$0.00532	\$ (1,747,476)		-\$0.00532	\$ (1,747,476)	OL		-\$0.00512	\$ (1,747,476)	0.0%
NonFAC PPA		\$0.00576	\$ 1,893,028		\$0.00576	\$ 1,893,028	FAC		\$0.00555	\$ 1,893,028	0.0%
		\$0.02266									
Total Rate Revenue			<u>\$ 51,044,255</u>			<u>\$ 52,740,452</u>	Total Rate Revenue			<u>\$ 57,005,176</u>	8.1%
Revenue Per Books			\$ 51,072,587				Difference from Present Rates			\$ 4,264,725	
Difference			\$ (28,333)			\$ 1,696,197	Percent Change from Present Rates				8.1%
Percent Difference			-0.06%			3.32%	Avg Incr/(Decr) Per Customer Per Month			\$ 13.95	
Averages	1,116 kWh		\$ 173.45	1,116 kWh		\$ 172.50		1,116 kWh		\$ 186.44	\$ 13.95

JACKSON PURCHASE ENERGY CORPORATION
C-1 Small Commercial Single Phase
C1

	Test Year Rate			Present Rate			Proposed Rates				
	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Increase	
Customer Charge	<i>Customers per Customer</i>			<i>Customers per Customer</i>			<i>Customers per Customer</i>				
Test Year	58,130	\$ 20.35	\$ 1,182,946	46,224	\$ 20.35	\$ 940,658	Annual	46,224	\$ 30.35	\$ 1,402,898	49.1%
Energy Charge	<i>kWh Per kWh</i>			<i>kWh Per kWh</i>			<i>kWh Per kWh</i>				
Test Year	37,317,394	\$0.114521	\$ 4,273,625	29,675,186	\$0.114521	\$ 3,398,432	All Hours	29,675,186	\$0.118059	\$ 3,503,423	3.1%
Other							Other				
FAC		\$0.01693	\$ 631,834		\$0.01693	\$ 631,834	FAC		\$0.02129	\$ 631,834	0.0%
ES		\$0.00572	\$ 213,584		\$0.00572	\$ 213,584	ES		\$0.00720	\$ 213,584	0.0%
MRSM		-\$0.00560	\$ (209,014)		-\$0.00560	\$ (209,014)	OL		-\$0.00704	\$ (209,014)	0.0%
NonFAC PPA		\$0.00607	\$ 226,663		\$0.00607	\$ 226,663	FAC		\$0.00764	\$ 226,663	0.0%
		<u>\$0.02313</u>									
Total Rate Revenue			<u>\$ 6,319,638</u>			<u>\$ 5,202,158</u>	Total Rate Revenue			<u>\$ 5,769,389</u>	10.9%
Revenue Per Books			\$ 6,279,829				Difference from Present Rates			\$ 567,231	
Difference			\$ 39,809			\$ (1,117,480)	Percent Change from Present Rates			10.9%	
Percent Difference			0.63%			-17.79%	Avg Incr/(Decr) Per Customer Per Month			\$ 12	
Averages	642 kWh		\$ 108.72	642 kWh		\$ 112.54		642 kWh		\$ 124.81	\$ 12.27

JACKSON PURCHASE ENERGY CORPORATION
C-3 Small Commercial Three Phase
C3

	Test Year Rate			Present Rate			Proposed Rates				
	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Increase	
Customer Charge							Customer Charge				
Test Year	<i>Customers</i> 6,176	<i>per Customer</i> \$ 32.27	\$ 199,300	<i>Customers</i> 6,216	<i>per Customer</i> \$ 32.27	\$ 200,590	Annual	<i>Customers</i> 6,216	<i>per Customer</i> \$ 42.27	\$ 262,750	31.0%
Energy Charge							Energy Charge				
All Hours	<i>kWh</i> 11,646,814	<i>Per kWh</i> \$0.100453	\$ 1,169,957	<i>kWh</i> 11,714,660	<i>Per kWh</i> \$0.100453	\$ 1,176,773	All Hours	<i>kWh</i> 11,714,660	<i>Per kWh</i> \$0.103557	\$ 1,213,135	3.1%
Other							Other				
FAC		\$0.01583	\$ 184,371		\$0.01583	\$ 184,371	FAC		\$0.01574	\$ 184,371	0.0%
ES		\$0.00549	\$ 63,927		\$0.00549	\$ 63,927	ES		\$0.00546	\$ 63,927	0.0%
MRSM		-\$0.00540	\$ (62,902)		-\$0.00540	\$ (62,902)	OL		-\$0.00537	\$ (62,902)	0.0%
NonFAC PPA		<u>\$0.00578</u>	\$ 67,284		<u>\$0.00578</u>	\$ 67,284	FAC		<u>\$0.00574</u>	\$ 67,284	0.0%
		<u>\$0.02170</u>									
Total Rate Revenue			<u>\$ 1,621,936</u>			<u>\$ 1,630,043</u>	Total Rate Revenue			<u>\$ 1,728,565</u>	6.0%
Revenue Per Books			\$ 1,628,408				Difference from Present Rates			\$ 98,522	
Difference			\$ (6,472)			\$ 8,106	Percent Change from Present Rates			6.0%	
Percent Difference			-0.40%			0.50%	Avg Incr/(Decr) Per Customer Per Month			\$ 16	
Averages	1,886 kWh		\$ 262.62	1,885 kWh		\$ 262.23		1,885 kWh		\$ 278.08	\$ 15.85

JACKSON ENERGY COOPERATIVE
D - Commercial and Industrial Demand < 3,000 kW
D

	Test Year Rate			Present Rate			Proposed Rates				
	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Increase	
Customer Charge	<i>Customers per Customer</i>			<i>Customers per Customer</i>			<i>Customers per Customer</i>				
Test Year	7,756	\$ 48.42	\$ 375,546	7,800	\$ 48.42	\$ 377,676	Annual	7,800	\$ 58.42	\$ 455,676	20.7%
Energy Charge	<i>kWh Per kWh</i>			<i>kWh Per kWh</i>			<i>kWh Per kWh</i>				
1st 200	120,256,429	\$0.062202	\$ 7,480,190	121,307,582	\$0.062202	\$ 7,545,574	All Hours	121,307,582	\$0.064124	\$ 7,778,727	3.1%
2nd 200	49,504,808	\$0.052104	\$ 2,579,399	49,504,808	\$0.052104	\$ 2,579,399	All Hours	49,504,808	\$0.053714	\$ 2,659,101	3.1%
3rd 200	-	\$0.046973	\$ -	-	\$0.046973	\$ -	All Hours	-	\$0.048424	\$ -	0.0%
Over 600	-	\$0.041993	\$ -	-	\$0.041993	\$ -	All Hours	-	\$0.043291	\$ -	0.0%
Subtotal	169,761,237	\$0.059257	\$ 10,059,589	170,812,390	\$0.059642	\$ 10,124,973	All Hours	170,812,390	\$0.061107	\$ 10,437,829	3.1%
Demand Charge	<i>kW Per kW</i>			<i>kW Per kW</i>			<i>kW Per kW</i>				
Test Year	601,282	\$9.01	\$ 5,417,552	601,282	\$9.01	\$ 5,417,552	Test Year	601,282	\$9.29	\$ 5,585,911	3.1%
Other							Other				
FAC		\$0.01595	\$ 2,706,995		\$0.01595	\$ 2,706,995	FAC		\$0.01585	\$ 2,706,995	0.0%
ES		\$0.00549	\$ 932,292		\$0.00549	\$ 932,292	ES		\$0.00546	\$ 932,292	0.0%
MRSM		-\$0.00544	\$ (923,419)		-\$0.00544	\$ (923,419)	OL		-\$0.00541	\$ (923,419)	0.0%
NonFAC PPA		\$0.00581	\$ 986,233		\$0.00581	\$ 986,233	FAC		\$0.00577	\$ 986,233	0.0%
		\$0.02181									
Total Rate Revenue			<u>\$ 19,554,787</u>			<u>\$ 19,622,301</u>	Total Rate Revenue			<u>\$ 20,181,516</u>	2.8%
Revenue Per Books			\$ 19,775,588				Difference from Present Rates			\$ 559,215	
Difference			\$ (220,801)			\$ 67,514	Percent Change from Present Rates				2.8%
Percent Difference			-1.12%			0.34%	Avg Incr/(Decr) Per Customer Per Month			\$ 72	
Averages	21,888 kWh		\$ 2,521.25	21,899 kWh		\$ 2,515.68		21,899 kWh		\$ 2,587.37	\$ 71.69

JACKSON PURCHASE ENERGY CORPORATION
I-E - Large Commercial Existing
I-E

	Test Year Rate			Present Rate			Proposed Rates			Increase	
	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings	Billing Units	Rate	Calculated Billings		
Customer Charge											
Test Year	<i>Customers</i> 12	<i>per Customer</i> \$ 414.97	\$ 4,980	<i>Customers</i> 12	<i>per Customer</i> \$ 414.97	\$ 4,980	Annual	<i>Customers</i> 12	<i>per Customer</i> \$ 424.97	\$ 5,100	2.4%
Energy Charge											
All Hours	<i>kWh</i> 18,209,134	<i>Per kWh</i> \$0.039094	\$ 711,868	<i>kWh</i> 18,209,134	<i>Per kWh</i> \$0.03909	\$ 711,868	All Hours	<i>kWh</i> 18,209,134	<i>Per kWh</i> \$0.04030	\$ 733,865	3.1%
Demand Charge											
First 3000 KW	<i>kW</i> 36,000	<i>Per kW</i> \$	\$ 572,652	<i>kW</i> 36,000	<i>Per kW</i> \$	\$ 572,652	NCP	<i>kW</i> 36,000	<i>Per kW</i> \$	\$ 590,346	3.1%
Over 3000 KW	25,131	\$15.91	\$ 399,906	25,131	\$15.91	\$ 399,906	NCP	25,131	\$16.40	\$ 412,145	3.1%
	61,131			61,131				61,131			
Other											
FAC		\$0.01601	\$ 291,552		\$0.01601	\$ 291,552	FAC		\$0.01601	\$ 291,552	0.0%
ES		\$0.00550	\$ 100,219		\$0.00550	\$ 100,219	ES		\$0.00550	\$ 100,219	0.0%
MRSM		-\$0.00539	\$ (98,091)		-\$0.00539	\$ (98,091)	OL		-\$0.00539	\$ (98,091)	0.0%
NonFAC PPA		\$0.00576	\$ 104,971		\$0.00576	\$ 104,971	FAC		\$0.00576	\$ 104,971	0.0%
		\$0.02189									
Total Rate Revenue			<u>\$ 2,088,057</u>			<u>\$ 2,088,057</u>	Total Rate Revenue			<u>\$ 2,140,106</u>	2.5%
Revenue Per Books			\$ 2,101,023				Difference from Present Rates			\$ 52,049	
Difference			\$ (12,966)			\$ -	Percent Change from Present Rates			2%	
Percent Difference			-0.62%			0.00%	Avg Incr/(Decr) Per Customer Per Month			\$ 4,337	
Averages	1,517,428 kWh		\$ 174,004.76	1,517,428 kWh		\$ 174,004.76	1,517,428 kWh		\$ 178,342.20	\$ 4,337.43	

JACKSON PURCHASE ENERGY CORPORATION
 OL - Outdoor Lighting
 OL

Description	Test Year		Present Rate		Proposed Rate	
	Rate	Billings	Rate	Billings	Rate	Billings
Lights						
	<i>Per Light</i>		<i>Per Light</i>		<i>Per Light</i>	
100W HPS	10.98		10.98		11.32	
250W HPS	15.25		15.25		15.72	
250W HPS Flood	16.01		16.01		16.50	
1,000W Metal - Flood	40.10		40.10		41.34	
LED 6000-9000 Lumens	11.19		11.19		11.54	
LED 9,300 - 15,000 Lumens	13.68		13.68		14.10	
LED Flood 14,000 -23,000 Lumens	19.30		19.30		19.90	
175W Metal	18.58		18.58		19.15	
150W Metal	18.00		18.00		18.56	
400W Metal	27.07		27.07		27.91	
175 MV	11.43		11.43		11.78	
400 MV	17.68		17.68		18.23	
	Total	\$ 1,428,386		\$ 1,428,386		\$ 1,428,386
Total Rate Revenue		6,382,739 kWh	\$ 1,428,386	\$ 1,428,386	Total Rate Revenue	\$ 1,472,520
Revenue Per Books			\$ 1,428,386		Difference from Present Rates	\$ 44,135
Difference			\$ -	\$ -	Percent Change from Present Rates	3%
Percent Difference			0.000%	0.00%		

JACKSON PURCHASE ENERGY CORPORATION
Estimated Monthly Rate Increase by KWH
Residential

#	Monthly kWh	Present Base Rates				Proposed Base Rates				Increase	
		Customer	Energy	Riders	Total	Customer	Energy	Riders	Total	\$	%
		\$ 20.35	0.114521	0.022656		\$ 30.35	0.118059	0.022656			
1	-	\$ 20.35	\$ -	\$ -	\$ 20.35	\$ 30.35	\$ -	\$ -	\$ 30.35	\$ 10.00	49.1%
2	100	\$ 20.35	\$ 11.45	\$ 2.27	\$ 34.07	\$ 30.35	\$ 11.81	\$ 2.27	\$ 44.42	\$ 10.35	30.4%
3	200	\$ 20.35	\$ 22.90	\$ 4.53	\$ 47.79	\$ 30.35	\$ 23.61	\$ 4.53	\$ 58.49	\$ 10.71	22.4%
4	300	\$ 20.35	\$ 34.36	\$ 6.80	\$ 61.50	\$ 30.35	\$ 35.42	\$ 6.80	\$ 72.56	\$ 11.06	18.0%
5	400	\$ 20.35	\$ 45.81	\$ 9.06	\$ 75.22	\$ 30.35	\$ 47.22	\$ 9.06	\$ 86.64	\$ 11.42	15.2%
6	500	\$ 20.35	\$ 57.26	\$ 11.33	\$ 88.94	\$ 30.35	\$ 59.03	\$ 11.33	\$ 100.71	\$ 11.77	13.2%
7	600	\$ 20.35	\$ 68.71	\$ 13.59	\$ 102.66	\$ 30.35	\$ 70.84	\$ 13.59	\$ 114.78	\$ 12.12	11.8%
8	700	\$ 20.35	\$ 80.16	\$ 15.86	\$ 116.37	\$ 30.35	\$ 82.64	\$ 15.86	\$ 128.85	\$ 12.48	10.7%
9	800	\$ 20.35	\$ 91.62	\$ 18.13	\$ 130.09	\$ 30.35	\$ 94.45	\$ 18.13	\$ 142.92	\$ 12.83	9.9%
10	900	\$ 20.35	\$ 103.07	\$ 20.39	\$ 143.81	\$ 30.35	\$ 106.25	\$ 20.39	\$ 156.99	\$ 13.18	9.2%
11	1,000	\$ 20.35	\$ 114.52	\$ 22.66	\$ 157.53	\$ 30.35	\$ 118.06	\$ 22.66	\$ 171.07	\$ 13.54	8.6%
12	1,100	\$ 20.35	\$ 125.97	\$ 24.92	\$ 171.24	\$ 30.35	\$ 129.86	\$ 24.92	\$ 185.14	\$ 13.89	8.1%
13	1,200	\$ 20.35	\$ 137.43	\$ 27.19	\$ 184.96	\$ 30.35	\$ 141.67	\$ 27.19	\$ 199.21	\$ 14.25	7.7%
14	1,300	\$ 20.35	\$ 148.88	\$ 29.45	\$ 198.68	\$ 30.35	\$ 153.48	\$ 29.45	\$ 213.28	\$ 14.60	7.3%
15	1,400	\$ 20.35	\$ 160.33	\$ 31.72	\$ 212.40	\$ 30.35	\$ 165.28	\$ 31.72	\$ 227.35	\$ 14.95	7.0%
16	1,500	\$ 20.35	\$ 171.78	\$ 33.98	\$ 226.12	\$ 30.35	\$ 177.09	\$ 33.98	\$ 241.42	\$ 15.31	6.8%
17	1,600	\$ 20.35	\$ 183.23	\$ 36.25	\$ 239.83	\$ 30.35	\$ 188.89	\$ 36.25	\$ 255.49	\$ 15.66	6.5%
18	1,700	\$ 20.35	\$ 194.69	\$ 38.52	\$ 253.55	\$ 30.35	\$ 200.70	\$ 38.52	\$ 269.57	\$ 16.01	6.3%
19	1,800	\$ 20.35	\$ 206.14	\$ 40.78	\$ 267.27	\$ 30.35	\$ 212.51	\$ 40.78	\$ 283.64	\$ 16.37	6.1%
20	1,900	\$ 20.35	\$ 217.59	\$ 43.05	\$ 280.99	\$ 30.35	\$ 224.31	\$ 43.05	\$ 297.71	\$ 16.72	6.0%
21	2,000	\$ 20.35	\$ 229.04	\$ 45.31	\$ 294.70	\$ 30.35	\$ 236.12	\$ 45.31	\$ 311.78	\$ 17.08	5.8%
22	2,100	\$ 20.35	\$ 240.49	\$ 47.58	\$ 308.42	\$ 30.35	\$ 247.92	\$ 47.58	\$ 325.85	\$ 17.43	5.7%
23	2,200	\$ 20.35	\$ 251.95	\$ 49.84	\$ 322.14	\$ 30.35	\$ 259.73	\$ 49.84	\$ 339.92	\$ 17.78	5.5%
24	2,300	\$ 20.35	\$ 263.40	\$ 52.11	\$ 335.86	\$ 30.35	\$ 271.54	\$ 52.11	\$ 354.00	\$ 18.14	5.4%
25	2,400	\$ 20.35	\$ 274.85	\$ 54.38	\$ 349.58	\$ 30.35	\$ 283.34	\$ 54.38	\$ 368.07	\$ 18.49	5.3%
26	2,500	\$ 20.35	\$ 286.30	\$ 56.64	\$ 363.29	\$ 30.35	\$ 295.15	\$ 56.64	\$ 382.14	\$ 18.84	5.2%
27	2,600	\$ 20.35	\$ 297.75	\$ 58.91	\$ 377.01	\$ 30.35	\$ 306.95	\$ 58.91	\$ 396.21	\$ 19.20	5.1%
28	2,700	\$ 20.35	\$ 309.21	\$ 61.17	\$ 390.73	\$ 30.35	\$ 318.76	\$ 61.17	\$ 410.28	\$ 19.55	5.0%
29	2,800	\$ 20.35	\$ 320.66	\$ 63.44	\$ 404.45	\$ 30.35	\$ 330.57	\$ 63.44	\$ 424.35	\$ 19.91	4.9%
30	2,900	\$ 20.35	\$ 332.11	\$ 65.70	\$ 418.16	\$ 30.35	\$ 342.37	\$ 65.70	\$ 438.42	\$ 20.26	4.8%
31	3,000	\$ 20.35	\$ 343.56	\$ 67.97	\$ 431.88	\$ 30.35	\$ 354.18	\$ 67.97	\$ 452.50	\$ 20.61	4.8%

JACKSON PURCHASE ENERGY CORPORATION
Reconciliation of Booked vs. Calculated Billings

Customer Class	Rate Code	kWh	Revenue Per Books	Test Year Rate Calculated Billings	Difference	Percentage Difference
R - Residential	R	328,446,062	\$ 51,072,587	\$ 51,044,255	\$ (28,333)	-0.06%
C-1 Small Commercial Single Phase	C1	37,317,394	\$ 6,279,829	\$ 6,319,638	\$ 39,809	0.63%
C-3 Small Commercial Three Phase	C3	11,646,814	\$ 1,628,408	\$ 1,621,936	\$ (6,472)	-0.40%
D - Commercial and Industrial Demand < 3,000 kW	D	169,761,237	\$ 19,775,588	\$ 19,554,787	\$ (220,801)	-1.12%
D - Com & Ind - DIRECT SERVED	D	65,082,407	\$ 12,887,924	\$ 12,887,924	\$ -	0.00%
I-E - Large Commercial Existing	I-E	18,209,134	\$ 2,101,023	\$ 2,088,057	\$ (12,966)	-0.62%
OL - Outdoor Lighting	OL	6,382,739	\$ 1,428,386	\$ 1,428,386	\$ -	0.00%
TOTAL		636,845,787	\$ 95,173,745	94,944,983	\$ (228,762)	-0.24%

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 11

**807 KAR 5:001 Section 16(4)(d)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

A statement estimating the effect that each new rate will have upon the revenues of the utility including, at minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease.

