

# Jackson Energy Authority



## Cost Allocation Manual FY 2021

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## INTRODUCTION

Jackson Energy Authority (“JEA”) (previously Jackson Utility Division), a governmental utility authority created by private act of the Tennessee General Assembly, provides utility services to customers located in the City of Jackson, Tennessee, and environs. JEA receives its authority to provide these services from Chapter 55 of the Private Acts of 2001. Chapter 55 of the Private Acts of 2001 also authorizes JEA to provide cable television, Internet, telephone and other similar services.

JEA provides electric, natural gas, propane gas, water, and wastewater utility services to its customers. These services, with the exception of propane gas, are regulated monopoly or non-competitive type services. JEA provides these services through four divisions: Electric, Gas, Water, and Wastewater.

JEA provides retail cable, Internet and telephone services directly to customers and provides wholesale transport service to a non-affiliated Internet Service Provider/Competitive Local Exchange Carrier who, in turn, provides Internet and telephone services to end-use customers. JEA provides these services through its Telecommunications Division. The Telecommunications Division was formed to achieve organizational and accounting separation from JEA’s monopoly services. JEA has established separate operating business units within the Telecommunications Division for cable television/Internet services and telephone-related services.

Cable, Internet and telephone services are competitive services. JEA provides these services under its private act. The Tennessee Regulatory Authority (“TRA”) regulates telephone service in the same manner as it regulates the service for other certificated providers of the service.

## **PURPOSE**

JEA has allocated costs among its divisions since its formation. JEA developed this Cost Allocation Manual ("CAM") due to its expansion into the competitive service market. The CAM describes the cost allocation concepts adopted by JEA as well as the methodology used to allocate costs. The CAM provides JEA management with an equitable process to reduce the potential for cross-subsidization of services and to present a reasonable financial record of each utility service. JEA will review the methodology employed in this manual on at least an annual basis.

The goals of the allocation methodology included in this manual are to:

1. Ensure just and reasonable rates for the ratepayers of the monopoly services.
2. Prevent or limit, to the extent possible, any cross-subsidization between the monopoly services and the Telecommunications Division.
3. Minimize the time and expense necessary to record and audit transactions.

JEA maintains a separate system of accounts for each of the services it provides. This allows JEA to identify and record transactions related to each service. Using this information, JEA can prepare financial statements showing the financial position and results of operations for each division.

Costs assigned to and allocated to each division shall be at fully allocated costs. In the case of an annual charge for facilities or assets, the fully allocated costs should include in lieu of taxes, depreciation expense, maintenance expense, insurance expense, and a return on the investment in the asset. In the case of personnel, the fully allocated cost should include salaries/wages, all employee benefits, payroll taxes, insurance, pension, and post-retirement benefits other than pension.

## ALLOCATION OF COSTS

The general concepts followed in this manual are discussed below.

- JEA will directly assign costs to a specific division and/or business unit whenever possible.
- Costs that cannot be directly assigned to a specific division and/or business unit will be described as common costs. JEA will group common costs into cost centers designed to facilitate the proper allocation of costs among divisions and/or business units in accordance with the following hierarchy:
  - JEA will allocate, whenever possible, common cost categories based on direct analysis of the origin of the costs themselves.
  - When direct analysis is not possible, JEA will allocate common cost categories based on an indirect, cost-causative linkage to another category (or group of cost categories) for which a direct assignment or allocation is available.
  - When neither direct nor indirect measures of cost causation can be identified, JEA will allocate the cost category using a general allocator as defined in Appendix A.
- For loans made by one division and/or business unit to another, JEA will charge the higher of the highest rate of interest earned on invested funds on the date the loan is made or the highest rate of interest paid on outstanding long-term debt on the date the loan is made.
- The Telephone Business Unit of the Telecommunications Division will make in lieu of tax payments and will record state, local, and federal taxes in accordance with TCA Section 7-52-404.

## DEFINITIONS

**Affiliate** – a branch, division, or subsidiary of the Authority. A company effectively controlled by the Authority.

**Audit Engagement** – an attestation engagement in which a certified public accountant engaged in the practice of public accounting is contracted to issue a written communication that expresses a conclusion about the reliability of a written assertion that is the responsibility of another party.

**Cost Allocation Manual (“CAM”)** – an indexed compilation and documentation of a company’s cost allocation policies and related procedures.

**Cost Allocations** – the methods or ratios used to apportion costs. A cost allocator can be based on the origin of costs, as in the case of cost drivers; cost-causative linkage of an indirect nature; or one or more overall factors (also known as general allocators).

**Common Costs** – costs associated with services or products that are of joint benefit between regulated and non-regulated business units.

