

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

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

---

**ATTORNEY GENERAL’S SECOND REQUEST FOR INFORMATION TO  
JACKSON PURCHASE ENERGY CORPORATION**

---

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, through his Office of Rate Intervention (“Attorney General”), and submits the Second Request for Information to Jackson Purchase Energy Corporation (hereinafter “Jackson Purchase Energy” or the “Company”) to be answered by July 10, 2024, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate requested item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that

the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout, which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible, and in accordance with Commission direction.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda

of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the

control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

RUSSELL COLEMAN  
ATTORNEY GENERAL



---

ANGELA M. GOAD  
J. MICHAEL WEST  
LAWRENCE W. COOK  
JOHN G. HORNE II  
ASSISTANT ATTORNEYS GENERAL  
1024 CAPITAL CENTER DRIVE, SUITE 200  
FRANKFORT, KY 40601  
PHONE: (502) 696-5421  
FAX: (502) 564-2698  
[Angela.Goad@ky.gov](mailto:Angela.Goad@ky.gov)  
[Michael.West@ky.gov](mailto:Michael.West@ky.gov)  
[Larry.Cook@ky.gov](mailto:Larry.Cook@ky.gov)  
[John.Horne@ky.gov](mailto:John.Horne@ky.gov)

**Certificate of Service and Filing**

Pursuant to the Commission's Orders and in accord with all other applicable law, Counsel certifies that the foregoing electronic filing was transmitted to the Commission on June 26, 2024, and there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

This 26<sup>th</sup> day of June, 2024,



---

Assistant Attorney General

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

1. Refer to Jackson Purchase Energy’s response to the Attorney General’s First Request for Information (“Attorney General’s First Request”), Item 2(d), Excel spreadsheet.
  - a. Provide the Excel spreadsheet with the most updated information for annual energy sales, Blockware energy sales, and total energy sales. Consider this a continuing request during the pendency of this case.
  - b. Provide the Excel spreadsheet with the updated information as requested in (a), and also include the total energy sales projections through December 31, 2024.
2. Refer to Jackson Purchase Energy’s response to the Attorney General’s First Request, Items 3 – 5.
  - a. Provide the Excel spreadsheet with the most updated information. Consider this a continuing request during the pendency of this case.
  - b. Provide the average raise, if any, which will be given to executive staff employees, salaried employees, and non-salaried employees for 2024. Consider this a continuing request during the pendency of this case.
  - c. Provide the average raise, if any, which will be given to executive staff employees, salaried employees, and non-salaried employees for 2025. Consider this a continuing request during the pendency of this case.
  - d. Explain in detail the criteria for an employee to receive a raise, and how the amount of each raise is calculated. For example, in 2023 the raises ranged from 2.0% up to 26.14%.
  - e. Explain in detail who at the Company is responsible for granting raises, and determining the amount of the raises for the salaried and non-salaried employees

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

who are not part of the executive staff. Ensure to discuss whether the Board of Directors must approve of the raises.

- f. Explain in detail who at the Company is responsible for granting raises, and determining the amount of the raises for the executive staff. Ensure to discuss whether the Board of Directors must approve of the raises.
- g. Provide a list of the job titles that are considered executive staff.
- h. Explain in detail who at the Company is responsible for granting a raise, and determining the amount of the raise for the President & CEO. Ensure to discuss whether the Board of Directors must approve of the raise.
- i. Provide a copy of the Company's policy concerning the granting of raises. If there is no policy then explain in detail why not.
- j. Explain in detail the criteria for an employee to receive a bonus, and how the amount of each bonus is calculated. For example, in 2023 the bonuses ranged from \$570.21 up to \$2,117.58.
- k. Explain in detail who at the Company is responsible for granting bonuses, and determining the amount of the bonuses for the salaried and non-salaried employees who are not part of the executive staff. Ensure to discuss whether the Board of Directors must approve of the bonuses.
- l. Explain in detail who at the Company is responsible for granting bonuses, and determining the amount of the bonuses for the executive staff. Ensure to discuss whether the Board of Directors must approve of the bonuses.