Response:

Jackson Purchase is requesting an increase in its revenues of \$5,586,197, or 5.8%, to achieve a Times Interest Earned Ratio (TIER) of 2.00. For the statement of the effect on revenues for each new rate, see Exhibit 10 of the Application, the Direct Testimony of John Wolfram, specifically Exhibit JW-9.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 12

**807 KAR 5:001 Section 16(4)(e)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

If the utility provides electric, gas, water, or sewer service, the effect upon the average bill for each customer classification to which the proposed rate change will apply.

Response:

The effect upon the average bill for each customer classification to which the proposed rate change will apply is as follows:

Rate Class	Average Usage (kWh)	Increase	
		Dollars	Percent
R - Residential	1,116	\$13.95	8.1%
C-1 Small Commercial	642	\$12.27	10.9%
C-3 Small Commercial	1,885	\$15.85	6.0%
D - Commercial and Industrial	21,899	\$71.69	2.8%
I-E - Large Commercial	1,517,428	\$4,337.43	2.5%
OL - Outdoor Lighting	NA	NA	3.1%

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 13

**807 KAR 5:001 Section 16(4)(g)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

A detailed analysis of customer's bills whereby revenues from the present and proposed rates can be readily determined for each customer class.

Response:

The analysis of customer bills by rate schedule, reflecting present and proposed rates, can be found in Exhibit 10 of the Application, John Wolfram's Direct Testimony, Exhibit JW-9.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 14

**807 KAR 5:001 Section 16(4)(h)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

A summary of the utility's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio , with supporting schedules.

Response:

The revenue requirement in this case is based on achieving a Times Interest Earned Ratio ("TIER") of 2.00. A summary of Jackson Purchase's determination of its revenue requirement based on this TIER can be found in Exhibit 10 of the Application, John Wolfram's Direct Testimony, specifically Exhibit JW-2.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 15

**807 KAR 5:001 Section 16(4)(i)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

A reconciliation of the rate base and capital used to determine its revenue requirement.

Response:

Please see the attached reconciliation of rate base and capital.

Jackson Purchase Energy Corporation**Case No. 2024-00085****Reconciliation of Capitalization and Net Investment Rate Base for Test Year**

Line No.	Item Description	Amount
1	Long-Term Debt	\$ 89,241,839
2	Equity	\$ 50,409,742
3	Short-Term Debt	\$ 2,000,000
4	Total Capitalization	\$ 141,651,581
5		
6	Total Utility Plant in Service	\$ 208,827,089
7	Construction Work in Progress	\$ 5,894,817
8	Total Utility Plant	\$ 214,721,906
9	Accum Provision for Depr and Amort	\$ 72,148,212
10	Net Utility Plant	\$ 142,573,694
11	Cash Working Capital - Operation and Maintenance Expenses	\$ 2,051,330
12	Materials and Supplies (13-Month Avg)	\$ 3,861,072
13	Prepayments (13-Month Average)	\$ 517,286
14	Less: Customer Deposits	\$ (3,242,680)
15	Total Net Rate Base	\$ 145,760,701
16		
17	Variance	\$ (4,109,120)
18		
19	<i>Rate Base Adjustments - Assets</i>	
20	Cash Working Capital	\$ (2,051,330)
21	M&S 13 Month Avg Bal	\$ (3,861,072)
22	Prepayment 13 Month Avg Bal	\$ (517,286)
23	Cust Deposits	\$ 3,242,680
24	Amortization Adj	\$ (9,417,008)
25	CWIP/RWIP Adj	\$ 277,259
26	Investment in Assoc Org - Patr Capital	\$ 2,023,791
27	Investment in Assoc Org - Non Gen Fnd	\$ 2,040,064
28	Cash - General Funds	\$ 3,506,855
29	Accts Receivable - Sales Energy (Net)	\$ 6,563,251
30	Accts Receivable - Other (Net)	\$ 187,507
31	Material & Supplies - Elec & Other	\$ 4,645,711
32	Prepayments	\$ 722,539
33	Other Current & Accr Assets	\$ 5,731,904
34	Other Deferred Debits	\$ 49,992
35	Asset Adjustment Subtotal	\$ 13,144,858
36		

37	<u>Rate Base Adjustments - Liabilities</u>		
38	Accum Operating Provisions	\$	(3,163,678)
39	Accounts Payable	\$	(8,560,971)
40	Consumer Deposits	\$	(3,242,780)
41	Other Current & Accr Liabilities	\$	(2,244,275)
42	Regulatory Liabilities	\$	(42,274)
43	Liability Adjustment Subtotal	\$	(17,253,978)
44			
45	Net Rate Base Adjustments	\$	(4,109,120)
46	Rate Base vs. Capitalization Variance	\$	(4,109,120)
47	Reconciliation	\$	(0)

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 16

**807 KAR 5:001 Section 16(4)(j)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

A current chart of accounts if more detailed than the Uniform System of Accounts.

Response:

Please see attached current chart of accounts.

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Page: 1

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	102.0	WIP - ELECTRIC PLANT PURCHASED	Asset		WIP - WIP Accounts	Active
0	107.1	WIP - CONSTRUCTION CONTRACTORS	Asset		WIP - WIP Accounts	Active
0	107.12	WIP - FUTURE SUBSTATIONS	Asset		WIP - WIP Accounts	Active
0	107.13	WIP - LONG RANGE WORK PLAN	Asset		WIP - WIP Accounts	Active
0	107.15	WIP - NEW SUBSTATIONS CONTRACTORS	Asset		WIP - WIP Accounts	Active
0	107.2	WIP - CONSTRUCTION JPEC CREWS	Asset		WIP - WIP Accounts	Active
0	107.231	WIP - CONTRIBUTIONS IN AID-CONSTRUCTION	Asset		WIP - WIP Accounts	Active
0	107.3	WIP - SPECIAL EQUIPMENT	Asset		WIP - WIP Accounts	Active
0	107.4	WIP - STORM DAMAGE	Asset		WIP - WIP Accounts	Active
0	107.45	WIP - OTHER	Asset		WIP - WIP Accounts	Active
0	108.6	ACCUM DEPR-DISTRIBUTION PLANT	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.662	ACCUM DEPR-STATION EQUIPMENT	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.664	ACCUM DEPR-POLES, TOWERS, & FIXTURE	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.665	ACCUM DEPR-OH CONDUCTOR & DEVICES	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.666	ACCUM DEPR-UNDERGROUND CONDUIT	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.667	ACCUM DEPR-URD CONDUCTOR & DEVICES	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.668	ACCUM DEPR-LINE TRANSFORMERS	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.669	ACCUM DEPR-SERVICES	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.67	ACCUM DEPR-METERS	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.671	ACCUM DEPR-INSTALLATIONS ON CUST PR	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.672	ACCUM DEPR-LEASED PROP CUST PREMISE	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.673	ACCUM DEPR-STREET LIGHT & SIGN	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.674	ACCUM DEPR-AMI METERS	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.675	ACCUM DEPR-AMI HARDWARE	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.676	ACCUM DEPR-AMI SOFTWARE	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.677	ACCUM DEPR-AMI SUB & OTHER EQUIPMNT	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.678	ACCUM DEPR-SUBSTATION SCADA HARDWRE	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.679	ACCUM DEPR-SUBSTATION SCADA SOFTWRE	Asset		PLTD - Accum Depreciation-Distribution Plant	Active
0	108.71	ACCUM DEPR FOR OFFICE FURN. & EQUIP	Asset		GEND - General Plant Depreciation	Active
0	108.711	ACC DEPR FOR COMPUTER EQUIP/SOFTWRE	Asset		GEND - General Plant Depreciation	Active
0	108.72	ACCUM DEPR - UTILITY TRANSP. EQUIP.	Asset		GEND - General Plant Depreciation	Active
0	108.721	ACCUM DEPR - LIGHT DUTY TRANS EQUIP	Asset		GEND - General Plant Depreciation	Active
0	108.73	ACCUM DEPR FOR STRUCTURES & IMPROVE	Asset		GEND - General Plant Depreciation	Active
0	108.731	ACCUM DEPR FOR STRUCTURES & IMPROVE	Asset		GEND - General Plant Depreciation	Active
0	108.74	ACCUM DEPR FOR SHOP EQUIPMENT	Asset		GEND - General Plant Depreciation	Active
0	108.75	ACCUM DEPR FOR LABORTORY EQUIPMENT	Asset		GEND - General Plant Depreciation	Active

04/24/2024 10:13:35 am

Page: 2

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	108.76	ACCUM DEPR FOR COMMUNICATIONS EQUIP	Asset		GEND - General Plant Depreciation	Active
0	108.761	ACCUM DEPR FOR COMMUN. EQUIP - FIBER	Asset		GEND - General Plant Depreciation	Active
0	108.77	ACCUM DEPR FOR STORES EQUIPMENT	Asset		GEND - General Plant Depreciation	Active
0	108.78	ACCUM DEPR FOR MISCELLANEOUS EQUIP	Asset		GEND - General Plant Depreciation	Active
0	108.79	ACCUM DEPR FOR POWER OPERATED EQUIP	Asset		GEND - General Plant Depreciation	Active
0	108.791	ACCUM DEPR - PWR EQUIP TRENCHER,ETC	Asset		GEND - General Plant Depreciation	Active
0	108.8	WIP - RETIREMENT JPEC CREWS	Asset		WIP - WIP Accounts	Active
0	108.81	WIP - RETIREMENT CONTRACTORS	Asset		WIP - WIP Accounts	Active
0	121.0	NON-UTILITY PROPERTY	Asset			Active
0	122.0	ACCUM. DEPR. - NONUTILITY PROPERTY	Asset			Active
0	123.1	PATRONAGE CAPITAL FROM ASSOC. COOPS	Asset			Active
0	123.101	PATRONAGE CAPITAL - BIG RIVERS EC	Asset			Active
0	123.102	VALUATION ALLOW - BREC PATR CAPITAL	Asset			Active
0	123.22	INVESTMENTS IN CAP TERM CERT - CFC	Asset			Active
0	123.23	OTHER INVEST IN ASSOC ORGANIZATIONS	Asset			Active
0	123.231	OTHER INVEST-KAEC PCB DETOX CERT	Asset			Active
0	123.24	INVEST-CLASS "C" & "E" STOCK-COBANK	Asset			Active
0	128.0	SPEC FUNDS-DEFERRED COMPENSATION	Asset			Active
0	128.1	SPEC FUNDS-DEFERRED COMPENSATION-CONTRA	Asset			Active
0	131.1	CASH-GEN FUNDS-PADUCAH BANK & TRUST	Asset			Active
0	131.17	CASH - CAPITAL CREDITS FUND	Asset			Active
0	131.21	CASH-RUS CONSTRUCTION FUND-PAD BK	Asset			Active
0	131.4	CASH IN TRANSIT-CREDIT CARDS	Asset			Active
0	131.6	CASH - DEPOSIT HOLDING ACCOUNT	Asset			Active
0	135.0	WORKING FUNDS	Asset			Active
0	136.0	TEMPORARY CASH INVESTMENTS	Asset			Active
0	142.11	ACCTS. REC. ELECTRIC	Asset			Active
0	142.16	ACCTS REC-SHELL/VULCAN/WA	Asset			Active
0	142.17	ACCTS REC - ELECT Back Billing - COVID	Asset			Active
0	142.177	A/R - BLOCKWARE	Asset			Active
0	142.25	A/R BACK BILLING ACCOUNT	Asset			Active
0	142.3	A/R-Aid to Contribution	Asset			Active
0	142.98	Acct Rec-Conversion Differences	Asset			Active
0	142.99	AR - Electric - Credit Refunds	Asset			Active
0	143.0	A/R-Other	Asset		PR - Payroll Accountant	Active
0	143.1	A/R-Aid to Construction	Asset			Active

04/24/2024 10:13:35 am

Page: 3

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	143.11	A/R-Accidents	Asset			Active
0	143.2	OTHER ACCTS REC - EMPLOYEE LTD	Asset		PR - Payroll Accountant	Active
0	143.21	A/R OTHER-CHILD SUPPORT	Asset		PR - Payroll Accountant	Active
0	143.215	Accounts Receivable - Garnishments	Asset		PR - Payroll Accountant	Active
0	143.22	A/R OTHER-TOOL PURCHASE	Asset		PR - Payroll Accountant	Active
0	143.23	A/R OTHER-COMPUTER PURCHASE	Asset		PR - Payroll Accountant	Active
0	143.24	A/R OTHER - SUPPLEMENT LIFE - EE	Asset		PR - Payroll Accountant	Active
0	143.25	A/R OTHER-CHARITABLE CONTRIBUTIONS	Asset		PR - Payroll Accountant	Active
0	143.255	A/R OTHER-CHARITABLE - Community Project	Asset		PR - Payroll Accountant	Active
0	143.256	A/R OTHER-AMERICAS ELECTRIC COOPS	Asset		PR - Payroll Accountant	Active
0	143.26	A/R OTHER-EMP PAID LIFE INSURANCE -AFLAC	Asset		PR - Payroll Accountant	Active
0	143.263	A/R OTHER - Liberty Employee Paid Ins.	Asset			Active
0	143.265	A/R OTHER - MetLife Employee Paid Ins.	Asset			Active
0	143.28	AR OTHER - EE PREPAID HEALTH INS.	Asset		PR - Payroll Accountant	Active
0	143.29	A/R-Retiree Ins	Asset			Active
0	143.291	Retirees - Life Ins. - Contra Accou	Asset			Active
0	143.3	OTHER ACC REC/EMPLOYEES & DIRECTORS	Asset		PR - Payroll Accountant	Active
0	143.305	OTHER A/R - EMPLOYEE MISC	Asset		PR - Payroll Accountant	Active
0	143.31	A/R-Big Rivers Electric	Asset		BRVR - Purchases Reimbursable by Big Rivers	Active
0	143.315	A/R - BIG RIVERS INCENTIVE PROGRAM	Asset			Active
0	143.317	A/R Other - Insurance	Asset		BRVR - Purchases Reimbursable by Big Rivers	Active
0	143.318	A/R - Big Rivers - IT	Asset			Active
0	143.321	A/R -DUE FROM FEMA STORM RESTORATION	Asset			Active
0	143.322	A/R - STORM ASSISTANCE - MUTUAL AID	Asset			Active
0	143.323	A/R - STORM WORK	Asset			Active
0	143.41	OTHER ACCOUNTS REC/EMP 401K PRETAX	Asset		PR - Payroll Accountant	Active
0	143.42	ACCOUNTS RECEIVABLE - ROTH IRA	Asset		PR - Payroll Accountant	Active
0	143.5	EMPLOYEE PR DEDUCTS/UNION DUES	Asset		PR - Payroll Accountant	Active
0	143.7	OTHER ACCTS REC/EMPLOYEE CASH PYMTS	Asset			Active
0	144.0	Written Off Accounts	Asset			Active
0	144.1	ACCUM PROV FOR UNCOLLECTIBLE ACCTS	Asset			Active
0	154.0	Plant Material & Operating Supplies	Asset		INV - Inventory Accounts	Active
0	163.0	Stores Expense - Undistributed	Asset			Active
0	165.1	PREPAYMENTS - INSURANCE	Asset			Active
0	165.15	PREPAID HEALTH INSURANCE-BENEFIT	Asset		PR - Payroll Accountant	Active
0	165.2	PREPAYMENTS - OTHER	Asset			Active