**Cost Driver** – a measurable event or quantity that influences the level of costs incurred and that can be directly traced to the origin of the costs themselves.

**Direct Costs** – costs that can be specifically identified with a particular service or product.

**Division** – as used in this manual means the Electric Division, the Gas Division, the Water Division, the Wastewater Division, or the Telecommunications Division.

**Fully Allocated Costs** – the sum of the direct costs plus an appropriate share of indirect costs.

**Indirect Costs** – costs that cannot be identified with a particular service or product. This includes, but is not limited to, overhead costs and administrative and general costs.

**Non-Regulated** – that which is not subject to regulation by regulatory authorities. A good or service may be non-regulated because it has never been regulated or a good or service may cease to be regulated for different causes. Examples include the following:

- Deregulation
- A change in the regulator's approach to setting rates from cost-based ratemaking to another form of regulation.
- Increasing competition that limits the enterprise's ability to sell utility services or products at rates that will recover costs.
- Regulatory actions resulting from resistance to rate increases that limit the enterprise's ability to sell utility services or products at rates that will recover costs if the enterprise is unable to obtain (or chooses not to seek) relief from prior regulatory actions through appeals to the regulator or the courts.

The Telecommunications Division and the business units under it are considered non-regulated (unregulated) in this manual.

**Prevailing Market Price** – a generally accepted market value that can be substantiated by auction, appraisal, or clearly comparable transactions.

**Regulated** – operations of an enterprise are regulated if all of the following conditions are met:

- Enterprise rates for regulated services or products provided to its customers are established by or are subject to approval by an independent, third-party regulator or by its own governing board empowered by statute or contract to establish rates that bind customers.
- Regulated rates are designed to recover the specific enterprise's costs of providing the regulated services or products.

- In view of demand for the regulated services or products and the level of competition, direct and indirect, it is reasonable to assume that rates set at levels adequate to recover the enterprise's costs can be charged to and collected from customers.

The Electric Division, the Gas Division, the Water Division, and the Wastewater Division are considered regulated in this manual.

**Subsidization** – the recovery of costs from one class of customers or business unit that are attributable to another class of customers or business unit.



## **TRANSACTIONS WITH AFFILIATES**

JEA will record goods or services provided pursuant to a tariff among affiliates in the appropriate revenue and expense accounts at the tariffed rate. JEA will record the transfer or sale of non-tariffed goods or services that are provided among affiliates and provided to unaffiliated outside parties, at the market rate. JEA will record the transfer or sale of non-tariffed goods or services that are not provided to unaffiliated outside parties, among affiliates at fully distributed cost.

JEA will record assets sold or transferred pursuant to a tariff among affiliates in the appropriate accounts at the tariffed rate. JEA will record charges for assets purchased or transferred among affiliates in the appropriate accounts at the invoice price if that price is determined by a prevailing price held out to the general public in the normal course of business. If a tariff or a prevailing price is not available, JEA will record assets sold or transferred among regulated divisions at net book cost. If a tariff or prevailing price is not available, JEA will record assets sold or transferred from a nonregulated affiliate to a regulated affiliate at the lower of net book value or estimated fair market value; unless the total annual aggregate net book value of an asset transferred is less than \$500,000, in which case the asset will be recorded at net book cost. If a tariff or prevailing price is not available, JEA will record assets sold or transferred from a regulated affiliate to a nonregulated affiliate at the higher of net book value or estimated fair market value of the asset; unless the total annual aggregate net book value of an asset transferred is less than \$500,000, in which case the asset will be recorded at net book cost.

## **BALANCE SHEET ACCOUNTING**

### **Cash**

JEA will maintain a cash account in its general ledger for each division and business unit. JEA will record all monies collected by a division or business unit to the appropriate general ledger account. JEA will record all payments applicable to a division or business unit in the appropriate general ledger account.

### **Accounts Receivable**

Each division and business unit will maintain its own accounts receivable. JEA will record both billings and receipts in the appropriate receivable account.

### **Payables**

Each division and business unit will maintain its own accounts payable. JEA will record both invoices received and payments made in the appropriate payable account.

### **Materials**

Each division and business unit will maintain its own inventory accounts. JEA will record assets subject to inventory in the appropriate accounts as received.

### **Plant Assets**

Each division and business unit will maintain its own plant accounting system. JEA will record utility plant in the appropriate plant account when it places plant in service.