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

- m. Explain in detail who at the Company is responsible for granting a bonus, and determining the amount of the bonus for the President & CEO. Ensure to discuss whether the Board of Directors must approve of the bonus.
- n. Provide a list of all employee positions that are eligible to receive a bonus.
- o. Provide a copy of the Company's policy concerning the granting of bonuses. If there is no policy then explain in detail why not.
- p. Explain in detail the criteria for an employee to receive an award, and how the amount of each award is calculated. For example, in 2024 the awards have ranged from \$912.09 up to \$3,500 thus far.
- q. Explain in detail who at the Company is responsible for granting awards, and determining the amount of the awards for the salaried and non-salaried employees who are not part of the executive staff. Ensure to discuss whether the Board of Directors must approve of the awards.
- r. Explain in detail who at the Company is responsible for granting awards, and determining the amount of the awards for the executive staff. Ensure to discuss whether the Board of Directors must approve of the awards.
- s. Explain in detail who at the Company is responsible for granting an award, and determining the amount of the award for the President & CEO. Ensure to discuss whether the Board of Directors must approve of the award.
- t. Provide a list of all employee positions that are eligible to receive an award.
- u. Provide a copy of the Company's policy concerning the granting of awards. If there is no policy then explain in detail why not.



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

- v. Explain in detail the criteria for an employee to receive incentive compensation, and how the amount of incentive compensation is calculated. For example, in 2019 incentive compensation of \$18,400 was given to the President & CEO, \$20,000 in 2020, \$39,500 in 2021, \$20,500 in 2022, \$47,500 in 2023, and \$48,000 in 2024.
- w. Explain in detail who at the Company is responsible for granting incentive compensation, and determining the amount of the incentive compensation for the salaried and non-salaried employees who are not part of the executive staff. Ensure to discuss whether the Board of Directors must approve of the incentive compensation.
- x. Explain in detail who at the Company is responsible for granting incentive compensation, and determining the amount of the incentive compensation for the executive staff. Ensure to discuss whether the Board of Directors must approve of the incentive compensation.
- y. Explain in detail who at the Company is responsible for granting incentive compensation, and determining the amount of the incentive compensation for the President & CEO. Ensure to discuss whether the Board of Directors must approve of the incentive compensation.
- z. Explain in detail why Jackson Purchase Energy would give incentive compensation in 2024 when the Company has filed for a rate increase due to an alleged revenue deficiency.
- aa. Provide a list of all employee positions that are eligible to receive incentive compensation.

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

- bb. Refer to the Excel spreadsheet, the Row titled “Incentive Compensation, Executive Staff” and “Incentive Compensation, Salaried Staff” summaries for the years 2015, 2016, and 2018. The summaries list incentive compensation, but in Column K titled “Incentive Compensation” there is no incentive compensation listed. For example, in 2018, the summary lists \$7,000 of incentive compensation for the executive staff and \$10,600 for the salaried staff, yet in Column K titled “Incentive Compensation” there is no monetary amounts listed. Provide a detailed explanation as to this discrepancy, and provide an updated Excel spreadsheet with correct information if applicable.
- cc. Identify what year Jackson Purchase Energy began granting incentive compensation to employees.
- dd. Explain in detail why Jackson Purchase Energy began granting incentive compensation to employees.
- ee. Provide a copy of the Company’s policy concerning the granting of incentive compensation. If there is no policy then explain in detail why not.
- ff. Explain in detail whether there was a policy change that allowed for incentive compensation to be given in 2019, as per the response it appears that is the first year that incentive compensation was given for the years 2014 – 2024. Provide copies of all pertinent documentation regarding the same.
- gg. Provide a list of all employee positions that are eligible to receive a vehicle allowance.

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

- hh. Explain in detail how the vehicle allowance operates. Ensure to include in the discussion whether Jackson Purchase Energy purchases/leases the vehicles that it provides to the employees, or does the Company provide a monetary contribution to a vehicle owned by the employee; and, does the employee use the vehicle for personal use as well as for work.
- ii. Explain in detail the criteria for an employee to receive a vehicle allowance, and how the amount of the vehicle allowance is calculated. For example, in 2021 the vehicle allowances ranged from \$3,591.98 up to \$9,234.37, while in 2023 the vehicle allowances ranged from \$5,929.74 up to \$7,280.22.
- jj. Provide a copy of the Company's policy concerning the granting of vehicle allowances. If there is no policy then explain in detail why not.
- kk. Explain in detail the criteria for an employee to receive relocation assistance, and how the amount of the relocation assistance is calculated.
- ll. Provide a list of all employee positions that are eligible to receive relocation assistance.
- mm. Provide a copy of the Company's policy concerning the granting of relocation assistance. If there is no policy then explain in detail why not.
- nn. Explain in detail why Jackson Purchase Energy did not rein in employee bonuses, awards, incentive compensation, raises, insurance benefits, retirement benefits, and the like since its last rate increase went into effect on April 8, 2022, in an effort to either prevent or reduce the pending rate increase request.