04/24/2024 10:13:35 am

Page: 4

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	165.21	PREPAID RETIREMENT FUND/CO PD BENE	Asset		PR - Payroll Accountant	Active
0	165.211	PREPAID LIFE INSURANCE/CO PAID BEN	Asset		PR - Payroll Accountant	Active
0	165.22	PREPAID L T D FUND/CO. PD. BENEFIT	Asset		PR - Payroll Accountant	Active
0	165.24	PREPAID SAVINGS PLAN/CO PD BENEFIT	Asset		PR - Payroll Accountant	Active
0	165.25	RETIREMENT FUND-IBEW/BARG CO PD BEN	Asset		PR - Payroll Accountant	Active
0	165.27	PREPAID 401K LOAN REPAYMENTS	Asset		PR - Payroll Accountant	Active
0	171.0	INTEREST RECEIVABLE	Asset			Active
0	171.1	CFC INTEREST RECEIVABLE	Asset			Active
0	173.0	ACCRUED UTILITY REVENUES	Asset			Active
0	183.0	PRELIMINARY SURVEY & INVEST. CHGS	Asset			Active
0	184.0	PAYROLL CLEARING ACCOUNT	Asset			Active
0	184.1	TRANSPORTATION EXPENSE / CLEARING	Asset			Active
0	184.11	DIESEL FUEL INVENTORY - TANK #1	Asset		INV - Inventory Accounts	Active
0	184.12	GASOLINE INVENTORY - TANK # 2	Asset		INV - Inventory Accounts	Active
0	184.2	VISA CLEARING ACCOUNT	Asset			Active
0	184.21	AMERICAN EXPRESS CLEARING ACCOUNT	Asset			Active
0	186.1	DEFFERED DEBITS - OTHER	Asset			Active
0	186.2	MISC. DEF. DEBITS - PSC RATE CASE	Asset			Active
0	186.21	MISC. DEF. DEBITS - PSC RATE CASE II	Asset			Active
0	200.1	MEMBERSHIPS	Liability			Active
0	201.0	PATRONAGE CAPITAL - NOT USED	Liability			Active
0	201.1	PATRONS' CAPITAL CREDITS	Liability			Active
0	201.15	DONATED PATRONAGE CAPITAL	Liability			Active
0	201.2	PATRONAGE CAPITAL ASSIGNABLE	Liability			Active
0	201.3	PATRONAGE CAPITAL DISCOUNTED	Liability			Active
0	201.4	PATRONAGE CAPITAL ABANDONED	Liability			Active
0	208.0	DONATED CAPITAL - CAPITAL CREDITS	Liability			Active
0	215.2	ACCUM. OTHER COMPREHENSIVE INCOME	Liability			Active
0	217.0	RETIRED CAPITAL CREDITS - GAIN	Liability			Active
0	224.12	LTD - COOPERATIVE FINANCE CORP(CFC)	Liability			Active
0	224.14	LTD-NATIONAL BANK FOR COOPS-COBANK	Liability			Active
0	224.305	LTD - RUS /CONST NOTES - FFB LOAN	Liability			Active
0	227.0	CAPITAL LEASES - NON-CURRENT	Liability			Active
0	228.3	CONTRA ACCOUNT-PENSION & BENEFITS	Liability			Active
0	228.305	ACCUM PROVISION-PENSION & BENFITS	Liability			Active
0	228.315	POST RETIREMENT FAS 158 LIABILITY	Liability			Active

04/24/2024 10:13:35 am

Page: 5

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	231.0	NOTES PAYABLE-COBANK SEASONAL LOANS	Liability			Active
0	231.05	NOTES PAYABLE-COBANK LOANS - BLDNG PROJ.	Liability			Active
0	231.1	SHORT TERM LOANS - CFC	Liability			Active
0	232.1	ACCOUNTS PAYABLE - GENERAL	Liability			Active
0	232.11	ACCOUNTS PAYABLE-PLANT CLEARING	Liability			Active
0	232.15	ACCOUNTS PAY.- UNINVOICED MATERIAL	Liability			Active
0	232.175	ACCOUNTS PAYABLE-Credit Card Clearing	Liability			Active
0	235.0	CUSTOMER DEPOSITS	Liability			Active
0	235.1	CUSTOMER DEPOSITS - Blockware	Liability			Active
0	235.11	JPEC - GIFT CERTIFICATES	Liability			Active
0	236.1	ACCRUED PROPERTY TAXES	Liability			Active
0	236.2	ACCRUED TAXES - Fed Unemployment	Liability		PR - Payroll Accountant	Active
0	236.3	ACCRUED TAXES - F.I.C.A.	Liability		PR - Payroll Accountant	Active
0	236.4	ACCRUED TAXES - STATE UNEMPLOYMENT	Liability		PR - Payroll Accountant	Active
0	236.5	ACCRUED TAXES - KY SALES & USE	Liability		USTX - Sales & Use Tax	Active
0	237.0	ACCRUED INTEREST/CUSTOMER DEPOSITS	Liability			Active
0	237.105	ACCRUED INT RUS/LTD FFB LOAN	Liability			Active
0	237.2	ACCRUED INTEREST-CFC/LTD	Liability			Active
0	237.3	OTHER ACCRUED INTEREST - CFC	Liability			Active
0	237.35	OTHER ACCRUED INTEREST - CoBank	Liability			Active
0	237.375	OTHER ACCRUED INT. - CoBank New Headqtr	Liability			Active
0	237.6	ACCRUED INTEREST- COBANK LTD	Liability			Active
0	238.2	PATRONAGE REFUNDS PAYABLE	Liability			Active
0	238.999	PATRONAGE CAPITAL CLEARING	Liability			Active
0	241.0	INCOME TAX WITHHELD - FEDERAL	Liability		PR - Payroll Accountant	Active
0	241.1	ACCRUED TAXES-EMPLOYEES STATE W/H	Liability		PR - Payroll Accountant	Active
0	241.15	Accrued Taxes - EE IL State Withholding	Liability		PR - Payroll Accountant	Active
0	241.2	PADUCAH CITY OCCUPATIONAL TAX	Liability		PR - Payroll Accountant	Active
0	241.21	MARSHALL CO. OCCUPATIONAL LIC. TAX	Liability		PR - Payroll Accountant	Active
0	241.22	MARSHALL CO. OCC. LIC. TAX-SCHOOLS	Liability		PR - Payroll Accountant	Active
0	241.23	MCCRACKEN CO. OCCUPATIONAL TAX	Liability		PR - Payroll Accountant	Active
0	241.24	BALLARD CO. OCCUPATIONAL TAX	Liability		PR - Payroll Accountant	Active
0	241.25	GRAVES CO. OCCUPATIONAL TAX	Liability		PR - Payroll Accountant	Active
0	241.26	LIVINGSTON CO.-OCCUPATIONAL TAX	Liability		PR - Payroll Accountant	Active
0	241.27	CALVERT CITY-OCCUPATIONAL TAX	Liability		PR - Payroll Accountant	Active
0	241.3	ACCRUED TAXES- BALLARD CO. SCHOOL	Liability		SCHT - School Tax Accounts	Active

04/24/2024 10:13:35 am

Page: 6

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	241.31	ACCRUED TAXES- CARLISLE CO. SCHOOL	Liability		SCHT - School Tax Accounts	Active
0	241.32	ACCRUED TAXES- GRAVES CO. SCHOOL	Liability		SCHT - School Tax Accounts	Active
0	241.33	ACCRUED TAXES-LIVINGSTON CO. SCHOOL	Liability		SCHT - School Tax Accounts	Active
0	241.34	ACCRUED TAXES-MCCRACKEN CO. SCHOOL	Liability		SCHT - School Tax Accounts	Active
0	241.35	ACCRUED TAXES- MARSHALL CO. SCHOOL	Liability		SCHT - School Tax Accounts	Active
0	241.36	School Tax Clearing for Refunds	Liability			Active
0	242.1	ACCRUED RENTALS	Liability			Active
0	242.2	ACCRUED PAYROLL	Liability			Active
0	242.3	ACCRUED COMPENSATED ABSENCES	Liability			Active
0	242.35	Accrued Non-Productive Wages	Liability			Active
0	242.4	ACCRUED INSURANCE	Liability			Active
0	242.5	ACCRUED AUDITORS EXPENSE	Liability			Active
0	243.0	CURRENT MATURITIES - CAPITAL LEASES	Liability			Active
0	252.0	CUSTOMER ADVANCES FOR CONSTRUCTION	Liability			Active
0	253.0	OTHER DEFERRED CREDITS	Liability			Active
0	253.05	OTHER DEFFERED CR - CAP. CR. REFUND	Liability			Active
0	253.2	FEMA DISALLOWANCE RESERVE	Liability			Active
0	360.0	DIST PLANT - LAND AND LAND RIGHTS	Asset		PLTA - Distribution Plant Assets	Active
0	362.0	DIST PLANT - SUBSTATION EQUIPMENT	Asset		PLTA - Distribution Plant Assets	Active
0	362.161	DIST PLANT - SUBSTATN SCADA HARDWRE	Asset		PLTA - Distribution Plant Assets	Active
0	362.162	DIST PLANT - SUBSTATN SCADA SOFTWRE	Asset		PLTA - Distribution Plant Assets	Active
0	364.0	DIST PLANT - POLES, TOWERS, FIXTURES	Asset		PLTA - Distribution Plant Assets	Active
0	365.0	DIST PLANT - OH CONDUCTOR/DEVICES	Asset		PLTA - Distribution Plant Assets	Active
0	366.0	DIST PLANT - UNDERGROUND CONDUIT	Asset		PLTA - Distribution Plant Assets	Active
0	367.0	DIST PLANT - URD CONDUCTR & DEVICES	Asset		PLTA - Distribution Plant Assets	Active
0	368.0	DIST PLANT - LINE TRANSFORMERS	Asset		PLTA - Distribution Plant Assets	Active
0	369.0	DIST PLANT - SERVICES	Asset		PLTA - Distribution Plant Assets	Active
0	370.0	DIST PLANT - METERS	Asset		PLTA - Distribution Plant Assets	Active
0	370.1	DIST PLANT - AMI METERS	Asset		PLTA - Distribution Plant Assets	Active
0	370.161	DIST PLANT - AMI HARDWARE	Asset		PLTA - Distribution Plant Assets	Active
0	370.162	DIST PLANT - AMI SOFTWARE	Asset		PLTA - Distribution Plant Assets	Active
0	370.2	DIST PLANT - AMI SUB & OTHER EQUIP	Asset		PLTA - Distribution Plant Assets	Active
0	371.0	DIST PLANT - INSTAL ON CUST PREMISE	Asset		PLTA - Distribution Plant Assets	Active
0	372.0	DIST PLANT - LSD PROP ON CUST PREM	Asset		PLTA - Distribution Plant Assets	Active
0	373.0	DIST PLANT - ST LIGHT & SIGN SYS	Asset		PLTA - Distribution Plant Assets	Active
0	389.0	GEN PLT - LAND AND LAND RIGHTS	Asset		GENA - General Plant Assets	Active

04/24/2024 10:13:35 am

Page: 7

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	390.0	GEN PLT - STRUCTURES & IMPROVEMENTS	Asset		GENA - General Plant Assets	Active
0	390.05	GEN PLT - STRUCTURES New HQ	Asset		GENA - General Plant Assets	Active
0	391.0	GEN PLT - OFFICE FURNITURE & EQUIP	Asset		GENA - General Plant Assets	Active
0	391.1	GEN PLT - COMPUTER EQUIP/ SOFTWARE	Asset		GENA - General Plant Assets	Active
0	392.0	GEN PLT - UTILITY TRANSP. EQUIP.	Asset		GENA - General Plant Assets	Active
0	392.1	GEN PLT - LIGHT DUTY TRANSPORATION	Asset		GENA - General Plant Assets	Active
0	393.0	GEN PLT - STORES EQUIPMENT	Asset		GENA - General Plant Assets	Active
0	394.0	GEN PLT - TOOLS, SHOP, GARAGE EQUIP	Asset		GENA - General Plant Assets	Active
0	395.0	GEN PLT - LABORATORY EQUIPMENT	Asset		GENA - General Plant Assets	Active
0	396.0	GEN PLT - POWER OPERATED EQUIPMENT	Asset		GENA - General Plant Assets	Active
0	397.0	GEN PLT - COMMUNICATIONS EQUIPMENT	Asset		GENA - General Plant Assets	Active
0	397.1	GEN PLT - COMMUNICATIONS EQUIP. - FIBER	Asset		GENA - General Plant Assets	Active
0	398.0	GEN PLT - MISCELLANEOUS EQUIPMENT	Asset		GENA - General Plant Assets	Active
0	403.6	DEPR. EXP. - DISTRIBUTION PLANT	Expense	Operating	DEPR - Depreciation & Amortization Costs	Active
0	403.7	DEPR. EXP. - GENERAL PLANT	Expense	Operating	DEPR - Depreciation & Amortization Costs	Active
0	408.7	PUBLIC SERV. COMM.(PSC) ASSESSMENT	Expense	Operating	TAX - Tax Expense -Other	Active
0	411.6	GAINS FROM DISPOSITION OF UTILITY PLANT	Income	Non Operating	GAIN - Miscellaneous Income	Active
0	416.0	COST & EXPENSES/POWER PLUS CR CARD	Income	Non Operating	NONO - Non Operating Margins - Other	Active
0	417.0	Misc Income - Material Sales	Income	Non Operating	NONO - Non Operating Margins - Other	Active
0	417.1	EXPENSES OF NONUTILITY OPERATIONS	Expense	Operating	NONO - Non Operating Margins - Other	Active
0	417.11	CUSTOMER SERVICE COSTS-LONG DIST	Expense	Operating	NONO - Non Operating Margins - Other	Active
0	417.12	ADMIN & GENERAL COSTS- LONG DIST	Expense	Operating	NONO - Non Operating Margins - Other	Active
0	418.0	EXPENSES OF NON-UTILITY PROPERTY	Expense	Operating	NONO - Non Operating Margins - Other	Active
0	418.05	REVENUES FROM NON-UTILITY PROPERTY	Income	Non Operating	NONO - Non Operating Margins - Other	Active
0	418.1	EQUITY IN EARNINGS- SUB. COMPANIES	Income	Non Operating	NONO - Non Operating Margins - Other	Active
0	419.0	INTEREST INCOME	Income	Non Operating	NONI - Non Operating Margins - Interest	Active
0	419.01	INTEREST INCOME - ACCIDENTS	Income	Non Operating	NONI - Non Operating Margins - Interest	Active
0	419.6	INTEREST INCOME - CUSHION OF CREDIT	Income	Non Operating	NONI - Non Operating Margins - Interest	Active
0	421.0	MISCELLEANOUS NON-OPERATING INCOME	Income	Non Operating	NONO - Non Operating Margins - Other	Active
0	421.1	GAINS ON DISPOSITION OF PROPTY	Income	Non Operating	NONO - Non Operating Margins - Other	Active
0	421.11	LOSS ON DISPOSITION OF PROPERTY	Expense	Non Operating	NONO - Non Operating Margins - Other	Active
0	424.0	OTHER CAP. CRS. & PATR. CAP. ALLOC	Income	Non Operating	CAP - Capital Credit Income	Active
0	426.1	MSC INCOME DEDUCTIONS - DONATIONS	Income	Operating	MARK - Marketing Report	Active
0	426.3	Penalty Expense	Income	Operating	OTHD - Other Deductions	Active
0	426.5	MSC INCOME DEDUCTIONS - WRITE OFFS	Income	Operating	OTHD - Other Deductions	Active
0	427.1	INTEREST ON LONG TERM DEBT - RUS	Expense	Operating	INTL - Interest - Long Term Debt	Active

04/24/2024 10:13:35 am

Page: 8

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	427.105	INT. ON LONG TERM DEBT - RUS/FFB	Expense	Operating	INTL - Interest - Long Term Debt	Active
0	427.5	INTEREST ON LONG-TERM DEBT - CFC	Expense	Operating	INTL - Interest - Long Term Debt	Active
0	427.505	INTEREST ON LONG-TERM DEBT - SBA	Expense	Operating	INTL - Interest - Long Term Debt	Active
0	427.6	INT. ON LTD - COBANK	Expense	Operating	INTL - Interest - Long Term Debt	Active
0	431.0	INTEREST EXP-SHORT TERM- COBANK	Expense	Operating	INTE - Interest Expense - Other	Active
0	431.01	INTEREST EXP-SHORT TERM - CFC	Expense	Operating	INTL - Interest - Long Term Debt	Active
0	431.02	INTEREST EXP-SHORT TERM - GMAC	Expense	Operating	INTE - Interest Expense - Other	Active
0	431.1	INTEREST EXPENSE/CUSTOMER DEPOSITS	Expense	Operating	INTE - Interest Expense - Other	Active
0	431.15	INTEREST EXP - RATE REFUNDS	Expense	Operating	INTE - Interest Expense - Other	Active
0	431.2	INTEREST EXP - PAST SERVICE LIABILITY	Expense	Operating	INTE - Interest Expense - Other	Active
0	431.3	INTEREST EXPENSE - TAXES	Expense	Operating	INTE - Interest Expense - Other	Active
0	440.1	RESIDENTIAL SALES	Income	Operating	RESD - Residential Sales	Active
0	440.105	RESIDENTIAL SALES - GREEN POWER	Income	Operating	REV - Revenue - Electric Revenue	Active
0	441.0	IRRIGATION SALES	Income	Operating	REV - Revenue - Electric Revenue	Active
0	441.005	IRRIGATION SALES - GREEN POWER	Income	Operating	REV - Revenue - Electric Revenue	Active
0	442.1	SMALL COMMERCIAL (UNDER 1000 KVA)	Income	Operating	REV - Revenue - Electric Revenue	Active
0	442.105	SMALL COMMERCIAL - GREEN POWER	Income	Operating	REV - Revenue - Electric Revenue	Active
0	442.2	LARGE COMMERCIAL (OVER 1000 KVA)	Income	Operating	REV - Revenue - Electric Revenue	Active
0	442.205	LARGE COMMERCIAL - GREEN POWER	Income	Operating	REV - Revenue - Electric Revenue	Active
0	442.21	INDUSTRIAL - SHELL PIPELINE	Income	Operating	REV - Revenue - Electric Revenue	Active
0	442.22	INDUSTRIAL-VULCAN MATERIALS	Income	Operating	REV - Revenue - Electric Revenue	Active
0	442.23	INDUSTRIAL - BLOCKWARE	Income	Operating	REV - Revenue - Electric Revenue	Active
0	444.0	PUBLIC STREET & HIGHWAY LIGHTING	Income	Operating	REV - Revenue - Electric Revenue	Active
0	444.005	PUBLIC STREET/HWY LGTNG - GREEN PWR	Income	Operating	REV - Revenue - Electric Revenue	Active
0	445.0	OTHER SALES TO PUBLIC AUTHORITIES	Income	Operating	REV - Revenue - Electric Revenue	Active
0	445.005	SALES- PUBLIC AUTHORITIE -GREEN PWR	Income	Operating	USTX - Sales & Use Tax	Active
0	450.0	PENALTIES (ACCT. REC. - ELECTRIC)	Income	Operating	USTX - Sales & Use Tax	Active
0	451.0	MISC SERV REV. - CONNECT & RECONNECT FEE	Income	Operating	USTX - Sales & Use Tax	Active
0	451.1	MISC SERVICE REVENUE-COLLECTIONS	Income	Operating	USTX - Sales & Use Tax	Active
0	451.2	MISC SERV REV-NOT USED	Income	Operating	USTX - Sales & Use Tax	Active
0	451.21	MISC SERV REV - AFTER HR CONNECTION	Income	Operating	USTX - Sales & Use Tax	Active
0	451.3	MISC SERVICE REVENUE-RET CHECKS	Income	Operating	USTX - Sales & Use Tax	Active
0	451.4	MISC SERV REV- LATE PYMT-ERC LOANS	Income	Operating	USTX - Sales & Use Tax	Active
0	451.5	MISC SERV REV - AMR INSTALLATION	Income	Operating	USTX - Sales & Use Tax	Active
0	451.6	MISC SERV REV - AMR MONTHLY CHARGE	Income	Operating	USTX - Sales & Use Tax	Active
0	451.7	MISC SERV - REV SEC. LIGHT REPAIR	Income	Operating	OREV - Other Electric Revenue	Active