### **Plant Leased to Telecommunications Division**

JEA will lease poles for pole attachments to the Telecommunications Division at the highest rate paid by an outside party for comparable pole attachments. JEA will lease any other items currently leased to other entities to the Telecommunications Division at the highest rate paid by an outside party for the comparable leased item. JEA will develop a rate for other leased plant that fully recovers the depreciation, maintenance, and other loaded costs of the asset used. JEA will lease floor space in general office buildings on a per-square-foot basis.

### **Construction Work in Progress**

JEA uses a comprehensive work order system that captures the cost of materials, labor, vehicles, heavy equipment, benefits, and other items related to construction activities. JEA will identify construction activity by division and business unit and will record the activity to the appropriate account.

### **Depreciation**

JEA will record depreciation by division and business unit. Depreciation rates will reflect industry normal life spans.

### **Amortization**

JEA will amortize non-tangible assets and assets such as capitalized software over industry normal life spans.

# **Accounting for Revenues and Expenses**

## **Revenues**

JEA will record revenues for each division and business unit to the appropriate revenue accounts using the accrual basis of accounting.

## **Cost Centers**

JEA utilizes cost centers to assign employee work activities and other costs. The cost centers are:

- Administration
- Human Resources
- Engineering
- Distribution
- Telecom Operations
- Information Technology
- Finance, Accounting and Billing
- Operations
- Business Development
- Customer Service and Community Relations

JEA employs approximately 400 people. Around 25% of its employee's record time as worked to a division and/or business unit on a daily basis. Also, approximately 25% of its employees are assigned directly to a division or business unit. The remaining 50% routinely work with more than one division and/or business unit. Recording time as worked to a division and/or business unit for these employees is impracticable. JEA will develop percentages to allocate the time of these employees. It will develop these percentages by time studies or other appropriate indicators. JEA

will update the percentages no less frequently than annually. It will revise the labor allocations whenever there are material changes in work assignments or other pertinent circumstances.

JEA will allocate time spent away from work due to sick leave, holidays, vacations, weather-related unassigned time, etc., to the divisions and/or business units using the same percentages as the labor dollars of each cost center.

JEA will directly assign other expenses to the appropriate division or business unit wherever possible. When this is not possible, JEA will allocate other expenses to each division or business unit using the same percentages as the labor dollars for that department.

JEA will allocate payroll tax expense using the same percentages as total labor dollars. JEA will allocate employee insurance expense based on straight-time payroll dollars of eligible employees.

JEA will allocate property and liability insurance expense on the same basis as the insured item. For example, JEA will allocate property insurance based on ownership of the assets insured. JEA will allocate insurance on vehicles based on vehicle ownership. Some insurance premiums will have no directly assignable basis. JEA will use the General Allocator for these items.

#### Administration Cost Center

JEA will allocate common costs in Department 10 using the General Allocator.

#### Human Resources Cost Center

JEA will allocate common costs in Department 100 using the Straight-Time Payroll Hours Allocator.

#### Engineering Cost Center

JEA will allocate common costs in Department 200 based on a composite weighted average of Departments 200 and 270.

JEA will allocate common costs in Department 270 using a composite weighted average of time as worked by project coordinators.

#### Distribution Cost Center

JEA will allocate common costs in Department 320 using the Miles of Underground Services Allocator.

JEA will allocate common costs in Department 350 using a composite of the straight-time payroll hours in Department 350.

JEA will allocate common costs in Department 360 using a composite of the straight-time payroll hours in Department 360.

#### Telecom Operations Cost Center

JEA will allocate common costs of the Telecom Field Service Superintendent in Department 446 based on a composite weighted average of Departments 446 and 447.

JEA will allocate common costs in Department 446 using the Telecom Truck Rolls Allocator.

JEA will allocate common costs in Department 447 using a composite of the straight-time payroll hours in Department 447.

JEA will allocate common costs in Department 480 using the Telecom Truck Rolls Allocator.

JEA will allocate common costs of Department 482 using the Telecom Number of Customers Allocator.

#### Information Technology Cost Center

JEA will allocate common costs in Department 500 using an estimate of time spent per division or business unit.

#### Finance, Accounting and Billing Cost Center

JEA will allocate common costs in Department 600 using a blend of the General Ledger Transactions Allocator, number of customers, and an estimate of assets and liabilities.

JEA will allocate common costs in Department 610 using the Utility Services Allocator weighted by a factor for Electric and Telecom complexity.

#### Operations Cost Center

JEA will allocate common costs in Department 700 using a composite weighted average of Departments 320, 390, 398, 710, 740, 790, 945, and 960.

JEA will allocate common costs of the Senior Manager of Operations in Department 710 using a composite weighted average of the field service department and system operators.

JEA will allocate common costs in Department 710 using management's estimate of dispatcher time spent per division and/or business unit.