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

- oo. Provide a copy of the Company's wage and benefit policies. If no policy exists, explain in detail why not.
  - pp. Explain in detail whether a written performance review is directly connected to the granting of raises, bonuses, awards, incentive compensation, etc. to each of the following categories of employees: salaried employees, non-salaried employees, and the executive staff. If not, explain in detail why not.
3. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Items 3(j), 4(j), and 5(j). The response does not address all of the questions posed. As originally requested, provide a detailed explanation of the retirement benefits provided to the Company's executive staff, salaried, and non-salaried employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.
4. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 7.
- a. Explain in detail whether the formal salary study that the Company refers to in this response compared Jackson Purchase Energy's wage and benefit information to the local wage and benefit information for the geographic area in which Jackson Purchase Energy operates. If not, explain in detail why not.
  - b. Explain in detail what industries the salary study used to compare Jackson Purchase Energy's compensation packages. For example, were Jackson Purchase Energy's compensation packages benchmarked only against other utility companies, or were they also benchmarked against the general labor market.

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

5. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 13.
  - a. Explain in detail why Jackson Purchase Energy only offers two additional weeks as a payment extension option for member customers who are facing disconnection due to the inability to pay their utility bills.
  - b. Provide the names of the local agencies that Jackson Purchase Energy recommends to its member customers who are having difficulty paying their electric bills.
6. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 14(a). Explain in detail what happens to the capital credits if a member passes away and no heir can be found, or if a member moves and does not request the capital credits.
7. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 15(d). Jackson Purchase Energy asserts that since moving to its new headquarters there has been an annual cost savings of \$34,564, which the Company admits is not as much as it originally estimated.
  - a. Provide the amount of annual costs savings that the Company originally estimated.
  - b. Provide the amount of increased expense associated with the new headquarters including but not limited to any construction costs, renovation costs, land acquisition cost, etc.
  - c. When considering the increased expense associated with the new headquarters as discussed in (b), explain in detail whether there are any actual annual costs savings.
8. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 15(e). Confirm that based upon Jackson Purchase Energy's calculations, the rate increase

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

granted in Case No. 2021-00358,<sup>1</sup> increased the average residential customer's bill, using 1176 kWh, by \$20.11, from \$134.92 to \$155.03, or a 14.90% increase. If not confirmed, explain why not in detail.

9. Refer to Jackson Purchase Energy's responses to the Attorney General's First Request, Items 17(a) and 17(b), Excel spreadsheet.
  - a. Confirm that as of April 30, 2024, Jackson Purchase Energy's TIER was 2.11 and OTIER was 1.84. If not confirmed, explain in detail why not.
  - b. Provide the Excel spreadsheet with the most updated information. Consider this a continuing request during the pendency of this case.
10. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 18(a). Jackson Purchase Energy states that the cost-based monthly residential customer charge based upon the cost-of-service study is \$53.45. Explain in detail whether the Company's goal is to set the monthly residential customer charge at \$53.45 through future rate cases.
11. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 18(e).
  - a. Explain in detail why the Monthly Residential Fixed Charges chart indicates that Jackson Purchase Energy's monthly residential customer charge is currently \$24.76, instead of \$20.35.
  - b. Provide the aforementioned chart with all necessary corrections.

---

<sup>1</sup> 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).