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	454.0	RENT FROM ELECTRIC PROPERTY	Income	Operating	OREV - Other Electric Revenue	Active
0	456.0	OTHER ELECTRIC REVENUES	Income	Operating	USTX - Sales & Use Tax	Active
0	456.1	OTHER ELECTRIC REVENUES-LEASE	Income	Operating	OREV - Other Electric Revenue	Active
0	555.0	PURCHASED POWER	Expense	Operating	PUR - Purchased Power Expense	Active
0	555.1	PURCHASED POWER (COOP USAGE)	Expense	Operating	PUR - Purchased Power Expense	Active
0	580.0	OPERATION SUPERVISION & ENGINEERING	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	580.8	OP & ENG. SPRVSN- NISC TRAINING	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	581.0	LOAD DISPATCHING EXPENSE	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	582.0	SUBSTATION EXPENSES	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	582.3	STATION EXP - SCADA COMMUNICATION	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	583.0	Overhead Line Expense	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	583.1	OH LINE EXP.-PCB TEST & INSPECTION	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	583.2	OVERHEAD LINE EXPENSE-LINE PATROL	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	583.3	OH LINE EXP-OIL SP CLEANUP/100 REG	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	584.0	UNDERGROUND LINE EXPENSES	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	584.2	UNDERGROUND LINE EXPENS-LINE PATROL	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	585.0	STREET LIGHTING EXPENSES	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	586.0	METER EXPENSES	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	586.1	METER EXP - Routine Connect/Disconnect	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	586.2	METER RECORDS - PREP. & MAINT.	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	587.0	CUSTOMER INSTALLATION EXPENSES	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	588.0	MISC DIST EXPENSES-LABOR & O/H	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	588.1	MISC DIST EXP-OFFICE SUPPLIES/EXP	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	588.2	OTHER MISCELLANEOUS DISTRIBUT EXP	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	588.3	MISC. DISTRIBUTION - MAPPING COSTS	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	588.4	MISCELLANEOUS DIST. EXP. - STORM	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	588.45	MISC. DIST. EXP. - STORM REGULAR HR	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	588.8	MISC DIST-LABOR & OH NISC TRAINING	Expense	Operating	DIST - Distribution Expense-Operations	Active
0	590.0	MAINTENANCE SUPERVISION & ENGINEER	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	592.0	MAINTENANCE OF STATION EQUIPMENT	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	592.1	STATION MAINT. - SCADA COMM. EQUIP.	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	592.2	MAINTENANCE OF STATION EQUIPMENT - Storm	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	593.0	MAINTENANCE OF OVERHEAD LINES	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	593.1	MAINT OF OVERHEAD LINES - STORMS	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	593.3	MAINT OF OH LINES - TREE TRIMMING	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	593.305	MAINT OH LINES - TREE TRIM - STORM	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active

04/24/2024 10:13:35 am

Page: 10

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	593.5	MAINT OF OVERHEAD LINES-LINE PATROL	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	593.6	MAINT. OH - POLE INSPECTIONS/TRMNT	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	594.0	MAINTENANCE OF UNDERGROUND LINES	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	594.1	MAINTENANCE OF UNDERGROUND LINES - Storm	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	595.0	MAINTENANCE OF LINE TRANSFORMERS	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	596.0	MAINTENANCE OF STREET LIGHTING	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	597.0	MAINTENANCE OF METERS	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	597.1	MAINTENANCE OF AMI METERS	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	597.2	MAINTENANCE OF AMI EQUIPMENT	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	597.25	AMI Maintenance- Tracking	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	598.0	Maint of MISC Distribution Plant	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	598.1	MAINT MISC DIST PLANT- Excavator	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	598.2	MAINTENANCE OF FIBER	Expense	Operating	MAIN - Distribution Expense-Maintenance	Active
0	901.0	SUPERVISION OF CUSTOMER ACCOUNTS	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	902.0	METER READING EXPENSES	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	902.1	METER READING EXPENSES-SYSTEM	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.0	CUSTOMER RECORDS & COLLECTION EXP.	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.1	CUSTOMER RCDS.& COLL.-OVER & SHORT	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.2	CUST.RCDS & COLL. - COMPLAINTS, ADJ	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.3	CUST RCDS & COLL - CONNECTS & DISC	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.4	CUST RCDS & COLL - DELINQUENT ACCTS	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.41	DELINQUENT ACCTS OVER 30 DAYS	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.5	CUST RECORDS - DOCUMENT SCANNING	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.6	CREDIT CARD FEES	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.65	CUSTOMER RECORDS - BANK DRAFT EXP	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.7	CUSTOMER RECORDS - AMI	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	903.8	CUSTOMER RECORDS - NISC TRAINING	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	904.0	UNCOLLECTIBLE ACCOUNTS EXPENSES	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	904.1	UNCOLLECTIBLE ACC EXP-CREDIT BUREAU	Expense	Operating	CONS - Consumer Accounts Expense	Active
0	907.0	CUSTOMER SERVICE - SUPERVISION	Expense	Operating	CSIE - Consumer Service and Informational Exp.	Active
0	908.0	CUSTOMER ASSISTANCE EXPENSES	Expense	Operating	CSIE - Consumer Service and Informational Exp.	Active
0	908.51	CUSTOMER ASSISTANCE EXPENSE-FOOD	Expense	Operating	CSIE - Consumer Service and Informational Exp.	Active
0	908.56	CUSTOMER ASSISTANCE EXPENSE-PRIZES	Expense	Operating	CSIE - Consumer Service and Informational Exp.	Active
0	908.64	CUST ASST EXP-PRINTING-APPLICATIONS	Expense	Operating	CSIE - Consumer Service and Informational Exp.	Active
0	909.0	INFORMATION & INSTRUCTIONAL EXPENSE	Expense	Operating	CSIE - Consumer Service and Informational Exp.	Active
0	909.4	MEDIA AD EXPENSE - MISCELLANEOUS	Expense	Operating	MARK - Marketing Report	Active

04/24/2024 10:13:35 am

Page: 11

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	909.41	ADV.- SAFETY OR CONSV - NEWSPAPER	Expense	Operating	MARK - Marketing Report	Active
0	909.42	ADV.- SAFETY OR CONSV - RADIO	Expense	Operating	MARK - Marketing Report	Active
0	909.43	ADVERTISING - SAFETY OR CONSV. - TV	Expense	Operating	MARK - Marketing Report	Active
0	909.44	ADV.- SAFETY OR CONSV - PERIODICALS	Expense	Operating	MARK - Marketing Report	Active
0	909.45	ADV.- SAFETY OR CONSV - DIRECTORIES	Expense	Operating	MARK - Marketing Report	Active
0	909.6	ADVERTISING - SAFETY OR CONS-MISC	Expense	Operating	MARK - Marketing Report	Active
0	909.61	ADV.-SAFETY OR CONSV - BROCHURES	Expense	Operating	MARK - Marketing Report	Active
0	910.0	MSC CUSTOMER SVC & INFORMATION EXP	Expense	Operating	MARK - Marketing Report	Active
0	911.0	CUSTOMER SERVICE-SUPERVISOR SALES	Expense	Operating	SALE - Sales Expense	Active
0	912.0	DEMONSTRATING & SELLING EXPENSES	Expense	Operating	MARK - Marketing Report	Active
0	912.1	INCENTIVE - Touchstone Home	Expense	Operating	MARK - Marketing Report	Active
0	912.15	INCENTIVE - PILOT COMMERCIAL EE	Expense	Operating	MARK - Marketing Report	Active
0	912.16	INCENTIVE-COMMERCIAL-HI-EFFCNCY LIGHTS	Expense	Operating	MARK - Marketing Report	Active
0	912.165	INCENTIVE-COMMERCIAL/INDUSTRIAL GENERAL	Expense	Operating	MARK - Marketing Report	Active
0	912.2	INCENTIVE - HVAC REPLACEMENT	Expense	Operating	MARK - Marketing Report	Active
0	912.3	INCENTIVE - ELECTRIC WATER HEATER	Expense	Operating	MARK - Marketing Report	Active
0	912.4	INCENTIVE - WASHING MACHINE	Expense	Operating	MARK - Marketing Report	Active
0	912.41	INCENTIVE -REFRIGERATOR REPLACEMENT	Expense	Operating	MARK - Marketing Report	Active
0	912.42	INCENTIVE- HVAC TUNE-UP RESIDENTIAL	Expense	Operating	MARK - Marketing Report	Active
0	912.425	INCENTIVE - HVAC TUNE-UP COMMERCIAL	Expense	Operating	MARK - Marketing Report	Active
0	912.43	INCENTIVE - RESIDENTIAL WEATHERIZATION	Expense	Operating	MARK - Marketing Report	Active
0	912.44	INCENTIVE - CFLS	Expense	Operating	MARK - Marketing Report	Active
0	912.47	Incentive-EE Outdoor Lighting	Expense	Operating	MARK - Marketing Report	Active
0	912.56	DEMO & SELLING - PRIZES	Expense	Operating	MARK - Marketing Report	Active
0	912.6	DEMO & SELLING - PRINTING/MISC	Expense	Operating	MARK - Marketing Report	Active
0	912.7	DEMO & SELLING - EMBOSSED ITEMS	Expense	Operating	MARK - Marketing Report	Active
0	912.8	DEMO & SELLING - COOP MONTH	Expense	Operating	MARK - Marketing Report	Active
0	912.9	BIG RIVERS REIMB. - ENERGY PROGRAM	Expense	Operating	MARK - Marketing Report	Active
0	913.0	ADVERTISING EXPENSES	Expense	Operating	SALE - Sales Expense	Active
0	913.4	ADVERTISING - MISCELLANEOUS	Expense	Operating	SALE - Sales Expense	Active
0	913.41	ADVERTISING - NEWSPAPER	Expense	Operating	SALE - Sales Expense	Active
0	913.42	ADVERTISING - RADIO	Expense	Operating	SALE - Sales Expense	Active
0	913.43	ADVERTISING - TELEVISION	Expense	Operating	SALE - Sales Expense	Active
0	913.44	ADVERTISING - PERIODICALS	Expense	Operating	SALE - Sales Expense	Active
0	913.45	ADVERTISING - DIRECTORIES	Expense	Operating	SALE - Sales Expense	Active
0	913.6	ADVERTISING - MEMBER NEWSLETTERS	Expense	Operating	SALE - Sales Expense	Active

04/24/2024 10:13:35 am

Page: 12

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	913.62	SALES & PROMO EXP-MEMBER NEWSLETTER	Expense	Operating	SALE - Sales Expense	Active
0	920.0	ADMINISTRATIVE & GENERAL SALARIES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	920.01	ADMIN & GEN. - JOINT USE SALARIES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	920.015	ADMIN & GEN - FEMA COSTS	Expense	Operating	ADMI - Administrative and General Expense	Active
0	920.1	ADMIN. & GEN. SALARIES - MANAGER	Expense	Operating	ADMI - Administrative and General Expense	Active
0	920.5	ADMIN. & GEN. SALARIES - SCANNING	Expense	Operating	ADMI - Administrative and General Expense	Active
0	920.8	ADMIN & GEN. WAGES - NISC TRAINING	Expense	Operating	ADMI - Administrative and General Expense	Active
0	921.0	Office Supplies and Expenses	Expense	Operating	ADMI - Administrative and General Expense	Active
0	921.1	OFFICE SUPPLIES & EXP. - MANAGER	Expense	Operating	ADMI - Administrative and General Expense	Active
0	923.0	OUTSIDE SERVICES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	923.2	OUTSIDE SERVICES-ECONOMIC DEVELOP	Expense	Operating	ADMI - Administrative and General Expense	Active
0	923.201	OUTSIDE SERVICES - SECURITY	Expense	Operating	ADMI - Administrative and General Expense	Active
0	924.0	PROPERTY INSURANCE	Expense	Operating	ADMI - Administrative and General Expense	Active
0	925.0	INJURIES AND DAMAGES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	926.0	EMPLOYEE PENSIONS & BENEFITS-HOSP	Expense	Operating	ADMI - Administrative and General Expense	Active
0	926.1	EMPLOYEE UNIFORM EXPENSES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	926.2	OTHER EMPLOYEE PENSIONS & BENEFIT	Expense	Operating	ADMI - Administrative and General Expense	Active
0	928.0	REGULATORY COMMISSION EXPENSES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.1	GENERAL ADVERTISING EXPENSES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.2	MISCELLANEOUS GENERAL EXPENSES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.201	ECONOMIC DEVELOPMENT-MISCELLANEOUS	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.202	ECONOMIC DEVELOPMENT-BALLARD	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.203	ECONOMIC DEVELOPMENT-GRAVES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.204	ECONOMIC DEVELOPMENT-LIVINGSTON	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.205	ECONOMIC DEVELOPMENT-MARSHALL	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.206	ECONOMIC DEVELOPMENT-MCCRACKEN	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.207	LINEMAN'S RODEO EVENT EXPENSES	Expense	Operating	MARK - Marketing Report	Active
0	930.208	MISC. GEN.EXPENSES - SCHOLARSHIPS	Expense	Operating	MARK - Marketing Report	Active
0	930.209	YOUTH TOUR EXPENSES	Expense	Operating	MARK - Marketing Report	Active
0	930.21	DIRECTOR'S FEES AND EXPENSES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.219	SPECIAL BALLOT MAILING	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.22	ANNUAL MEETING - OTHER EXPENSES	Expense	Operating	MARK - Marketing Report	Active
0	930.224	ADVERTISING - ANNUAL MEETING	Expense	Operating	MARK - Marketing Report	Active
0	930.225	ANNUAL MEETING - PRIZES	Expense	Operating	MARK - Marketing Report	Active
0	930.226	ANNUAL MEETING - PRINTING	Expense	Operating	MARK - Marketing Report	Active
0	930.23	MEMBER NEWSLETTER EXPENSE	Expense	Operating	MARK - Marketing Report	Active

04/24/2024 10:13:35 am

Page: 13

GENERAL LEDGER CHART OF ACCOUNTS

Div	Account	Description	Type	Category	Group	Status
0	930.3	CORP. SPONSORSHIPS & MEMBERSHIPS	Expense	Operating	MARK - Marketing Report	Active
0	930.39	ADVERTISING PRODUCTION - COSTS	Expense	Operating	MARK - Marketing Report	Active
0	930.4	ADVERTISING - MISCELLANEOUS	Expense	Operating	MARK - Marketing Report	Active
0	930.41	ADVERTISING - NEWSPAPER	Expense	Operating	MARK - Marketing Report	Active
0	930.42	ADVERTISING - RADIO	Expense	Operating	MARK - Marketing Report	Active
0	930.43	ADVERTISING - TELEVISION	Expense	Operating	MARK - Marketing Report	Active
0	930.44	ADVERTISING - PERIODICALS	Expense	Operating	MARK - Marketing Report	Active
0	930.45	ADV. - DIRECTORIES (INCL TELEPHONE)	Expense	Operating	MARK - Marketing Report	Active
0	930.6	ADVERTISING - PRINTING	Expense	Operating	MARK - Marketing Report	Active
0	930.61	ADVERTISING - HOME EXPO	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.62	HOME EXPO OTHER	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.66	ADVERTISING - PRINTING	Expense	Operating	ADMI - Administrative and General Expense	Active
0	930.9	BIG RIVERS REIMB. - ADVERTISING	Expense	Operating	MARK - Marketing Report	Active
0	930.91	BIG RIVERS REIMB. - SPONSORSHIPS	Expense	Operating	MARK - Marketing Report	Active
0	930.92	BIG RIVERS REIMB - EE INCENTIVES	Expense	Operating	MARK - Marketing Report	Active
0	935.0	MAINTENANCE OF GENERAL PLANT	Expense	Operating	ADMI - Administrative and General Expense	Active
0	935.1	MAINT OF G/P- MAINT. AGREEMENTS	Expense	Operating	ADMI - Administrative and General Expense	Active
0	935.2	MAINT G/P-REPAIRS & SERVICE CALLS	Expense	Operating	ADMI - Administrative and General Expense	Active
0	935.3	MAINT OF G/P - SUPPLIES	Expense	Operating	ADMI - Administrative and General Expense	Active
0	935.4	MAINT OF G/P-BUILDINGS & GROUNDS	Expense	Operating	ADMI - Administrative and General Expense	Active
0	935.401	MAINT BLDG & GROUND-WOOD DISPOSAL	Expense	Operating	ADMI - Administrative and General Expense	Active
0	935.5	MAINT OF G/P- MISCELLANEOUS	Expense	Operating	ADMI - Administrative and General Expense	Active
0	998.0	998 CLEARING	Clearing		ADMI - Administrative and General Expense	Active
0	998.1	PROFIT CLEARING OPERATING	Clearing		ADMI - Administrative and General Expense	Active
0	998.2	PROFIT CLEARING NON-OPERATING	Clearing		ADMI - Administrative and General Expense	Active
0	999.0	999 CLEARING	Clearing		ADMI - Administrative and General Expense	Active
0	999.999	RAIN DELAY	Expense	Operating	ADMI - Administrative and General Expense	Active

Total Accounts: 459

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 17

**807 KAR 5:001 Section 16(4)(k)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

The independent auditor's annual opinion report, with written communication from the independent auditor to the utility, if applicable, which indicates the existence of a material weakness in the utility's internal controls.