JEA will allocate common costs in Department 730 using a composite of the straight-time payroll hours in Department 730.

JEA will allocate common costs of Purchasing and Stores activities in Department 390 using the Materials and Supplies Inventory Transactions Allocator. Common costs of Courier activities in Department 390 will be allocated using the Straight-Time Payroll Hours Allocator. Common costs of Custodian activities in Department 390 will be allocated using the Percentage of Joint Plant Owned Allocator.

JEA will allocate common costs in Department 398 using a composite of the straight-time payroll hours in Department 398.

Business Development Cost Center

JEA will allocate common costs in Department 810 using the Commercial/Industrial Customer Number Allocator weighted by level-of-effort factors estimated for each division and/or business unit.

Customer Service and Community Relations Cost Center

JEA will allocate common costs in Department 900 using a composite weighted average of Departments 820, 910, 912, 916, 930, and 938.

JEA will allocate common costs of the Manager of Communications in Department 820 using a weighting of the General Marketing Need Allocator and Department 821.

JEA will allocate common costs in Department 820 using the General Marketing Need Allocator.

JEA will allocate common costs in Department 910 using a composite weighted average of Departments 912 and 916.

JEA will allocate common costs in Department 912 using the Utility Services Allocator.

JEA will allocate common costs in Department 916 using the Call Types and Duration Allocator.

JEA will allocate common costs in Department 930 using the Sales Revenue Allocator.

JEA will allocate common costs in Department 938 using the Sales Revenue-El, Gs, Wt, Ww Allocator.



JEA will allocate common costs in Department 945 using the Service Order Manhours Allocator.

JEA will allocate common costs in Department 960 using the Number of Meters Allocator.

## JACKSON ENERGY AUTHORITY

### Definition of Allocators

Where possible allocation statistics for the Electric, Gas, Water, Wastewater and Telecommunications Divisions are derived from prior calendar year data. Averages from two-year lookback periods are used in the development of most allocators. Where measurable prior year data is not available, management's estimates are used.

**General Allocator** – percentage derived from a fraction the numerator of which is all operation and maintenance expense directly assigned, indirectly assigned, or attributed to each division and/or business unit, excluding the cost of electricity, gas, and programming, and the denominator of which is the total operation and maintenance expense of JEA, excluding the cost of electricity, gas, and programming.

**Telecom General Allocator** – percentage derived from a fraction the numerator of which is all operation and maintenance expense directly assigned, indirectly assigned, or attributed to each business unit of the Telecommunications Division, excluding the cost of programming, and the denominator of which is the total operation and maintenance expense of the Telecommunications Division, excluding the cost of programming.

**Sales Revenue** – percentage derived from a fraction the numerator of which is the sales revenue of each division and/or business unit and the denominator of which is the total sales revenue of JEA.

**Sales Revenue-EI, Gs, Wt, Ww** – percentage derived from a fraction the numerator of which is the sales revenue of each regulated division and the denominator of which is the total sales revenue of the regulated divisions of JEA.

## Appendix A

**Straight-Time Payroll Hours** – percentage derived from a fraction the numerator of which is the straight-time payroll hours directly assigned, indirectly assigned, or attributed to each division and/or business unit and the denominator of which is the total straight-time payroll hours of JEA.

**Miles of Underground Services** - percentage derived from a fraction the numerator of which is the number of miles of underground services for each division and/or business unit and the denominator of which is the total number of miles of underground services.

**Materials and Supplies Inventory Transactions** – percentage derived from a fraction the numerator of which is the number of materials and supplies inventory transactions, excluding office supplies, recorded for each division and/or business unit and the denominator of which is the total number of materials and supplies inventory transactions, excluding office supplies, of JEA.

**General Ledger Transactions** – percentage derived from a fraction the numerator of which is the number of general ledger entries for each division and/or business unit and the denominator of which is the total number of general ledger entries for JEA.

**Utility Services** – percentage derived from a fraction the numerator of which is the number of services billed by each division and/or business unit and the denominator of which is the total number of services billed by JEA. This allocator approximates lines of billing.

**Number of Customers** - percentage derived from a fraction the numerator of which is the number of customers of each division and/or business unit and the denominator of which is the total number of JEA customers.

**Telecom Number of Customers** – percentage derived from a fraction the numerator of which is the number of customers of each business unit of the Telecommunications Division and the denominator of which is the total number of Telecommunications Division customers.

**Commercial, Industrial Customer Number** – percentage derived from a fraction the numerator of which is the number of commercial and industrial customers of each division and/or business

## Appendix A

unit and the denominator of which is the total commercial and industrial customers of JEA. A weighting of 0.5 is applied to the number of Water and Wastewater Division customers and to the number of Cable/Internet and Telephone business unit customers.