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

- c. As originally requested, provide the chart, and include Jackson Purchase Energy's current monthly residential customer charge as well as the proposed monthly residential customer charge.
  - d. Confirm that based upon the chart, if the Commission grants Jackson Purchase Energy's request for a \$30.35 monthly residential customer charge, then it will be the highest monthly residential customer charge in the state of Kentucky.
  - e. Confirm that based upon the chart, if the Commission grants Jackson Purchase Energy's request for a \$30.35 monthly residential customer charge, then it will be more than three times higher than Salt River Electric Cooperative Corporation's \$9.20 monthly residential customer charge.
12. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 26(g). Confirm that the only action the Company has taken to address the right-of-way ("ROW") management expenses, as ordered by the Commission in its Final Order in Case No. 2021-00358,<sup>2</sup> is to be selective in the trees that it removes on its circuit so more miles can be cut. If not confirmed, provide all other actions the Company has taken to address the ROW management expenses.
13. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 26(g). The Attorney General requested for the Company to explain in detail whether it works with other regional electric utilities to develop regional bids for ROW management, which could create significant cost savings.<sup>3</sup> Jackson Purchase Energy responded by

---

<sup>2</sup> *Id.* at 12.

<sup>3</sup> See Case No. 2023-00147, *Electronic Application of Taylor County Rural Electric Cooperative Corporation for a General Adjustment of Rates* (Ky. PSC April 5, 2024), Order at 12; See Case No. 2021-00407, *Electronic Application*

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

stating that the possibility of combining circuit mileage for bids was discussed with other electric cooperatives, and was discussed with one ROW contractor. The Company further states that the response received from the contractor was that if multiple cooperatives combined the circuits, the contractor would not have the resources to complete a project of that size.

- a. Identify the “other regional electric utilities” that Jackson Purchase Energy discussed developing regional bids for ROW management.
  - b. Identify the one ROW contractor that the Company discussed regional bids for ROW management.
  - c. Explain in detail why Jackson Purchase Energy only discussed developing regional bids for ROW management with one ROW contractor instead of multiple ROW contractors.
  - d. Explain in detail why Jackson Purchase Energy did not discuss developing regional bids for ROW management with ROW contractors who would have the resources to complete larger projects.
14. Refer to Jackson Purchase Energy’s response to the Attorney General’s First Request, Item 30.
- a. Jackson Purchase Energy asserts that it only retains \$0.50/MWh from energy sales to Blockware Mining, LLC (“Blockware”) per the terms of the contract. Explain in detail what entity receives the rest of the revenue associated with the energy sales

---

*of South Kentucky Rural Electric Cooperative Corporation for a General Adjustment of Rates, Approval of Depreciation Study, and Other General Relief* (Ky. PSC June 30, 2022), Order at 30.



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

to Blockware, and provide the dollar amount per MWh that is received by the other entity.

- b. Explain in detail why the Company agreed to only retain \$0.50/MWh from energy sales to Blockware.
15. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 31. Jackson Purchase Energy asserts that the headcount decreased in 2023 compared to 2019, but the cost of labor and benefits increased by approximately \$1 million between 2019 and 2023, or about 12%. Explain in detail why Jackson Purchase Energy did not attempt to rein in the cost of labor and benefits in an effort to either prevent or reduce the pending rate increase request.
16. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 33(a)(i). The answer is nonresponsive. As originally requested, explain in detail why Jackson Purchase Energy pays a higher percentage for non-bargaining employees' health insurance premium costs than for the bargaining employees.
17. Refer to Jackson Purchase Energy's responses to the Attorney General's First Request, Item 35 and to the Commission Staff's First Request for Information ("Staff's First Request"), Item 35.
  - a. Jackson Purchase Energy asserts that the retirement offered to bargaining employees consists of a 5% employer contribution to the NECA-IBEW pension and participation in the NRECA R&S plan benefit, which is fully funded by the employer.

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

- i. Explain the difference between the NECA-IBEW pension and the NRECA R&S plan benefit.
    - ii. Explain in detail why the bargaining employees are not required to contribute to their retirement pensions.
    - iii. Confirm that Jackson Purchase Energy is still offering the NECA-IBEW pension and participation in the NRECA R&S plan benefit to newly hired bargaining employees. If confirmed, explain why the Company is still offering a pension plan. If not confirmed, explain what retirement plan is being offering to newly hired bargaining employees.
  - b. Jackson Purchase Energy asserts that the retirement offered to non-bargaining employees hired before 2006 is the NRECA R&S plan and the employer contributes 4% to their 401(k).
    - i. Provide the employer and employee contribution to the NRECA R&S plan. If the employee does not contribute to the plan explain in detail why not.
    - ii. Explain in detail whether the non-bargaining employee is required to contribute to the 401(k) plan, and if not, explain in detail why not.
  - c. Jackson Purchase Energy asserts that the retirement offered to all non-bargaining employees hired in 2006, or after, receive a 14% employer contribution to their 401(k), and employees have no required contributions. Explain in detail why employees are not required to contribute to their own 401(k) retirement.
18. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item

37.