Response:

Please see attached auditor's report.



Jones, Nale & Mattingly PLC

To the Board of Directors
Jackson Purchase Energy Corporation
Paducah, Kentucky

We have audited the financial statements of Jackson Purchase Energy Corporation (the Corporation) for the year ended December 31, 2023, and have issued our report thereon dated April 15, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 7, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Corporation are described in Note 1 to the financial statements. As described in Note 1, the Corporation changed accounting policies related to the allowance for credit losses by adopting FASB Accounting Standards Codification No. 326, *Financial Instruments – Credit Losses*, in 2023. Accordingly, the accounting change has been applied prospectively. We noted no transactions entered into by the Corporation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Accumulated depreciation and depreciation expense
- Accumulated postretirement benefits

Management’s estimate of these items is based upon historical data and current information. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Patronage Capital (Note 6)
- Long-Term Debt (Note 7)
- Pension Plans (Note 9)
- Postretirement Benefits (Note 10)

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements identified as a result of our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 15, 2024.

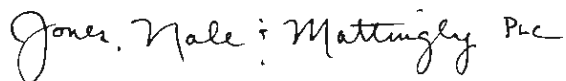
Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Corporation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Corporation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors of the Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.



Louisville, Kentucky
April 15, 2024

**JACKSON PURCHASE
ENERGY CORPORATION
KENTUCKY 20**

FINANCIAL REPORT

December 31, 2023

CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-3
FINANCIAL STATEMENTS	
Balance sheets	4
Statements of revenue and comprehensive income	5
Statements of changes in members' equities	6
Statements of cash flows	7
Notes to financial statements	8-19
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	20-21
INDEPENDENT AUDITORS'S REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACTUAL AGREEMENTS AND REGULATORY REQUIREMENTS FOR ELECTRIC BORROWERS	22-23



Jones, Nale & Mattingly PLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Jackson Purchase Energy Corporation
Paducah, Kentucky

Opinion

We have audited the accompanying financial statements of Jackson Purchase Energy Corporation, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of revenue and comprehensive income, changes in members' equities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jackson Purchase Energy Corporation as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Jackson Purchase Energy Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Jackson Purchase Energy Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Jackson Purchase Energy Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Jackson Purchase Energy Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we have identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2024, on our consideration of the Jackson Purchase Energy Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jackson Purchase Energy Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Jackson Purchase Energy Corporation's internal control over financial reporting and compliance.

Jones, Nale & Mattingly P.C.

Louisville, Kentucky
April 15, 2024

JACKSON PURCHASE ENERGY CORPORATION

BALANCE SHEETS
December 31, 2023 and 2022

ASSETS	2023	2022
Electric Plant, at original cost:		
In service	\$ 213,697,595	\$ 203,980,054
Under construction	2,749,838	3,214,620
	216,447,433	207,194,674
Less accumulated depreciation	82,292,796	79,301,071
	134,154,637	127,893,603
Investments in Associated Organizations	4,352,511	4,025,870
Current Assets:		
Cash and cash equivalents	3,352,953	6,044,605
Accounts receivable, less allowance for credit losses in 2023 and 2022 of \$225,000	5,754,577	7,153,658
Other receivables	64,754	631,319
Accrued unbilled revenue	5,907,870	7,086,618
Material and supplies, at average cost	4,141,953	3,289,347
Other current assets	441,427	462,079
Total current assets	19,663,534	24,667,626
Deferred Debits	97,947	158,978
Total assets	\$ 158,268,629	\$ 156,746,077
MEMBERS' EQUITIES AND LIABILITIES		
Members' Equities:		
Memberships	\$ 96,500	\$ 100,925
Patronage capital	50,954,191	50,105,393
Accumulated other comprehensive income	835,750	80,204
Total members' equities	51,886,441	50,286,522
Long-Term Liabilities:		
Long-term debt, less current portion	89,171,010	83,871,739
Finance lease obligation, less current portion	-	70,332
Accumulated postretirement benefits	2,443,612	3,083,622
Total long-term liabilities	91,614,622	87,025,693
Current Liabilities:		
Current portion of long-term debt	3,594,700	3,575,900
Current portion of finance lease obligation	-	42,212
Accounts payable	6,801,079	9,611,439
Consumer deposits	3,309,619	5,179,965
Accrued expenses	1,019,894	982,072
Total current liabilities	14,725,292	19,391,588
Consumer Advances for Construction	42,274	42,274
Total members' equities and liabilities	\$ 158,268,629	\$ 156,746,077

The Notes to Financial Statements are an integral part of these statements.

JACKSON PURCHASE ENERGY CORPORATION

STATEMENTS OF REVENUE AND COMPREHENSIVE INCOME

Years Ended December 31, 2023 and 2022

	2023	2022
Operating Revenues		
Sale of electric energy	\$ 90,043,104	\$ 97,461,353
Other electric revenues	1,343,158	1,333,563
	91,386,262	98,794,916
Operating Expenses		
Cost of power	65,791,745	74,764,452
Distribution - operations	4,053,641	3,731,606
Distribution - maintenance	6,212,318	6,756,709
Consumer accounts	1,113,330	1,069,296
Consumer service and information	4,437	5,343
Administrative and general	3,951,217	3,827,107
Depreciation, excluding \$501,633 in 2023 and \$492,037 in 2022 charged to clearing accounts	7,459,544	7,066,167
Taxes, other than income	72,697	74,645
Interest expense on long-term debt	2,444,535	2,211,497
Interest expense - other	216,358	6,583
Other deductions	1,438	2,147
Total cost of electric service	91,321,260	99,515,552
Operating Margins (Deficit)	65,002	(720,636)
Nonoperating Margins and Patronage Capital		
Interest income	311,520	168,074
Other nonoperating income (loss)	(30)	2,985
Gain (loss) on sale of equipment	(2,023)	121,184
Patronage capital from associated organizations	474,329	340,237
Total nonoperating margins	783,796	632,480
Net Margins (Deficit)	848,798	(88,156)
Other Comprehensive Income (Loss)		
Postretirement benefits actuarial gain	760,294	--
Postretirement benefits amortization of net gain	(4,748)	(4,748)
Net Margins (Deficit) and Comprehensive Income (Loss)	\$ 1,604,344	\$ (92,904)

The Notes to Financial Statements are an integral part of these statements.

JACKSON PURCHASE ENERGY CORPORATION
STATEMENTS OF CHANGES IN MEMBERS' EQUITIES
Years Ended December 31, 2023 and 2022

	<u>Memberships</u>	<u>Patronage Capital</u>				<u>Total</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total Members' Equities</u>
		<u>Assignable</u>	<u>Assigned</u>	<u>Prior Deficits</u>	<u>Retirements</u>			
Balance - December 31, 2021	\$ 106,210	\$ (1,244,938)	\$ 53,027,622	\$ --	\$ (1,589,135)	\$ 50,193,549	\$ 84,952	\$ 50,384,711
Comprehensive income:								
Net (deficit)		(88,156)				(88,156)		(88,156)
Postretirement benefit obligation								
Amortization of actuarial gain							(4,748)	(4,748)
Total comprehensive (loss)								(92,904)
Assignment of margins		1,244,938		(1,244,938)		--		--
Net change in memberships	(5,285)							(5,285)
Balance - December 31, 2022	100,925	(88,156)	53,027,622	(1,244,938)	(1,589,135)	50,105,393	80,204	50,286,522
Comprehensive (loss):								
Net margins		848,798				848,798		848,798
Postretirement benefit obligation								
Amortization of actuarial gain							(4,748)	
Actuarial gain							760,294	755,546
Total comprehensive income								1,604,344
Assignment of margins		88,156		(88,156)		--		--
Net change in memberships	(4,425)							(4,425)
Balance - December 31, 2023	\$ 96,500	\$ 848,798	\$ 53,027,622	\$ (1,333,094)	\$ (1,589,135)	\$ 50,954,191	\$ 835,750	\$ 51,886,441

The Notes to Financial Statements are an integral part of these statements.

JACKSON PURCHASE ENERGY CORPORATION

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net margins (deficit)	\$ 848,798	\$ (88,156)
Adjustments to reconcile net margins (deficit) to net cash provided by operating activities:		
Depreciation		
Charged to expense	7,459,544	7,066,167
Charged to clearing accounts	501,633	492,037
Amortization of finance lease ROU asset	3,567	24,966
Patronage capital credits assigned	(474,329)	(340,237)
(Gain) loss on disposition of equipment	2,023	(121,184)
Amortization of postretirement actuarial adjustment	(4,748)	(4,748)
Postretirement actuarial adjustment	760,294	--
Change in assets and liabilities, net of the effects of investing and financing activities:		
Accounts and other receivables, net	1,965,646	(2,270,786)
Unbilled revenue	1,178,748	(3,443,450)
Material and supplies	(852,606)	(1,086,943)
Other current assets	20,652	(32,472)
Deferred debits	61,031	(51,439)
Accounts payable	(2,810,360)	4,154,989
Consumer deposits	(1,870,346)	2,135,078
Accrued expenses	37,822	9,629
Accumulated postretirement benefits	(640,010)	138,605
Net cash provided by operating activities	6,187,359	6,582,056
CASH FLOWS FROM INVESTING ACTIVITIES		
Plant additions	(12,986,412)	(11,409,765)
Plant removal costs	(1,319,461)	(1,147,761)
Salvage recovered from retired plant	78,072	489,448
Receipts from investments, net	147,688	169,333
Net cash (used in) investing activities	(14,080,113)	(11,898,745)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net decrease in memberships	(4,425)	(5,285)
Principal payments on finance lease obligation	(112,544)	(37,252)
Additional long-term borrowings	8,960,162	9,749,266
Payments on long-term debt	(3,642,091)	(2,905,805)
Net cash provided by financing activities	5,201,102	6,800,924
Net increase (decrease) in cash and cash equivalents	(2,691,652)	1,484,235
Cash and cash equivalents, beginning of year	6,044,605	4,560,370
Cash and cash equivalents, end of year	\$ 3,352,953	\$ 6,044,605
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash payments for interest	\$ 2,600,677	\$ 2,223,282

The Notes to Financial Statements are an integral part of these statements.

JACKSON PURCHASE ENERGY CORPORATION

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies

Business activity

Jackson Purchase Energy Corporation (the Corporation) provides distribution electric services to residential and commercial consumers concentrated in a six-county area in western Kentucky. The Corporation maintains its records in accordance with the policies prescribed or permitted by the Kentucky Public Service Commission (PSC) and the United States Department of Agriculture, Rural Utilities Service (RUS), which conform in all material respects with accounting principles generally accepted in the United States of America. The significant accounting policies are as follows:

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates used in the preparation of the financial statements.

Electric plant

Electric plant is stated at original cost, which is the cost when first dedicated to public service. Such amount includes applicable supervisory and overhead cost including any construction period interest and taxes. There was no interest required to be capitalized during the years ended December 31, 2023 and 2022.

The cost of maintenance and repairs, including renewals of minor items of property, is charged to operating expense. The cost of replacement of depreciable property units, as distinguished from minor items, is charged to electric plant. The units of property replaced or retired, including cost of removal, net of any salvage value, is charged to accumulated depreciation. Electric plant consists of the following as of December 31:

	2023	2022
Distribution plant	\$ 182,238,108	\$ 173,676,979
General plant	31,459,487	30,303,075
Total	<u>\$ 213,697,595</u>	<u>\$ 203,980,054</u>

Depreciation

Provision has been made for depreciation on the basis of the estimated lives of assets, using the straight-line method. Depreciation rates range from 1.48% to 12.09%, for a composite rate of 3.76% for distribution plant. General plant rates are as follows:

Structures and improvements	2.5%
Transportation equipment	12.5 - 20%
Other general plant	5 - 14%

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies (Continued)

Cash and cash equivalents

The Corporation considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents. The Corporation maintains cash deposits in financial institutions in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2023 and 2022, the financial institutions reported deposits in excess of the \$250,000 FDIC insured limit on several of the accounts. Deposits and repurchase agreements in excess of the FDIC limits are 100% secured with collateral from each respective financial institution.

Accounts receivable and allowance for credit losses

The Corporation operates in the electric services distribution industry, and its accounts receivable are primarily derived from the sales of electric energy. Accounts receivable are stated at net realizable value and are usually collected within thirty days. The balance in accounts receivable as of December 31, 2023, 2022, and 2021 was \$5,754,577, \$7,153,658, and \$3,916,945, respectively.

The Corporation uses the allowance method to account for uncollectible accounts receivable. Management maintains an allowance for potential credit losses based on its assessment of the current status of the customer accounts using a pooled basis approach where similar characteristics exist (See Note 3). The allowance estimate is derived from a review of the Corporation's historical losses based on the aging of receivables. The estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Corporation.

The Corporation writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. Subsequent recoveries are credited to the allowance for credit losses.

Materials and supplies

The Corporation values materials and supplies at the lower of average cost or net realizable value.

Deferred debits

Deferred debits consist of accumulated costs related to the PSC rate cases.

Leases

The Corporation leases equipment and determines if an arrangement is a lease at inception. Finance leases are included in electric plant, current liabilities, and long-term liabilities on the balance sheets.

ROU assets represent the Corporation's right to use an underlying asset for the lease term and lease liabilities represent the Corporation's obligation to make lease payments arising from the lease. When a lease does not provide an implicit rate, the Corporation uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The lease terms may include options to extend or terminate the lease when it is reasonably certain the option will be exercised.

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies (Continued)

Leases (Continued)

The Corporation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Taxes

The Corporation is required to collect, on behalf of the Commonwealth of Kentucky, sales taxes based on six percent of gross sales from non-residential consumers, a three percent school tax from certain counties on most gross sales, and franchise fees in certain cities. The Corporation's policy is to exclude taxes from revenue when collected and expenses when paid and instead, record collection and payment of taxes through a liability account.

Cost of power

The Corporation is one of three members of Big Rivers Electric Corporation (Big Rivers), a generation and transmission cooperative association. Under a wholesale power agreement, the Corporation is committed to purchase its electric power and energy requirements from Big Rivers until 2043. The rates charged by Big Rivers are subject to approval of the PSC. The cost of purchased power is recorded monthly during the period in which the energy is consumed, based upon billings from Big Rivers. There are certain surcharges, clauses, and credits that Big Rivers includes to the Corporation that are passed on to consumers using a methodology prescribed by the PSC.

Advertising

The Corporation expenses advertising costs as incurred. Advertising expense totaled \$12,305 and \$13,967 for the years ended December 31, 2023 and 2022, respectively.

Other comprehensive income (loss)

Other comprehensive income (loss) includes both net margin and other comprehensive income (loss). Other comprehensive income (loss) represents the change in funded status of the accumulated postretirement benefit obligation.

Credit risk

The Corporation grants credit to residents within its service territory. Concentrations of credit risk with respect to accounts receivables are limited due to its large number of customers.

Risk management

The Corporation is exposed to various forms of losses of assets associated with, but not limited to, fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, workers compensation, etc. Each of these areas is covered through the purchase of commercial insurance.

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies (Continued)

Environmental contingency

The Corporation from time to time is required to work with and handle PCBs, herbicides, automotive fluids, lubricants, and other hazardous materials in the normal course of business. As a result, there is the possibility that environmental conditions may arise which would require the Corporation to incur cleanup costs. The likelihood of such an event, or the amount of such costs, if any, cannot be determined at this time. However, management does not believe such costs, if any, would materially affect the Corporation's financial position or its future cash flows.

Commitments

The Corporation has various agreements outstanding with local contractors. Under these agreements, the contractors will perform certain construction and maintenance work at specified hourly rates or unit cost, or on an as needed basis. The duration of these contracts are generally one to three years.

Generation and transmission corporation

As discussed in the preceding footnotes, the Corporation purchases electric power from Big Rivers, a generation and transmission cooperative association. The membership of Big Rivers is comprised of the Corporation and two other distribution cooperatives.

The Corporation has elected to continue valuing the non-cash allocations received from Big Rivers at zero for financial accounting purposes, a practice it has followed since Big Rivers emerged from bankruptcy in 1998 during which all previous booked non-cash allocations were reduced to zero. The Corporation will continue to make memorandum entries in its patronage subsidiary ledger of the face amount of the allocations received from Big Rivers. Refer to the subsequent footnote for the income tax treatment of these non-cash allocations.