**Telecom Truck Rolls** – percentage derived from a fraction the numerator of which is the number of truck rolls for each business unit of the Telecommunications Division and the denominator of which is the total number of truck rolls by Telecommunications field servicemen.

**General Marketing Need** – directly assigned percentages of 28 percent for the Electric Division, 28 percent for the Gas Division, 14 percent each for the Water and Wastewater Divisions and 16 percent for the Telecommunications Division. The percentage directly assigned to the Cable/Internet business unit is 14%. 2% is directly assigned to the Telephone business unit of the Telecommunications Division.

**Number of Meters** – percentage derived from a fraction the numerator of which is the number of meters read manually for each division and the denominator of which is the total number of JEA customer meters read manually. A degree of difficulty factor is applied to propane and water meters.

**Call Types and Duration** – percentage derived from a fraction the numerator of which is the number of selected call types for each division and/or business unit multiplied by management's estimate of the time spent on each call type and the denominator of which is the total time spent on the selected call types.

**Service Order Manhours** – percentage derived from a fraction the numerator of which is the number of field service orders for each division and/or business unit multiplied by management's estimate of the time spent on each order and the denominator of which is the total time spent on field service orders.

## Appendix A

**Joint Plant Owned** – directly assigned percentages of 33 percent for the Electric Division, 29 percent for the Gas Division, 22 percent for the Water Division and 16 percent for the Wastewater Division.

## Personnel Cost Allocation Factors Summary

Fiscal Year 2021

Dept #	Job Title	Allocation Method	Electric	Gas	Water	Wastewater	Cable & Internet	Telephone
<b>Administration:</b>								
10	President & CEO	General Allocator	24.9%	18.2%	18.8%	19.8%	16.0%	2.3%
10	Corporate Secretary	General Allocator	24.9%	18.2%	18.8%	19.8%	16.0%	2.3%
10	Secretary	General Allocator	24.9%	18.2%	18.8%	19.8%	16.0%	2.3%
10	Sr. VP & CFO	General Allocator	24.9%	18.2%	18.8%	19.8%	16.0%	2.3%
10	Controller	General Allocator	24.9%	18.2%	18.8%	19.8%	16.0%	2.3%
10	Sr. VP-Water & Wastewater Divisions	Water & Wastewater Divisions	0.0%	0.0%	50.0%	50.0%	0.0%	0.0%
10	Sr. VP-Telecommunications Division	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	83.7%	16.3%
10	General Counsel	General Allocator	24.9%	18.2%	18.8%	19.8%	16.0%	2.3%
10	Board of Directors	General Allocator	24.9%	18.2%	18.8%	19.8%	16.0%	2.3%
<b>Human Resources:</b>								
100	VP-Human Resources	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
100	HR Supervisor	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
100	Benefits/Employee Relations Coordinator	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
100	HR Generalist	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
100	HR Secretary	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
100	Training/Development Coordinator	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
100	Safety Coordinator	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
100	Minority Interns-PT	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
<b>Engineering:</b>								
200	VP-Engineering/Assistant Sr	Blend of Comp Weighted Avg. (200, 270) and Water & Wastewater Divisions	9.6%	10.2%	39.4%	40.8%	0.0%	0.0%
200	Secretary	Comp Weighted Avg. (200, 270)	31.9%	34.0%	14.7%	19.4%	0.0%	0.0%
200	Engineer-Water/Wastewater	Water & Wastewater Divisions	0.0%	0.0%	50.0%	50.0%	0.0%	0.0%
200	Project Engineer - Water/ Wastewater	Water & Wastewater Divisions	0.0%	0.0%	50.0%	50.0%	0.0%	0.0%
270	Work Order Coordinator	Composite of ST PR hrs of project coordinators in Dept 270	46.7%	34.7%	14.1%	4.5%	0.0%	0.0%
<b>Distribution:</b>								
310	Work Order Coordinator	WOC Straight-Time Payroll hrs	79.4%	20.6%	0.0%	0.0%	0.0%	0.0%
320	Utility Locator	Miles of underground services	11.6%	32.4%	25.5%	18.0%	12.5%	0.0%
320	Utility Locator Foreman	Miles of underground services	11.6%	32.4%	25.5%	18.0%	12.5%	0.0%
350	Administrative Clerk	Composite of ST PR hrs in Dept 350	0.0%	0.0%	54.2%	45.8%	0.0%	0.0%
350	Supt-Water Distribution	Comp Weighted Avg. (350 and 360)	0.0%	0.0%	60.2%	39.8%	0.0%	0.0%
350	Work Order Coordinator	Composite of ST PR hrs in Dept 350	0.0%	0.0%	54.2%	45.8%	0.0%	0.0%
390	Sr. Mgr-Stores & Transportation-48.6%	Blend of M&S Inventory Transactions and Straight-Time Payroll hrs	48.6%	16.4%	20.8%	13.2%	0.9%	0.1%
390	Sr. Mgr-Stores & Transportation-51.4%	Blend of ST PR hrs in Dept 398 and Joint Plant Split	32.8%	24.5%	22.3%	16.4%	4.0%	0.0%
390	Warehouse Supervisor	M&S Inventory Transactions	49.8%	16.2%	21.0%	13.0%	0.0%	0.0%
390	Buyer	M&S Inventory Transactions	49.8%	16.2%	21.0%	13.0%	0.0%	0.0%
390	Storekeeper	M&S Inventory Transactions	49.8%	16.2%	21.0%	13.0%	0.0%	0.0%
390	Stores Helper-temp	M&S Inventory Transactions	49.8%	16.2%	21.0%	13.0%	0.0%	0.0%
390	Custodian	Joint Plant Owned	33.0%	29.0%	22.0%	16.0%	0.0%	0.0%
390	Courier-temp	Straight-Time Payroll Hours	25.3%	21.5%	18.0%	16.9%	16.6%	1.7%
398	Supervisor-Fleet Maintenance	Composite of ST PR hrs in Dept 398	32.6%	18.4%	22.7%	16.8%	9.5%	0.0%