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

- a. Provide the Excel spreadsheet using the most updated data.
  - b. Jackson Purchase Energy asserts that it has inquired with its software provider NISC, about the possibility of having credit and debit card fees charged directly to the member customers who incur the cost, but that it is not an option provided at this time. Explain in full detail why NISC does not offer this as an option.
  - c. Confirm that credit card processing fees have increased from \$54,037.50 in 2014 to \$193,935.22 in 2023, and if extrapolated out will be approximately \$214,000 in 2024. If not confirmed, explain in detail why not.
  - d. Explain how Jackson Purchase Energy plans to address the 296% increase in credit card processing fees over the past decade.
  - e. Confirm that all Jackson Purchase Energy's member customers, including those who pay with cash or check, are paying for the increased credit card fees through the Company's electric rates.
  - f. As originally requested, since Jackson Purchase Energy does not assess a fee to its member customers to process credit cards, provide the Commission case number and Order that approved of these specific credit card fees to be included in Jackson Purchase Energy's rates.
19. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 40, Excel spreadsheet.
- a. Provide a breakdown of the \$538.44 of membership dues/donations that was included in the revenue requirement. Ensure to include a description and purpose

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

of each amount with each payee. Also, identify the customer benefit associated with each cost, if any.

- b. Provide a breakdown of the \$207,463.13 of outside services that was included in the revenue requirement. Ensure to include a description and purpose of each amount with each payee. Also, identify the customer benefit associated with each cost, if any.
  - c. Provide a breakdown of the \$101,038.59 of rodeo expenses that was included in the revenue requirement. Ensure to include a description and purpose of each amount with each payee. Also, identify the customer benefit associated with each cost, if any.
  - d. Provide a breakdown of the \$324.00 of employee benefits/misc. that was included in the revenue requirement. Ensure to include a description and purpose of each amount with each payee. Also, identify the customer benefit associated with each cost, if any.
  - e. Provide a breakdown of the \$8,324.21 of the JPEC Annual Meeting that was included in the revenue requirement. Ensure to include a description and purpose of each amount with each payee. Also, identify the customer benefit associated with each cost, if any.
20. Refer to Jackson Purchase Energy's responses to the Attorney General's First Request, Items 48 and 49, Excel spreadsheet. Provide the Excel spreadsheet with the most updated information, and also include whether the costs associated with each position are included

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

in the requested revenue requirement. Consider this a continuing request during the pendency of this case.

21. Refer to Jackson Purchase Energy’s response to the Attorney General’s First Request, Item 50. Provide the titles of all three vacant positions that Jackson Purchase Energy included in the revenue requirement, and the full costs associated with the three vacant positions as well.
22. Refer to the Direct Testimony of Greg Grissom (“Grissom Testimony”), page 5, in which Mr. Grissom states that one of the cost containment measures the Company has taken is to keep staffing levels at the lowest level possible while still maintaining safe and reliable service. Refer also to Jackson Purchase Energy’s response to the Attorney General’s First Request, Item 50, in which the Company admits that even though it only has 67 full-time employees, it has asked for the costs associated with 70 full-time employees to be included in the revenue requirement.
  - a. Explain in detail why the member customers should be required to pay for three vacant full-time positions through electric rates.
  - b. Explain in detail why the Company cited to keeping staffing levels as low as possible as an example of cost containment measures, when Jackson Purchase Energy is requesting for additional vacant positions to be included in the electric rates.

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

- c. Provide the titles of all three vacant full-time positions that Jackson Purchase Energy included in the revenue requirement, and the full costs associated with the three vacant positions as well.<sup>4</sup>
23. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 53, Excel spreadsheet. Provide the Excel spreadsheet with the most updated data. Consider this a continuing request during the pendency of this case.
24. Refer to the Application generally. Provide the amount of Supplemental Executive Retirement Plan ("SERP") that the Company has provided to employees for each of the years 2014 – 2024.
25. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 54.
  - a. Provide citations to all Commission precedent that has allowed an investor-owned electric utility to include SERP in the revenue requirement.
  - b. Provide citations to all Commission precedent that has allowed a rural electric cooperative corporation ("RECC") to include SERP in the revenue requirement.
  - c. Provide what benefits SERP provides to the Company's member customers, if any.
26. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Item 77. Provide the cost per mile for ROW maintenance for 2014 – 2024, as well as for the test year.