Income tax status

The Corporation qualifies as a tax-exempt organization under Section 501(c)(12) of the Internal Revenue Code. When applying the 85 percent test of IRC 501(c)(12), the Corporation excludes the Big Rivers non-cash allocations from gross income. However, income from certain activities not directly related to the Corporation's tax-exempt purpose is subject to taxation as unrelated business income. There was no unrelated business income tax for the years ended December 31, 2023 and 2022. Accordingly, the financial statements of the Corporation include no provision for income taxes.

The Corporation's accounting policy provides that a tax expense/benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. The Corporation has no uncertain tax positions resulting in an accrual of tax expense or benefit.

The Corporation recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. The Corporation did not recognize any interest or penalties during the years ended December 31, 2023 and 2022.

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies (Continued)

Income tax status (continued)

The Corporation's Federal Return of Organization Exempt from Income Tax is subject to possible examination by taxing authorities until the expiration of related statutes of limitations on the return, which is generally three years.

Pension accounting

In May 2017, the Financial Accounting Standards Board (FASB) issued ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The standard specifies how the amount of pension costs and costs for post-retirement benefits other than pensions (PBOP) should be presented on the income statement under accounting principles generally accepted in the United States of America, and what components of those costs are eligible for capitalization in assets. This standard is effective for years beginning after December 15, 2018. The Federal Energy Regulatory Commission (FERC) issued Docket No. AI18-1-000 that allowed jurisdictional public utilities to continue to record PBOP costs in their entirety, less amounts capitalized, without change. Pension and PBOP costs are made up of several components: service cost, interest cost, actual return on plan assets, gain or loss, amortization of prior service cost or credit, and amortization of FASB Accounting Standards Codification (ASC) Subtopic 715-30. Though pension and PBOP costs are computed using the aggregate total of these various components, the Commission's longstanding policy is to consider the amount as a singular cost to the employer. This cost is calculated based on ASC 715 and reported as an expense under net margins from continuing operations.

Adoption of accounting pronouncement

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net margins. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing the Corporation's exposure to credit risk and the measurement of credit losses. The Corporation's financial assets subject to the guidance include accounts receivable.

The Corporation adopted the standard effective January 1, 2023. The impact of the adoption was not material to the financial statements and primarily resulted in new and enhanced disclosures only.

Subsequent events

Management has evaluated subsequent events through April 15, 2024, the date the financial statements were available to be issued.

NOTES TO FINANCIAL STATEMENTS

Note 2. Revenue Recognition

Revenue from contracts

The Corporation is engaged in the distribution and sale of electricity to residential and commercial customers in six counties in western Kentucky. Revenue from these activities is generated from tariffs approved by the PSC. The Corporation satisfies their performance obligation upon the delivery of electricity to customers. Revenue is recognized over-time as the customer simultaneously receives and consumes the benefits provided by the Corporation. The amount of revenue recognized is the billed volume of electricity multiplied by a tariff rate per-unit of energy, plus any applicable fixed or additional regulatory charges. Customers are billed monthly and outstanding amounts are typically due within 18 days of the date of the bill. Revenue for pole attachments are invoiced at the beginning of the year. The performance obligation is satisfied ratably over the time of the contract and revenue is recognized monthly as earned.

Significant judgements

Unbilled revenues are recognized as a result of customers' bills being generated throughout the month rather than at the end of the month. Unbilled revenues for a month are calculated based on estimated usage and the number of days in the period to accrue for each billing cycle. Any difference between estimated and actual revenues is adjusted the following month when the previous unbilled estimate is reversed and actual billings are generated. This method of revenue recognition presents fairly, the Corporation's transfer of electricity to customers as the amount recognized is based on actual and estimated volumes delivered and the tariff rate per-unit of energy and any applicable fixed charges as set by the PSC.

Performance obligations

The Corporation customers generally have no minimum purchase commitments. The Corporation recognizes revenue as each performance obligation is satisfied. Performance obligations are limited to the service requested and received to date. Accordingly, there is no unsatisfied performance obligation to recognize as of December 31, 2023 and 2022.

Disaggregation of revenue

The following table shows revenues from contracts with customers disaggregated by customer class for the years ended December 31:

	2023	2022
Residential	\$ 49,070,531	\$ 55,981,656
Commercial	24,756,502	23,412,163
Large Industrial	16,030,916	17,887,457
Public Lights	169,030	160,081
Other	1,359,283	1,353,559
	<u>\$ 91,386,262</u>	<u>\$ 98,794,916</u>

NOTES TO FINANCIAL STATEMENTS

Note 2. Revenue Recognition (Continued)

Contract assets and liabilities

Contract assets include unbilled revenues and contract liabilities include consumer deposits. The balance in contract assets and liabilities were as follows as of December 31:

	2023	2022	2021
Contract assets	\$ 5,907,870	\$ 7,086,618	\$ 3,643,168
Contract liabilities	\$ 3,309,619	\$ 5,179,965	\$ 3,044,887

Note 3. Allowance for Credit Losses

The allowance for credit losses for accounts receivable and the related activity are as follows:

	2023	2022
Beginning balance	\$ 225,000	\$ 250,000
Provision for credit losses	91,826	15,584
Write-offs	(152,299)	(100,920)
Recoveries	60,473	60,336
Ending balance	\$ 225,000	\$ 225,000

Note 4. Investments in Associated Organizations

Investments in associated organizations consist of the following as of December 31:

	2023	2022
CFC CTCs	\$ 926,929	\$ 926,929
CoBank patronage capital	1,111,995	1,080,929
National Rural Telecommunications Coop.	840,113	845,420
Others	1,473,474	1,172,592
Total	\$ 4,352,511	\$ 4,025,870

The Corporation records patronage capital assigned by associated organizations in the year in which such assignments are received. The Capital Term Certificates (CTCs) of CFC are recorded at cost. The CTCs were purchased from CFC as a condition of obtaining long-term financing. The CTCs bear interest at 5.00% and are scheduled to mature at varying times from 2070 to 2080.

NOTES TO FINANCIAL STATEMENTS

Note 5. Leases

The Corporation had a finance lease for equipment that was purchased in January 2023. As of December 31, 2023 and 2022, the net ROU asset included with electric plant on the balance sheets was zero and \$124,829, respectively.

The components of lease expense were as follows for the years ended December 31:

	2023	2022
Finance lease cost		
Right-of-use asset amortization	\$ 3,567	\$ 24,966
Interest expense	218	1,385
Total lease cost, net	\$ 3,785	\$ 26,351

Other information related to the lease was as follows for the years ended December 31:

	2023	2022
Supplemental cash flow information		
Cash paid for amounts included in the measurement of lease liability		
Operating cash flows from finance lease	\$ 218	\$ 1,385
Financing cash flows from finance lease	\$ 112,544	\$ 37,252
Right-of-use asset obtained in exchange for lease obligation		
Finance lease	\$ - -	\$ 149,795
Weighted average discount rate		
Finance lease	1.48%	1.48%

Note 6. Patronage Capital

Under provisions of the long-term debt agreement, return to patrons of capital contributed by patrons is limited to amounts which would not allow the total equities and margins to be less than 30.00% of total assets, except that distributions may be made to estates of deceased patrons. The debt agreement provides, however, that should such distributions to estates not exceed 25.00% of the net margins for the next preceding year, the Corporation may distribute the difference between 25.00% and the payments made to such estates. The equity and margins as of December 31, 2023 and 2022 were 32.78% and 32.08%, respectively. The Corporation adopted a policy whereby it would refund capital credits to its members in any annual period that a Times Interest Earned Ratio (TIER) of 2.0 is exceeded. No refunds of capital credits are anticipated for the year ending December 31, 2024.

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt

All assets, except vehicles, are pledged as collateral on the long-term debt to RUS, Federal Financing Bank (FFB), CoBank, and CFC under a joint mortgage agreement. The long-term debt is due in quarterly and monthly installments of varying amounts through 2054. RUS assesses 12.5 basis points to administer the FFB loans. The Corporation had unadvanced loan funds available from FFB in the amount of zero and \$8,960,162 as of December 31, 2023 and 2022, respectively.

Long-term debt consists of the following as of December 31:

	2023	2022
FFB, 1.412% to 4.803% fixed rate notes	\$ 70,184,976	\$ 62,962,163
CoBank, 3.51% to 4.90% fixed rate notes	7,835,551	9,081,787
CFC, 3.10% to 3.75% fixed rate notes	14,745,183	15,403,689
	92,765,710	87,447,639
Less current portion	(3,594,700)	(3,575,900)
Long-term portion	\$ 89,171,010	\$ 83,871,739

As of December 31, 2023, the annual principal portion of long-term debt outstanding for the next five years and thereafter are as follows:

2024	\$ 3,594,700
2025	3,799,787
2026	4,037,207
2027	4,181,235
2028	4,589,897
Thereafter	72,562,884
	\$ 92,765,710

Note 8. Short-Term Borrowings

The Corporation has a short-term line of credit of \$5,000,000 available from CFC, with variable interest rates of 7.25% and 5.75% as of December 31, 2023 and 2022, respectively. The Corporation also has two \$5,000,000 short-term lines of credit available from CoBank. The CoBank lines of credit have variable interest rates that were 7.26% and 7.41% as of December 31, 2023, and 6.35% for each line of credit as of December 31, 2022. As of December 31, 2023 and 2022, there were no advances against any of the lines of credit. The CFC line of credit matures in August 2024 and the CoBank lines of credit mature in September 2024.

NOTES TO FINANCIAL STATEMENTS

Note 9. Pension Plans

Qualified union and non-union employees of the Corporation participate in the NRECA Retirement and Security Plan (RS Plan), a defined benefit pension plan qualified under section 401 and tax exempt under section 501(a) of the Internal Revenue Code. It is a multiemployer plan under the accounting standards. The Plan sponsor's identification number is 53-0116145 and the Plan Number is 333. A unique characteristic of a multiemployer plan compared to a single employer plan is that all plan assets are available to pay benefits of any plan participant. Separate asset accounts are not maintained for participating employers. This means that assets contributed by one employer may be used to provide benefits to employees of other participating employers.

The Corporation's contributions to the RS Plan in 2023 and 2022 represent less than 5.00% of the total contributions made to the plan by all participating employers. The Corporation made contributions to the plan of \$940,143 in 2023 and \$895,400 in 2022. There have been no significant changes that affect the comparability of 2023 and 2022 contributions.

For the RS Plan, a zone status determination is not required, and therefore not determined, under the Pension Protection Act (PPA) of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the RS Plan was over 80 percent funded at January 1, 2023 and 2022 based on the PPA funding target and PPA actuarial value of assets on those dates. Because the provisions of the PPA do not apply to the RS Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the plan and may change as a result of plan experience.

Qualified union employees participate in the International Brotherhood of Electrical Workers (IBEW) Savings Plan. The Corporation contributed 5.00% of base wages to the plan in 2023 and 2022. Contributions to the plan totaled \$117,168 in 2023 and \$110,440 in 2022.

Qualified non-union employees participate in the NRECA 401(k) Plan. The Corporation contributes 4.00% of annual wages to the plan for employees hired prior to January 1, 2006, and 14.00% of annual wages for employees hired after January 1, 2006. Contributions for these plans totaled \$368,345 for 2023 and \$335,359 for 2022.

A summary of plan benefits are as follows:

	<u>Pre 2006</u>	<u>Post 2006</u>
<u>Union Employees</u>		
Union Savings Plan	5.00%	5.00%
R&S Benefit level	1.80%	1.80%
<u>Non-Union Employees</u>		
401(k), Employer contribution	4.00%	14.00%
R&S Benefit level	1.80%	none

NOTES TO FINANCIAL STATEMENTS

Note 10. Postretirement Benefits

The Corporation sponsors a defined benefit plan that provides medical insurance coverage to retirees. The premiums are paid for a maximum of ten years or until age 65, whichever comes first. For measurement purposes, an annual rate of increase of 6.00% in 2023, then decreasing by 0.25% per year until 3.00% per year, in the per capita cost of covered health care benefit was assumed. The discount rate used in determining the accumulated postretirement benefit obligation was 4.50% in 2023 and 2022. There have been no significant changes that affect the comparability of 2023 and 2022. This is a non-contributory plan.

The funded status of the plan was as follows as of December 31:

	2023	2022
Projected benefit obligation	\$ (2,443,612)	\$ (3,083,622)
Plan assets at fair value	-	-
Funded status (deficit)	\$ (2,443,612)	\$ (3,083,622)

The components of net periodic postretirement benefit cost are as follows as of and for the year ended December 31:

	2023	2022
Benefit obligation at beginning of year	\$ 3,083,622	\$ 2,945,017
Components of net periodic benefit cost:		
Service cost	59,708	51,391
Interest cost	127,322	135,644
Net periodic benefit cost	187,030	187,035
Actuarial gain	(760,294)	-
Benefits paid	(66,746)	(48,430)
Benefit obligation at end of year	\$ 2,443,612	\$ 3,083,622

Amounts recognized in the balance sheets consists of:

Unrecognized actuarial gain	\$ 835,750	\$ 80,204
Accumulated postretirement benefits	\$ 2,443,612	\$ 3,083,622

Amounts included in other comprehensive income:

Actuarial gain	\$ 760,294	-
Amortization of actuarial gain	\$ (4,748)	\$ (4,748)

Effect of 1.00% increase in the health care trend:

Postemployment benefit obligation	\$ 2,578,000
Net periodic benefit cost	\$ 197,300

Projected retiree benefit payments for the next five years are expected to be as follows: 2024 - \$44,800; 2025 - \$47,500; 2026 - \$37,700; 2027 - \$26,500; 2028 - \$14,000.

NOTES TO FINANCIAL STATEMENTS

Note 11. Related Party Transactions

Several of the Directors of the Corporation and its President and CEO serve on the Boards of Directors of various associated organizations.

In previous years, Big Rivers provided billing, IT, and other services to its three distribution cooperative members. In 2013, Big Rivers discontinued providing these services directly to its distribution cooperative members, but instead began reimbursing members for the cost of the services. The amounts reimbursed from Big Rivers were \$704,766 and \$901,476 for the years ended December 31, 2023 and 2022, respectively. Amounts due from (to) Big Rivers are included in other receivables and were \$(223) and \$31,229 as of December 31, 2023 and 2022, respectively.

Note 12. Labor Force

Approximately 45.00% of the Corporation's labor force is subject to a collective bargaining agreement. A five (5) year agreement was negotiated and approved for the period from November 2019 through November 2024 between the Corporation and the International Brotherhood of Electric Workers (IBEW).

Note 13. Contingencies

The Corporation, on occasion, is involved in litigation arising in the normal course of business. While the results of such litigation cannot be predicted with certainty, management, based upon advice of counsel, believes that the final outcome will not have a material adverse effect on the financial statements.



Jones, Nale & Mattingly PLC

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Jackson Purchase Energy Corporation
Paducah, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Jackson Purchase Energy Corporation (the Corporation), which comprise the balance sheet as of December 31, 2023 and the related statements of revenue and comprehensive income, changes in members' equities and cash flows for the year then ended, and related notes to the financial statements, and have issued our report thereon dated April 15, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jones, Nale & Mattingly P.C.

Louisville, Kentucky
April 15, 2024



Jones, Nale & Mattingly PLC

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ASPECTS
OF CONTRACTUAL AGREEMENTS AND REGULATORY REQUIREMENTS
FOR ELECTRIC BORROWERS**

To the Board of Directors
Jackson Purchase Energy Corporation
Paducah, Kentucky

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Jackson Purchase Energy Corporation (the Corporation), which comprise the balance sheet as of December 31, 2023, and the related statements of revenue and comprehensive income, changes in members' equities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 15, 2024. In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2024, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No reports other than the reports referred to above and our schedule of findings and recommendations related to our audit, if applicable, have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that the Corporation failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers and Grantees*, §1773.33, insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Corporation's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with our audit, we noted no matters regarding the Corporation's accounting and records to indicate that the Corporation did not:

- Maintain adequate and effective accounting procedures;
- Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;
- Reconcile continuing property records to the controlling general ledger plant accounts;
- Clear construction accounts and accrue depreciation on completed construction;
- Record and properly price the retirement of plant;
- Seek approval of the sale, lease, or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;
- Maintain adequate control over material and supplies;

- Prepare accurate and timely Financial and Operating Reports;
- Obtain written RUS approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the electric system;
- Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;
- Record depreciation in accordance with RUS requirements (See RUS Bulletin 183-1, Depreciation Rates and Procedures);
- Comply with the requirements for the detailed schedule of deferred debits and deferred credits, which are listed below; and
- Comply with the requirements for the detailed schedule of investments, of which there were none.

The deferred debits are as follows:

PSC rate case expenses	<u>\$ 97,947</u>
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The deferred credits are as follows:

Consumer advances for construction	<u>\$ 42,274</u>
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The purpose of this report is solely to communicate, in connection with the audit of the financial statements, on compliance with aspects of contractual agreements and the regulatory requirements for electric borrowers based on the requirements of 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers and Grantees*. Accordingly, this report is not suitable for any other purpose.

Jones, Nale & Mattingly PLC

Louisville, Kentucky
April 15, 2024

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 18

**807 KAR 5:001 Section 16(4)(I)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

The most recent Federal Energy Regulatory Commission and Federal Communication Commission audit reports.

Response:

Jackson Purchase is not regulated by the Federal Energy Regulatory Commission or Federal Communications Commission, and therefore has not audit report from these agencies.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 19

**807 KAR 5:001 Section 16(4)(m)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

The most recent Federal Energy Regulatory Commission ("FERC") Financial Report, FERC Form No. 1, FERC Financial Report Form No. 2, or Public Service Commission Form T (telephone).

Response:

Jackson Purchase is not regulated by the Federal Energy Regulatory Commission and therefore has none of the forms or reports listed for this filing requirement.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 20

**807 KAR 5:001 Section 16(4)(n)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

A summary of the utility's latest depreciation study with schedules by major plant accounts, except that telecommunications utilities that have adopted the commission's average depreciation rates shall provide a schedule that identifies the current and test period depreciation rates used by major plant accounts. If the required information has been filed in another commission case, a reference to that case's number shall be sufficient.