## Personnel Cost Allocation Factors Summary

Fiscal Year 2021

Dept #	Job Title	Allocation Method	Electric	Gas	Water	Wastewater	Cable & Internet	Telephone
<b>Telecom Operations:</b>								
446	Supt-Telecom Field Service	Comp Weighted Avg. (446, 447)	0.0%	0.0%	0.0%	0.0%	90.8%	9.2%
446	Network Specialist III	Management estimates	15.7%	13.2%	10.3%	10.8%	45.4%	4.6%
446	Telecom Foreman	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Plant Manager-Telecom	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Serviceman I	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Serviceman II	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Serviceman III	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Installation Tech	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Field Network Tech	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Fiber Optic Tech	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Network Technician	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Engineering Desinger	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
447	Telecom Storekeeper	Straight-Time Payroll Hours	0.0%	0.0%	0.0%	0.0%	96.5%	3.5%
447	Telecom Stors Helper	Straight-Time Payroll Hours	0.0%	0.0%	0.0%	0.0%	96.5%	3.5%
480	Headend Manager	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
480	Headend Technician	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
480	Telecom Network Specialist	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
480	Network Specialist III	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
482	Telecom Commercial Sales Manager	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	83.7%	16.3%
482	Telecom Sales Associate	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	83.7%	16.3%
482	Telecom Customer Support Specialist	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	83.7%	16.3%
482	Telecom Creative Services Coordinator	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	83.7%	16.3%
<b>Information Technology:</b>								
500	VP-Information Technology Services	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Manager-IT Projects	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Manager-IT Operations	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Manager-IT Applications	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	System Administrator	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Network Administrator	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Buiness System Analyst I	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Buiness System Analyst II	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Programmer Assistant	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Help Desk Analyst	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	PC/Networking Technician	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Programmer Analyst	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
500	Sr Programmer Analyst	Estimated time spent per division and/or business unit	30.0%	21.4%	16.7%	13.9%	15.5%	2.4%
<b>Finance, Accounting &amp; Billing:</b>								
600	Manager-Accounting	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Manager-Business Operations	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Accounting System Analyst	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Acct. Assoc I	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Acct. Assoc II	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Acct. Assoc III	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Staff Accountant	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Financial Analyst	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
600	Insurance Risk Manager	General Ledger Transactions	30.1%	17.4%	16.9%	16.1%	13.3%	6.2%
610	Billing Supervisor	Comp Weighted Avg Weighted Utility Services & Number of Meters	24.5%	18.5%	20.3%	16.4%	16.9%	3.4%
610	Senior Billing Coordinator	Comp Weighted Avg Weighted Utility Services & Number of Meters	24.5%	18.5%	20.3%	16.4%	16.9%	3.4%
610	Billing Coordinator	Comp Weighted Avg Weighted Utility Services & Number of Meters	24.5%	18.5%	20.3%	16.4%	16.9%	3.4%

