

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION  
TO JACKSON PURCHASE ENERGY CORPORATION

Jackson Purchase Energy Corporation (Jackson Purchase Energy), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on July 10, 2024. The Commission directs Jackson Purchase Energy to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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

Jackson Purchase Energy shall make timely amendment to any prior response if Jackson Purchase Energy obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Jackson Purchase Energy fails or refuses to furnish all or part of the requested information, Jackson Purchase Energy shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Jackson Purchase Energy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, Direct Testimony of John Wolfram (Wolfram Direct Testimony), Exhibit JW-2, page 15. Confirm that the proposed adjustment uses December 2022 as the year end customer count. If confirmed, provide the adjustment that uses the end of the test year, August 2023, to calculate the year end customer normalization.

2. Refer to the Wolfram Direct Testimony, Exhibit JW-2, page 16. Provide a breakdown of the test-year and pro forma wages and salaries used to calculate the proposed adjustment, showing each employee's regular and overtime hours, wage rates, and total wages in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible. Include the employee position in the response.

3. Refer to the Wolfram Direct Testimony, Exhibit JW-2, page 18, and Jackson Purchase Energy's response to Commission Staff's First Request for Information (Staff's First Request), Item 47. Provide an itemized breakdown of total test-year expenses for the Board of Directors in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible. The response should group expenses by director and category, such as per diems, industry association meetings, regular board meeting payments, etc. Identify expenses that are removed by Jackson Purchase Energy's proposed adjustment.

4. Refer to Jackson Purchase Energy's response to Staff's First Request, Item 18. Explain any variance exceeding 5 percent in the schedule of salaries and compensation of each executive officer.

5. Refer to Jackson Purchase Energy's response to Staff's First Request Item 31. Attached Excel Spreadsheet Response\_1-31.xlsx. Explain the employer paid defined benefit and employer paid IBEW defined benefit referenced in spreadsheets.

6. Refer to Jackson Purchase Energy's response to Staff's First Request, Item 47. Confirm that expenses for spouses of Directors are removed for ratemaking purposes.

7. Refer to Jackson Purchase Energy's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 5. For all expenses not removed in Jackson Purchase Energy's proposed adjustment, provide the justification for rate recovery.

8. Refer to Jackson Purchase Energy's response to Staff's Second Request, Item 10. Explain the increase in spraying expenses from \$72,814.50 in the test year to the 2024 projected expense of \$225,000.

9. Refer to Jackson Purchase Energy's response to Staff's Second Request, Item 11. Provide the 2024 premiums and the number of employees participating in each plan type, separate by union and non-union employees.

10. Refer to Jackson Purchase Energy's response to the Attorney General's First Request for Information (Attorney General's First Request), Item 53. Explain the steep decline in budgeted miles cleared from 2014-2019 compared to 2020-2024. Include in the explanation when Jackson Purchase Energy expects to return to a 5-year cycle.

11. Refer Jackson Purchase Energy's response to Attorney General's First Request, Item 3 attached Excel Spreadsheet AG\_1-3\_AG\_1-4\_AG\_1-5.xlsx.

a. Explain the criteria used to determine the amount of incentive compensation given to executive staff for the years 2014-2024;

b. Explain the requirements for the executive staff to earn the incentive compensation.

12. Refer to Jackson Purchase Energy's response to Staff's Second Request, Item 12.

a. Provide a rate design, in Excel format with all formulas, columns, and rows unprotected and fully accessible, that allocates Jackson Purchase Energy's proposed revenue requirement that properly addresses the C1 and C3 classes' negative rate of returns (ROR).

b. Provide a further explanation for how the C1 class reduced its customer count by 11,906 and the R class increased its customer count by 11,452. Include in the response if Jackson Purchase Energy reclassified its C1 customers to other rate classes. If so, then explain why.



Linda C. Bridwell, PE  
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DATED     JUN 26 2024    

cc: Parties of Record

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