Response:

Jackson Purchase's most recent depreciation study is on file with the Commission. It can be found in Case No. 2007-00116, *General Adjustment of Rates of Jackson Purchase Energy Corporation*. Jackson Purchase does not propose to adjust its depreciation rates as part of this proceeding.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 21

**807 KAR 5:001 Section 16(4)(O)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utilities application.

Response:

Jackson Purchase uses National Information Solutions Cooperative (NISC) IVUE platform for all financial information and used Microsoft Word and Excel in preparation for the development of schedules associated with the utility's application.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 22

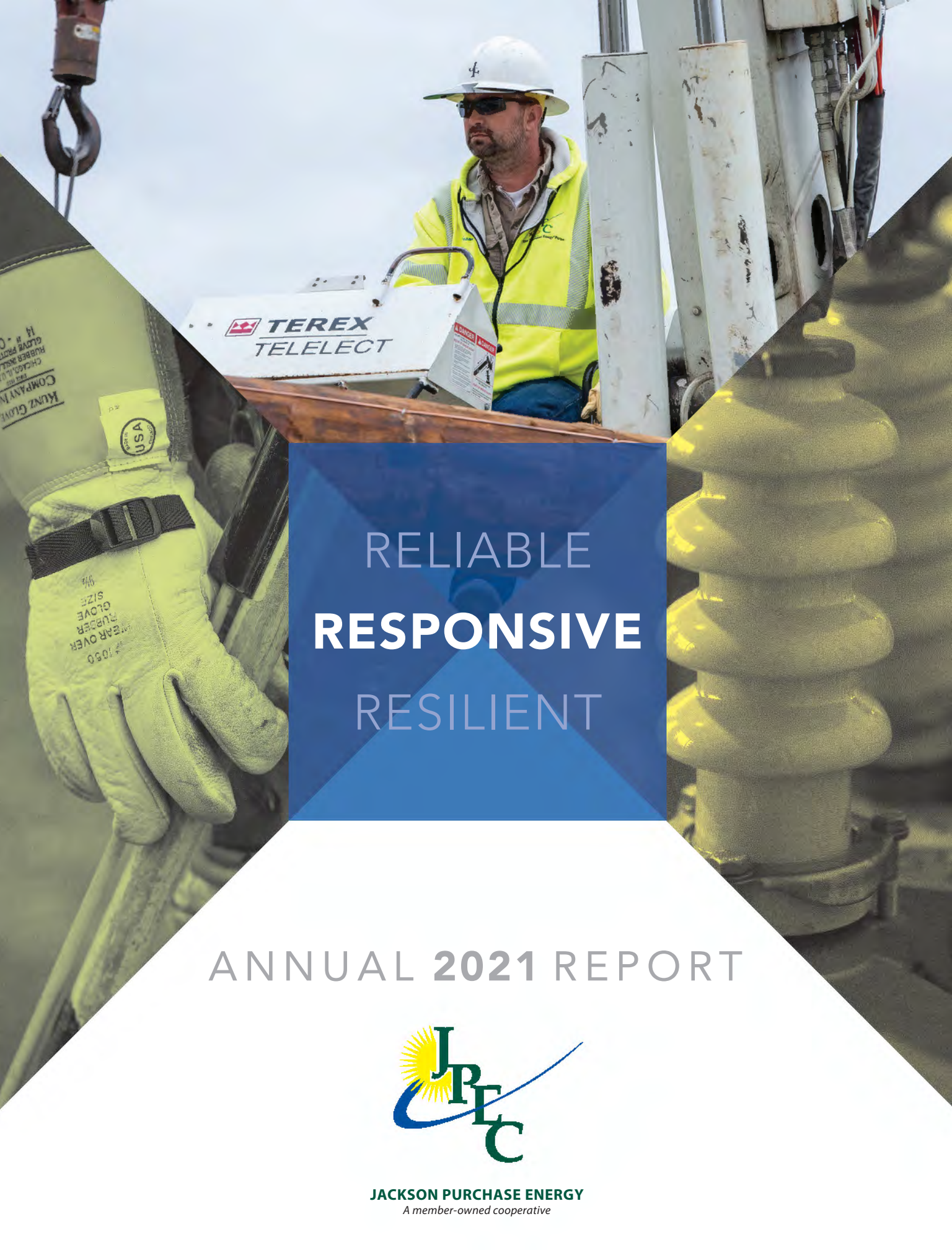
**807 KAR 5:001 Section 16(4)(q)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

The annual report to shareholders or members and statistical supplements covering the two (2) most recent years from the utility's application filing date.

Response:

Please see attached annual report to members and related information.



RELIABLE
RESPONSIVE
RESILIENT

ANNUAL 2021 REPORT



JACKSON PURCHASE ENERGY
A member-owned cooperative



RESPONSIVE

Because we are owned by the people we serve, Jackson Purchase Energy Cooperative (JPEC) has a unique accountability to our consumer-members. Throughout our history, it has been our duty to respond and adapt quickly to new and changing circumstances.

Every generation brings its own unique set of challenges, from equipment shortages during World War II to costly regulations in recent decades. Through it all, JPEC has worked with fellow cooperatives across Kentucky, and the nation to advocate for at-cost and reliable electric service for you.

The last few years have been full of challenges. And in this annual report, we would like to share a few examples of how JPEC is responsive to those needs with the best interests of our local communities always top of mind.

At our core, JPEC is responsive to consumer-members we serve because we are led by fellow co-op members. Every member of the JPEC board of directors is a member of this co-op, democratically elected by the membership to represent the interests of all members, not special interests or outside agendas. JPEC board members are your neighbors, not some corporate or activist types who live hundreds or thousands of miles away.

We are proud of our board and grateful for their service. In addition to their supervision and guidance of JPEC, board members receive important education and training, so they are prepared to deal with the complex world of electric service.

From ice and snowstorms, to flooding and tornadoes, 2021 was one of the most challenging weather years in Kentucky history. JPEC was responsive to these challenges.

While storms during 2021 caused their share of destruction in our service area, JPEC was able to provide mutual aid to sister electric cooperatives multiple times last year. Because the national network of transmission and distribution infrastructure owned by electric cooperatives is built to federal standards, line crews from any co-op in America can arrive on the scene ready to provide emergency support, secure in their knowledge of the system's engineering.

We have been on the receiving end of mutual aid in the past, and we know how important it is in times of desperation. From ice storms to tornadoes, JPEC employees were happy to help restore electric service as safely and quickly as possible to those where we could.

Of course, these natural disasters came amid the second year of COVID-19. Though everyone is ready for the end of the pandemic, it is the responsibility of JPEC to both comply with laws and regulations. To protect the health and safety of employees and members, we:

- Followed Centers for Disease Control and Prevention guidelines to protect members and employees.
- Implemented remote work (when possible) to reduce the risk of exposure to COVID-19 to both members and employees.
- Instructed crew members to drive separate vehicles to and from job sites.
- Supported community COVID-19 efforts.
- Presented consistent messaging on social media, the co-op website and in *Kentucky Living*.
- Transitioned the annual meeting to drive-thru format to accommodate safety restrictions and recommendations.

■ Cover, Jason Story operates a Terex digger derrick unloading a utility pole.

■ Opposite top, Jackson Purchase Energy Cooperative employees Jonas Roberts, left, Travis Spiceland and Jason Gibson work in the dispatch room.

■ Opposite bottom, Dustin Cope lowers the bucket after adjusting disconnect switches at the Kentucky Lock and Dam expansion project. Photos: Joe Imel



Jackson
Purchase Energy
was built by,
belongs to and is led
by people in the
communities
we serve.





We know from our safety culture that complacency is a threat, so while our team worked to preserve member access to JPEC, we also remained intentional about following safety protocols.

Being responsive to this crisis also means addressing its economic implications. While maintaining the financial stability of JPEC, our board and staff have continued to work with members who face financial uncertainty, connecting them with resources and helping them stay current on their bill rather than racking up large balances.

Following the cooperative principle of “Concern for Community,” JPEC and our employees support our members and their charitable efforts:

- Employee donations to organizations such as the United Way.
- The co-op presents ten \$1,000 scholarships for local students each year.
- We sponsor students on the Frankfort and Washington Youth Tour experience.
- The co-op hangs Christmas lights at a local park, collects donations,

and conducts safety demonstrations for local schools, road departments and fire stations.

In partnership with our power provider, Big Rivers Electric, JPEC is responsive to the needs of local businesses and works to attract new employers like Blockware Mining, Drake Lighting and Cheddars Scratch Kitchen. With some of the most competitive electric rates in the country and our record of reliability and resilience, we have a great story to tell.

We are grateful to the people who built JPEC in 1937 and everyone who has contributed to the stewardship of our co-op ever since. They all were responsive to the challenges and opportunities they faced. We are also grateful to the 22,867 consumer-members we serve in six counties in western Kentucky. You are the reason we exist, and we pledge to be responsive, reliable and resilient as we work to serve you and these communities we all call home.

Thank you for letting JPEC serve you, and feel free to reach out to us any time you have a question.



■ Above, consumer-member Don Barger and Staking Technician Jose Lopez discuss adding a new service.

■ Right, Jake Mills prepares the rigging for utility pole installation.

■ Opposite bottom, JPEC leadership team members, from left, Ward Morgan, Jeff Williams, Greg Grissom and Scott Adair. Photos: Joe Imel



Erick Harris
Chair



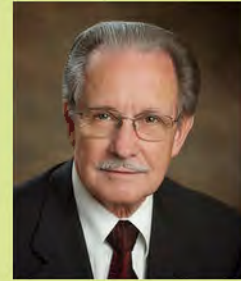
Jack Marshall
Vice Chair



Wayne Elliott
Secretary/Treasurer



Joshua Barnes
Director



Lee Bearden
Director



Kevin Bell
Director



Dr. Ivus Crouch
Director



Terry Teitloff
Director



Greg Grissom
President & CEO



Richard Walter
General Counsel

ANNUAL MEETING OF MEMBERS OF JACKSON PURCHASE ENERGY COOPERATIVE

The 2022 Annual Meeting will be recorded and available for viewing online at www.jpenergy.com. Members may submit questions during the drive-thru registration to be asked at the annual meeting.

When: Tuesday, June 28

Drive-Thru Registration: 9 a.m.–2 p.m.

Where: Jackson Purchase Energy Cooperative headquarters
6525 US Hwy 60 W Paducah, KY 42001

AGENDA

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Determine quorum
2. Reading of the notice of the meeting and proof of mailing
3. Approval of membership meeting minutes held June 21, 2021
4. Presentation of financial report
5. Announcement of election results
6. Announcement of bylaw revision results
7. Unfinished business
8. New business
9. Adjournment



2021

JACKSON PURCH

YEAR IN REVIEW

ACTIVE ACCOUNTS

As of December 31, 2021

Ballard	2,881
Carlisle.....	543
Graves	2,412
Livingston	5,896
Marshall	4,959
McCracken	13,742
TOTAL	30,433

ACCOUNTS BILLED

2021.....	30,433
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AVERAGE KWH USAGE

(residential per month)

2021.....	1,168
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MILES OF LINE

2021.....	2,983
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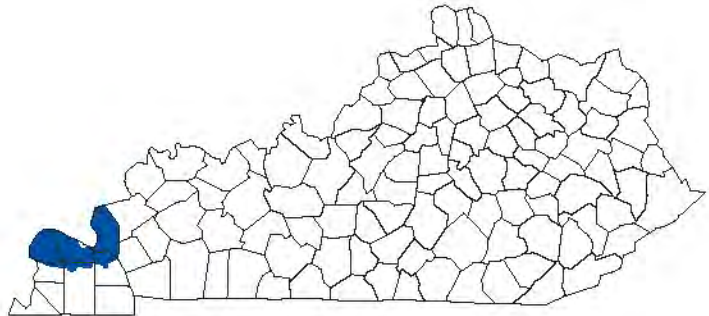
CONSUMERS PER MILE

2021.....	10.20
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FOR INFORMATION AND INQUIRIES

6525 US HWY 60 W
Paducah, KY 42001
(270) 442-7321
jpenergy.com

SERVICE AREA



We clear certain areas in our service territory, known as rights-of-way, to:

- Protect our members from electrical hazards
- Reduce tree related outages
- Restore power more efficiently



Maintaining rights-of-way improves service reliability for you—our members!

CHASE ENERGY COOPERATIVE

STATEMENT OF OPERATIONS

As of December 31, 2021

Operating Revenue\$68,219,738

OPERATING EXPENSE

Purchased Power\$48,783,326
 Operating System..... 11,927,026
 Depreciation6,694,286
 Taxes.....86,031
 Interest on Loans1,808,503
 Other Deductions..... 1,701
 Total Cost of Electric Service\$69,300,873

Operating Margins(\$1,081,135)
 Non-Operating Margins(514,361)
 Other Capital Credits350,558
 Patronage Capital and Margins.....(\$1,244,938)

BALANCE SHEET

As of December 31, 2021

ASSETS

Total Utility Plant.....\$198,690,796
 Less Depreciation75,426,395
 Net Utility Plant123,264,401
 Investments in Associate Organization.....3,854,966
 Cash.....4,560,370
 Accounts and Notes Receivable.....5,514,191
 Inventory.....2,202,404
 Accrued Unbilled Revenue3,643,168
 Deferred Debits and Other Assets537,146

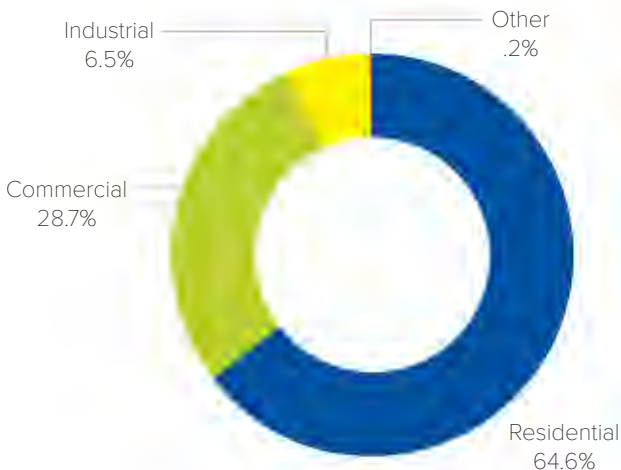
Total Assets..... \$143,576,646

LIABILITIES

Consumer Deposits\$3,044,887
 Membership and Other Equities50,384,711
 Long-Term Debt78,267,878
 Current Portion of Long-Term Debt2,336,300
 Notes and Accounts Payable5,456,450
 Other Current Liabilities4,086,420

Total Liabilities \$143,576,646

REVENUE SOURCES



COMMUNITY-FOCUSED

Electric cooperatives are different than other types of energy providers.

- We are led by consumer-members just like you.
- We were built by the community we serve.
- We still belong to the community.



2022

Official Notice
**JACKSON PURCHASE
ENERGY COOPERATIVE
ANNUAL MEETING**

WADE HARRIS

TUESDAY, JUNE 28, 2022

Drive-thru Registration

9 a.m.–2 p.m.

Jackson Purchase Energy Parking Lot

6525 US Hwy 60 W
Paducah, KY 42001

The 2022 annual business meeting will be held online. The meeting will be recorded and can be viewed online at www.jpenergy.com.

Each member who registers will receive \$10 cash and a free gift (limited to the first 700 members). Identification will be required, no exceptions will be made.

You may submit a question for the annual meeting at the drive-thru registration.



JACKSON PURCHASE ENERGY
A member-owned cooperative

2022 ANNUAL REPORT



SUPPORT | ADVOCATE | EDUCATE



JACKSON PURCHASE ENERGY
A member-owned cooperative



SUPPORT

Because you are reading this annual report, chances are you already know that Jackson Purchase Energy Cooperative only exists because of the consumer-members who own our cooperative.

When JPEC was founded in 1937, friends and neighbors banded together to create a new kind of electric utility, where the voice of every person made a difference.

Electric cooperatives brought electric power to the countryside when no one else would. Today, JPEC and more than 900 other electric co-ops across America continue to answer that call. Focusing on customer needs, JPEC provides much more than competitively priced, reliable energy. We are committed to supporting our communities and improving the quality of life for the consumer-members who live here.

OUR BOARD

The support and dedication of our board is essential. In addition to providing supervision and guidance of JPEC, board members

receive important education and training, so they are prepared to support your co-op as we deal with the complex challenges of electric service.

Every member of the JPEC board of directors is a member of this co-op, democratically elected by the membership to represent the interests of all members, not special interests or outside agendas. JPEC board members are your neighbors, not some corporate or activist types who live hundreds or thousands of miles away.

MEMBER SUPPORT

As a cooperative, JPEC is your consumer advocate, speaking up for commonsense policies that promote reliable power as cost-effectively as possible.

With the support of our fellow co-ops, we advocate for member interests, such as preventing extra charges from appearing on your bill, promoting a robust mix of energy sources and protecting the not-for-profit cooperative business model.

From left: VP of Operations and Technical Services Ward Morgan, VP of Human Resources, Communications, and Member Services Scott Adair, President and CEO Greg Grissom, VP of Finance and Accounting Meredith Kendall, and VP of Engineering Travis Spiceland. These 5 individuals make up the senior staff at JPEC.

Opposite top: Apprentice Line Technician Jake Mills, Crew Leader Eric Todd and Journeyman Line Technician Jimmy Johnson work to frame a pole for a new service.

Member Service Representative Amber Daniels works with Staking Engineer Connor Riley to initiate a home service order for a new JPEC consumer-member.

On the cover: Dispatcher Jonas Roberts, Journeyman Line Technician Dustin Cope, Apprentice Line Technician Jake Mills and Journeyman Line Technician Micah Joiner work together to prepare for incoming storms.

Photos: Tim Webb



Amid rampant inflation, JPEC is a resource hub for members who need help. Here are a few ways we follow the cooperative principle of “Concern for Community”:

- Participating in local school events including reality fairs and career days.
- In-kind support, such as hanging Christmas lights for Mike Miller Park’s Christmas in the Park annual light show and installing poles for training for our local police department.
- Awarding ten \$1,000 scholarships to local students across our service territory.
- Sponsoring students on the Kentucky Electric Cooperative Youth Tour experience.
- Employee contributions to our local United Way in the amount of \$22,597 for 2022.