## Personnel Cost Allocation Factors Summary

Fiscal Year 2021

Dept #	Job Title	Allocation Method	Electric	Gas	Water	Wastewater	Cable & Internet	Telephone
<b>Field Service Operations:</b>								
700	VP-Operations	Comp Weighted Avg. (320, 390, 398, 710, 740, 790, 945, 960)	36.0%	28.0%	22.3%	12.1%	1.6%	0.0%
710	Sr. Manager-Operations	Comp Weighted Avg. (710)	27.2%	37.4%	26.7%	8.7%	0.0%	0.0%
710	System Operator	Management estimates	35.1%	19.8%	36.3%	8.8%	0.0%	0.0%
710	Customer Service Rep	Service Order Manhours	19.2%	55.1%	17.1%	8.6%	0.0%	0.0%
730	Water/Ww Plant Engineer	Composite of ST PR hrs in Dept 730	0.0%	0.0%	33.5%	66.5%	0.0%	0.0%
730	Administrative Clerk	Composite of ST PR hrs in Dept 730	0.0%	0.0%	33.5%	66.5%	0.0%	0.0%
<b>Business Development:</b>								
810	VP-Economic & Industrial Development	Weighted Commercial, Industrial Customer Number	40.0%	24.3%	12.7%	10.3%	7.6%	5.1%
810	Manager-Commercial, Industrial Svcs	Weighted Commercial, Industrial Customer Number	40.0%	24.3%	12.7%	10.3%	7.6%	5.1%
810	Manager-Commercial Relations	Weighted Commercial, Industrial Customer Number	40.0%	24.3%	12.7%	10.3%	7.6%	5.1%
820	Public Relations Coordinator - 90%	General Marketing Need	28.0%	28.0%	14.0%	14.0%	14.0%	2.0%
820	Manager-Communications - 90%	General Marketing Need	28.0%	28.0%	14.0%	14.0%	14.0%	2.0%
820	Creative Services Coordinator - 90%	General Marketing Need	28.0%	28.0%	14.0%	14.0%	14.0%	2.0%
<b>Customer Service:</b>								
900	VP-Customer Service & Community Relations	Comp Weighted Avg. (820, 910, 930)	33.1%	17.1%	14.0%	11.9%	21.6%	2.3%
910	Manager-Customer Care	Comp Weighted Avg. (912, 916)	30.5%	16.3%	14.8%	12.2%	23.6%	2.6%
912	Cashier-FT, PT	Utility Services	21.1%	19.8%	21.8%	17.5%	16.5%	3.3%
916	Supervisor-Customer Service Rep	Call Types and Duration	34.7%	14.8%	11.7%	9.8%	26.7%	2.3%
916	Customer Service Rep-FT, PT	Call Types and Duration	34.7%	14.8%	11.7%	9.8%	26.7%	2.3%
916	Lead Customer Service Rep	Call Types and Duration	34.7%	14.8%	11.7%	9.8%	26.7%	2.3%
930	Manager-Customer Accounts	Sales Revenue	57.9%	14.7%	7.0%	7.7%	12.1%	0.6%
930	Credit Representative	Sales Revenue	57.9%	14.7%	7.0%	7.7%	12.1%	0.6%
945	Delinquent Accts Serviceman	Sales Revenue	57.9%	14.7%	7.0%	7.7%	12.1%	0.6%
945	Field Service Foreman	Service Order Manhours	19.2%	55.1%	17.1%	8.6%	0.0%	0.0%
945	Serviceman I, II, III	Service Order Manhours	19.2%	55.1%	17.1%	8.6%	0.0%	0.0%
960	Meter Reading Foreman	Weighted Number of Meters excluding AMI	2.2%	42.4%	32.3%	23.1%	0.0%	0.0%
960	Meter Reader	Weighted Number of Meters excluding AMI	2.2%	42.4%	32.3%	23.1%	0.0%	0.0%