---

<sup>4</sup> See Case No. 2023-00158, *Electronic Application of Farmers Rural Electric Cooperative Corporation for a General Adjustment of Rates Pursuant to Streamlined Procedure Pilot Program Established in Case No. 2018-00407* (Ky. PSC Oct. 3, 2023), Order at 10.

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

27. Refer to Jackson Purchase Energy's response to the Staff's First Request, Item 31, Excel spreadsheet.
- a. Explain in detail which employee positions are eligible for overtime pay, the criteria for an employee to receive overtime pay, and how the amount of the overtime pay is calculated.
  - b. Explain in detail the large amounts of overtime pay in 2023. For example, there are 26 employees who made between \$27,175.68 - \$73,388.95 in overtime pay.
  - c. Provide a copy of the policy on overtime pay, and designate who is responsible for approving overtime pay.
  - d. Explain in detail why many of the Jackson Purchase Energy employees are receiving overtime pay that is almost as much as their regular salaries, while some employees are receiving more overtime pay than their regular salaries.
  - e. Explain in detail which employee positions are eligible for cell phone reimbursement, the criteria for an employee to receive cell phone reimbursement, and how the amount of cellphone reimbursement is calculated.
  - f. Explain what is included in Column N, titled "Other."
28. Refer to the Direct Testimony of John Wolfram ("Wolfram Testimony"), Reference Schedule 1.11. Explain in detail why there is no change in overtime hours when the Company has increased the regular time hours.
29. Refer to the Wolfram Testimony, Reference Schedule 1.11. For each of the years 2019 – 2023, please indicate the number of regular time, overtime hours, and other hours recorded, as well as the average wage charged for each.

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

30. Refer to the Wolfram Testimony, Exhibit JW-2, Summary of Pro Forma Adjustments. Refer also to the Application, JPEC-2023-RevReq-FILED.xlsx Excel spreadsheet.
- a. Explain in detail why the Company is increasing expense associated with Dues and Donations (see Cell E11 on the “Summary of Pro Forma Adjustments” and Cell D20 in the “Statement of Operations & Revenue Requirement”), when the description in the Wolfram Testimony, Reference Schedule 1.05 indicates that the adjustment is to remove these costs from the revenue requirement.
  - b. Explain in detail whether this should be a reduction to expense rather than an increase as presently stated.
31. Refer to the Wolfram Testimony, Reference Schedule 1.08, and indicate the date of the conclusion of the last rate case.
32. Refer to the Wolfram Testimony, Reference Schedule 1.08, and indicate the total costs incurred to bring the last rate case to conclusion (i.e. total rate case costs for the last rate case).
33. Refer to the Wolfram Testimony, Reference Schedule 1.08, and indicate the total rate case costs that have been amortized since the conclusion of the last rate case.
34. Refer to Jackson Purchase Energy’s response to the Attorney General’s First Request, Item 73.
- a. Explain why the costs associated with Groves Construction, Davis Elliot Construction, and Morsey Constructors are being expensed rather than capitalized.



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

- b. Explain in detail what services are being provided or what facilities are being or were constructed by Groves Construction, Davis Elliot Construction, and Morsey Constructors.
  - c. Indicate which FERC accounts are being charged for each of the costs listed.
35. Refer to Jackson Purchase Energy's response to the Attorney General's First Request, Items 3 – 5.
- a. Provide a summary of all criteria used to award incentive compensation to the President/CEO.
  - b. Provide how much incentive compensation was included in the Company's revenue requirement.
36. Refer to Wolfram Testimony, Exhibit JW-2, Statement of Operations and Revenue Requirement.
- a. For the Pro Forma test year, provide a breakdown of operating expenses by FERC account and broken out between labor and non-labor expenses.
  - b. Also, provide a similar breakdown of operating expenses by FERC account for each of the years 2019 – 2023.