COMMUNICATIONS

JPEC is committed to open, transparent and helpful communications. In *Kentucky Living*, social media and on jpenenergy.com we share updates, tips and important information about our communities. We work to combat scam attempts targeting our members, from phone scams to dishonest sales pitches.

As a consumer advocate, JPEC is a clearing-house for reliable information about matters that affect your bill and electric service, such as the rising costs for fuels used to create electricity, energy



efficiency ideas to help manage your costs and protecting the sales tax exemption for utility services at primary residences.

ECONOMIC DEVELOPMENT

In partnership with Big Rivers Electric, JPEC supports local businesses and works to attract new employers. With some of the most competitive electric rates in the country and our record of reliability and resilience, we have a great story to tell.

ON THE LINE

All of us at JPEC are committed to the safe

support of our membership. Though any business benefits from a safety culture, the inherent dangers of electricity require JPEC to be especially dedicated to safety.

Our crews follow strict guidelines and receive regular training so that they can return home safely no matter the conditions or tasks at hand.

Your cooperative is part of a nationwide network of electric cooperatives that assist each other in times of natural disasters. JPEC has provided assistance numerous times to other cooperatives in Kentucky and across the southeast following hurricanes, tornadoes and ice storms. JPEC is always happy to assist fellow cooperatives in times of need and we are thankful for cooperatives that assist our restoration efforts when we are in need.

A SUPPORT NETWORK

Many people find support networks in a circle of friends, their extended family, a local church, self-help groups and even online communities. Our cooperative is supported by our members, as well as Big Rivers, the statewide association Kentucky Electric Cooperatives and the collaboration of more than 900 electric cooperatives across the country.

As JPEC provides this annual report of our operations, please know how much we value and rely on your support. We're here for you, too, as we all work together to support our local communities.

Manager of Member Services Ashley Turner and Accounting Analyst Becky Blackwell help to fold clothes for Hope Unlimited's clothes closet. This was a part of United Way's volunteer day called Project United.



Meter Technician Kelly Russell works to clean a playhouse at Lifeline Ministries. This was our 2022 Beautify the Bluegrass project. Photos: Ashley Turner

AGENDA

85th Annual Meeting Jackson Purchase Energy Cooperative

McCracken County High School

Tuesday, June 27

Drive-Thru Registration: Noon–5 p.m.

Business Meeting: 6 p.m.

The 2023 Annual Business Meeting will be held in the McCracken County High School Auditorium. Doors will open at 5 p.m. A recording of the meeting will be available online at www.jpenergy.com. Members may submit questions to be addressed at the annual meeting during the drive thru registration.

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Determine quorum.
2. Reading of the notice of the meeting and proof of mailing.
3. Approval of membership meeting minutes held June 28, 2022.
4. Presentation of financial report.
5. Unfinished business (none).
6. New business.
7. Adjournment.

Comments from the floor.



Erick Harris
Chair



Jack Marshall
Vice Chair



Wayne Elliott
Secretary-Treasurer



Joshua Barnes
Director



Lee Bearden
Director



Kevin Bell
Director



David Brown
Director



Terry Teitloff
Director



Greg Grissom
President & CEO



Richard Walter
General Counsel

2022 Jackson Purchase Energy Cooperative YEAR IN REVIEW

CONSUMER-MEMBERS

2022 23,172

ACTIVE METERS

As of December 31, 2022

Ballard 2,895
 Carlisle 547
 Graves 2,419
 Livingston 5,897
 Marshall 4,966
 McCracken 13,792
 Total 30,516

AVERAGE KWH USAGE

(residential per month)

2022 1,197

MILES OF LINE

2022 2,986

METERS PER MILE

2022 10.22

FOR INFORMATION AND INQUIRIES

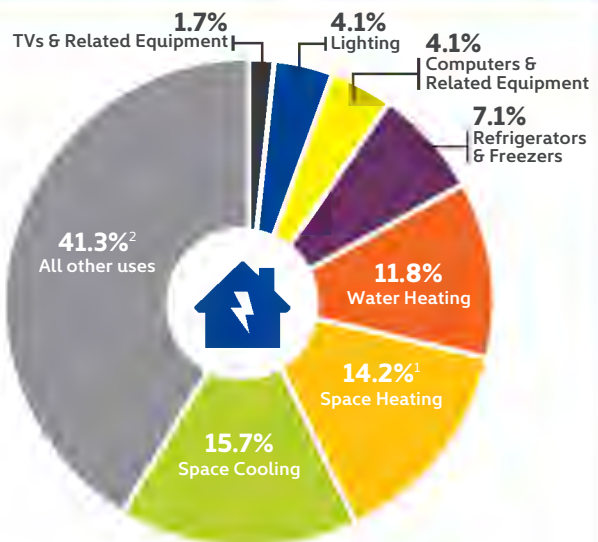
6525 US HWY 60 W
 Paducah, KY 42001
 (270) 442-7321
 jpenergy.com

SERVICE AREA



How Americans Use Electricity

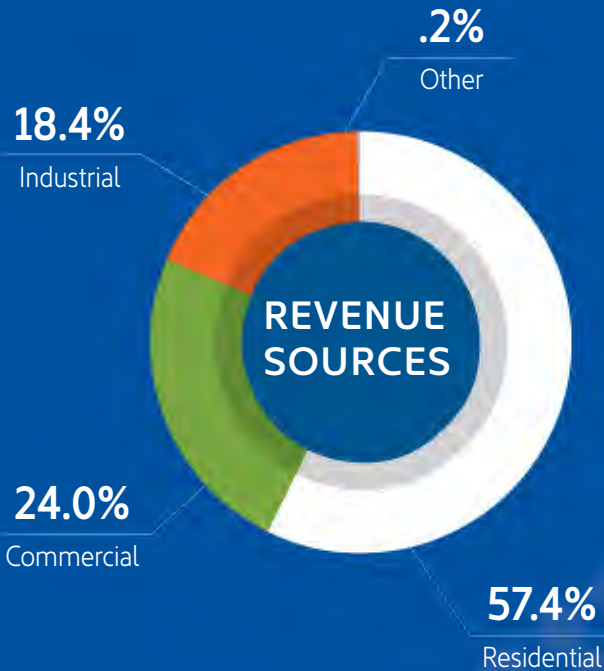
The latest data from the U.S. Energy Information Administration shows the combined use of clothes washers and dryers, dishwashers, small appliances and other electrical equipment (noted as "all other uses" below) accounts for the largest percentage of electricity consumption in American homes.



Source: Energy Information Administration 2021

¹Includes consumption for heat and operating furnace fans and boiler pumps.
²Includes miscellaneous appliances, clothes washers and dryers, stoves, dishwashers, heating elements, and motors.

FINANCIALS



STATEMENT OF OPERATIONS

As of December 31, 2022

Operating Revenue..... \$98,794,916

OPERATING EXPENSE

Purchased Power \$74,764,452

Operating System..... \$15,390,061

Depreciation.....\$7,066,167

Taxes \$74,645

Interest on Loans \$2,211,497

Other Deductions \$8,730

Total Cost of Electric Service..... \$99,515,552

Operating Margins \$(720,636)

Non-Operating Margins..... \$292,243

Other Capital Credits \$340,237

Patronage Capital and Margins \$(88,156)

BALANCE SHEET

As of December 31, 2022

ASSETS

Total Utility Plant..... \$207,194,674

Less Depreciation \$79,301,071

Net Utility Plant \$127,893,603

Investments in Associate Organization ... \$4,025,870

Cash and Temporary Investments \$6,044,605

Accounts and Notes Receivable \$7,784,977

Inventory..... \$3,289,347

Deferred Debits and Other Assets..... \$609,376

Accrued Unbilled Revenue \$7,098,299

Total Assets \$156,746,077

LIABILITIES

Consumer Deposits.....\$5,180,065

Membership and Other Equities \$50,286,522

Long-Term Debt..... \$83,871,740

Current Portion of Long-Term Debt.....\$3,575,900

Notes and Accounts Payable.....\$9,611,439

Other Current Liabilities..... \$4,220,411

Total Liabilities \$156,746,077

Official Notice

2023

Jackson Purchase Energy Cooperative Annual Meeting

TUESDAY, JUNE 27, 2023

McCracken County High School

6530 US HWY 60 W
Paducah, KY 42001

Drive-Thru Registration: Noon–5 p.m.

Business Meeting: 6 p.m.

Doors Open: 5 p.m.



Member Rewards

Each member who registers will receive \$10 cash, free gift and bucket and bulb (limited to the first 700 members). Identification will be required, no exceptions will be made.

85th
ANNUAL
MEETING

- The 2023 Annual Business Meeting will be held in the McCracken County High School Auditorium. Doors will open at 5 p.m. A recording of the meeting will be available online at www.jpenergy.com.
- You may submit a question for the annual meeting at the drive-thru registration.

◀ District 3 Director Lee Bearden talks with one of JPEC's consumer-members during the 2022 membership appreciation days. Membership appreciation events are typically held in October. Watch *Kentucky Living* for upcoming dates!
Photo: Ashley Turner



JACKSON PURCHASE ENERGY
A member-owned cooperative



**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 23

**807 KAR 5:001 Section 16(4)(r)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period.

Response:

Exhibit 23 is being filed separately from the Application due to the size of the documents.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 24

**807 KAR 5:001 Section 16(4)(t)
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

If the utility had amounts charged or allocated to it by an affiliate or general or home office or paid monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years, the utility shall file:

- 1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each charge allocation or payment;*
- 2. An explanation of how the allocator for the test period was determined; and*
- 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated, or paid during the test year was reasonable.*

Response:

Jackson Purchase had no amounts charged or allocated to it by an affiliate or general or home office, and Jackson Purchase did not pay monies to an affiliate or general or home office during the test period during the previous three (3) calendar years.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 25

**807 KAR 5:001 Section 16(4)(u)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

If the utility provides gas, electric, water or sewage utility service and has annual gross revenues greater than \$5,000,000, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period.

Response:

Please see the direct testimony of John Wolfram provided at Exhibit 10 and, in particular, Exhibits JW-3 through JW-8.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 26

**807 KAR 5:001 Section 16(5)(a)
Sponsoring Witness: Meredith Kendall and John Wolfram**

Description of Filing Requirement:

A detailed income statement and balance sheet reflecting the impact of all proposed adjustments.

Response:

Please see the direct testimony of John Wolfram provided at Exhibit 10. Specifically, the detailed income statement reflecting the impact of all proposed adjustments can be found in Exhibit JW-2, page 3. The balance sheet reflecting the impact of all proposed adjustments can be found in Exhibit JW-2, page 2.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 27

**807 KAR 5:001 Section 16(5)(b)
Sponsoring Witness: Meredith Kendall and John Wolfram**

Description of Filing Requirement:

The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions.

Response:

Jackson Purchase does not propose any pro forma adjustment for or reflecting plant additions.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 28

**807 KAR 5:001 Section 16(5)(c)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

For each proposed pro forma adjustment reflecting plant additions, the following information... (refer to items 1. – 8)

Response:

Jackson Purchase does not propose any pro forma adjustments for plant additions. Please see Exhibit 10 of the Application, the Direct Testimony of John Wolfram.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 29

**807 KAR 5:001 Section 16(5)(d)
Sponsoring Witness: Meredith Kendall and John Wolfram**

Description of Filing Requirement:

The operating budget for each month of the period encompassing the pro forma adjustments.

Response:

Please see attached operating budget.

Jackson Purchase Energy Corporation
Operating Budget September 2022-August 2023

	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
1. Operating Revenue and Patronage Capital	\$ 6,843,468	\$ 5,184,874	\$ 5,911,823	\$ 7,061,800	\$ 8,631,997	\$ 8,691,608	\$ 7,823,006	\$ 7,414,374	\$ 7,048,766	\$ 8,717,589	\$ 9,842,227	\$ 9,763,962
2. Power Production Expense												
3. Cost of Purchased Power	\$ 4,503,002	\$ 3,411,647	\$ 3,889,980	\$ 4,646,664	\$ 5,956,078	\$ 6,344,874	\$ 5,554,334	\$ 5,190,062	\$ 5,216,087	\$ 6,102,312	\$ 6,791,136	\$ 6,737,134
4. Transmission Expense												
5. Regional Market Expense												
6. Distribution Expense - Operation	\$ 276,504	\$ 264,329	\$ 264,408	\$ 277,019	\$ 335,662	\$ 340,712	\$ 345,612	\$ 343,012	\$ 339,212	\$ 347,062	\$ 341,562	\$ 341,562
7. Distribution Expense - Maintenance	\$ 666,248	\$ 506,248	\$ 511,923	\$ 711,423	\$ 567,261	\$ 567,261	\$ 571,261	\$ 567,261	\$ 547,261	\$ 581,261	\$ 577,261	\$ 527,261
8. Consumer Accounts Expense	\$ 64,242	\$ 64,242	\$ 64,267	\$ 64,267	\$ 121,312	\$ 121,312	\$ 121,312	\$ 121,312	\$ 121,312	\$ 121,312	\$ 121,312	\$ 121,312
9. Customer Service and Informational Expense	\$ 36,779	\$ 36,779	\$ 37,131	\$ 37,131								
10. Sales Expense	\$ 100	\$ 100	\$ 100	\$ 100	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
11. Administrative and General Expense	\$ 400,553	\$ 402,838	\$ 397,840	\$ 413,923	\$ 360,686	\$ 350,906	\$ 348,506	\$ 345,756	\$ 359,856	\$ 382,486	\$ 423,499	\$ 358,329
12. Total Operation & Maintenance Expense (2 thru 11)	\$ 5,947,428	\$ 4,686,183	\$ 5,165,649	\$ 6,150,527	\$ 7,341,250	\$ 7,725,315	\$ 6,941,276	\$ 6,567,653	\$ 6,583,978	\$ 7,534,684	\$ 8,255,021	\$ 8,085,848
13. Depreciation & Amortization Expense	\$ 580,000	\$ 580,000	\$ 580,000	\$ 580,000	\$ 594,304	\$ 599,947	\$ 604,860	\$ 609,070	\$ 614,272	\$ 620,650	\$ 626,371	\$ 630,893
14. Tax Expense - Property												
15. Tax Expense - Other	\$ 7,400	\$ 7,400	\$ 7,400	\$ 7,400	\$ 5,460	\$ 5,460	\$ 5,460	\$ 5,460	\$ 5,460	\$ 5,460	\$ 7,500	\$ 7,500
16. Interest on Long-Term Debt	\$ 177,000	\$ 177,000	\$ 177,000	\$ 177,000	\$ 180,372	\$ 175,494	\$ 176,009	\$ 201,969	\$ 201,797	\$ 200,922	\$ 215,577	\$ 216,100
17. Interest Charged to Construction (Credit)												
18. Interest Expense - Other	\$ 300	\$ 300	\$ 300	\$ 300	\$ 23,333	\$ 23,333	\$ 23,333	\$ 23,333	\$ 23,333	\$ 23,333	\$ 23,333	\$ 23,333
19. Other Deductions	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
20. Total Cost of Electric Service (12 thru 19)	\$ 6,712,128	\$ 5,450,883	\$ 5,930,349	\$ 6,915,227	\$ 8,144,819	\$ 8,529,650	\$ 7,751,038	\$ 7,407,586	\$ 7,428,941	\$ 8,385,149	\$ 9,127,903	\$ 8,963,775
21. Patronage Capital & Operating Margins (1 minus 20)	\$ 131,340	\$ (266,009)	\$ (18,526)	\$ 146,572	\$ 487,178	\$ 161,958	\$ 71,968	\$ 6,788	\$ (380,175)	\$ 332,440	\$ 714,324	\$ 800,187
22. Non Operating Margins - Interest	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
23. Allowance for Funds Used During Construction												
24. Income (Loss) from Equity Investments												
25. Non Operating Margins - Other												
26. Generation & Transmission Capital Credits												
27. Other Capital Credits & Patronage Dividends	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -	\$ -
28. Extraordinary Items												
29. Patronage Capital or Margins (21 thru 28)	\$ 134,340	\$ (263,009)	\$ (15,526)	\$ 149,572	\$ 495,178	\$ 169,958	\$ 79,968	\$ 254,788	\$ (372,175)	\$ 340,440	\$ 722,324	\$ 808,187

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 30

**807 KAR 5:001 Section 16(5)(e)
Sponsoring Witness: John Wolfram**

Description of Filing Requirement:

The number of customers to be added to the test period end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.

Response:

Please see the testimony of John Wolfram provided at Exhibit 10, and in particular, Exhibit JW-2, Reference Schedule 1.10.

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 31

**Case No. 2008-00408
Order Entered July 24, 2012
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

“Each electric utility shall integrate energy efficiency resources into its plans and shall adopt policies establishing cost-effective energy efficiency resources with equal priority as other resource options. In each integrated resource plan, certificate case, and rate case, the subject electric utility shall fully explain its consideration of cost-effective energy efficiency resources as defined in the Commission’s IRP regulation (807 KAR 5:058).”

Response:

Demand Side Management and Energy Efficiency programs that were historically offered by Jackson Purchase and its wholesale power supplier, Big Rivers Electric Corporation, are no longer offered following the Commission’s Order dated December 12, 2018, in Case No. 2018-00236, *Demand-Side Management Filing of Big Rivers Electric Corporation on Behalf of Itself, Jackson Purchase Energy Corporation, and Meade County R.E.C.C., and request to Establish a Regulatory Liability.*

**Jackson Purchase Energy Corporation
Case No. 2024-00085
General Adjustments of Rates
Filing Requirements/Exhibit List**

Exhibit 32

**Case No. 2012-00428
Order Entered July 24, 2012
Sponsoring Witness: Meredith Kendall**

Description of Filing Requirement:

A discussion of Smart Grid Investments.

Response:

Please see the Direct Testimony of Meredith Kendall, provided at Exhibit 9.