## Jackson Energy Authority

## Fiscal Year 2021 Allocators

## All Divisions

Reference Page		Electric	Gas	Water	Wastewater	Telecom	Total
c-2	<b>General Allocator</b>	24.9%	18.2%	18.8%	19.8%	18.3%	100.0%
c-3	<b>Sales Revenue</b>	57.9%	14.7%	7.0%	7.7%	12.7%	100.0%
c-3	<b>Sales Revenue-El, Gs, Wt, Ww</b>	66.3%	16.8%	8.0%	8.8%	0.0%	100.0%
c-4	<b>Straight-Time Payroll Hours</b>	25.3%	21.5%	18.0%	16.9%	18.3%	100.0%
c-5	<b>Materials &amp; Supplies Inventory Transactions</b>	49.9%	16.2%	21.0%	13.0%	0.0%	100.0%
c-6	<b>General Ledger Transactions</b>	30.0%	17.4%	16.9%	16.1%	19.5%	100.0%
c-7	<b>Utility Services</b>	24.6%	18.5%	20.3%	16.4%	20.3%	100.0%
c-8	<b>Number of Customers</b>	21.3%	19.8%	21.8%	17.6%	19.5%	100.0%
c-9	<b>Commercial, Industrial Customer Number</b>	40.0%	24.3%	12.7%	10.3%	12.7%	100.0%
c-10	<b>Telecom Truck Rolls</b>	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
c-11	<b>General Marketing Need</b>	28.0%	28.0%	14.0%	14.0%	16.0%	100.0%
c-12	<b>Number of Meters</b>	2.3%	42.4%	32.3%	23.1%	0.0%	100.0%
c-13	<b>Call Types and Duration</b>	34.7%	14.8%	11.7%	9.8%	29.0%	100.0%
c-14	<b>Service Order Manhours</b>	19.2%	55.1%	17.1%	8.6%	0.0%	100.0%
c-15	<b>Miles of Underground Services</b>	11.7%	32.4%	25.5%	18.0%	12.5%	100.0%
	<b>Joint Plant Owned</b>	33.0%	29.0%	22.0%	16.0%	0.0%	100.0%

**General Allocator****Fiscal Year 2021****All Divisions**

	<b>Electric</b>	<b>Gas</b>	<b>Water</b>	<b>Wastewater</b>	<b>Telecom</b>	<b>Total</b>
Oper. & Maint. Expense-2019	\$ 9,569,711	\$ 6,507,821	\$ 7,505,347	\$ 7,655,632	\$ 7,037,891	\$ 38,276,402
Oper. & Maint. Expense-2018	\$ 12,148,727	\$ 9,283,283	\$ 8,792,081	\$ 9,542,580	\$ 8,876,229	\$ 48,642,900
2-year average	\$ 10,859,219	\$ 7,895,552	\$ 8,148,714	\$ 8,599,106	\$ 7,957,060	\$ 43,459,651
<b>Allocation per Division</b>	<b>24.9%</b>	<b>18.2%</b>	<b>18.8%</b>	<b>19.8%</b>	<b>18.3%</b>	<b>100.0%</b>
<b>Allocation per Regulated Div</b>	<b>30.6%</b>	<b>22.2%</b>	<b>23.0%</b>	<b>24.2%</b>		<b>100.0%</b>

*Values based on 12 months ending 10/31/18 and 10/31/19*

## Sales Revenue Allocator

Fiscal Year 2021

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Sales Revenue - 2019	\$ 147,372,669	\$ 36,792,645	\$ 17,769,590	\$ 19,838,957	\$ 32,544,056	\$ 254,317,919
Sales Revenue - 2018	\$ 148,138,471	\$ 38,147,652	\$ 17,939,428	\$ 19,506,854	\$ 32,228,980	\$ 255,961,385
2-year average	\$ 147,755,570	\$ 37,470,149	\$ 17,854,509	\$ 19,672,906	\$ 32,386,518	\$ 255,139,652
<b>Allocation per Division</b>	<b>57.9%</b>	<b>14.7%</b>	<b>7.0%</b>	<b>7.7%</b>	<b>12.7%</b>	<b>100.0%</b>
<b>Allocation per Regulated Div</b>	<b>66.3%</b>	<b>16.8%</b>	<b>8.0%</b>	<b>8.8%</b>		<b>100.0%</b>

Values based on 12 months ending 10/31/18 and 10/31/19

**Straight-Time Payroll Hours Allocator****Fiscal Year 2021****All Divisions**

	<b>Electric</b>	<b>Gas</b>	<b>Water</b>	<b>Wastewater</b>	<b>Telecom</b>	<b>Total</b>
Manhours by Division - 2019	174,957	148,871	131,116	114,418	124,377	693,739
Manhours by Division - 2018	179,004	151,623	121,407	122,100	131,675	705,809
2-year average	176,980	150,247	126,262	118,259	128,026	699,774
<b>Allocation per Division</b>	<b>25.3%</b>	<b>21.5%</b>	<b>18.0%</b>	<b>16.9%</b>	<b>18.3%</b>	<b>100.0%</b>

*Straight-Time Payroll Hours by Division for 12 months ending 10/31/18 and 10/31/19*  
*All employees (FT, PT & temps)*

## Materials &amp; Supplies Inventory Transactions Allocator

Fiscal Year 2021

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Purchases	5,703	2,913	3,782	3,620	-	16,018
Receipts	416	188	223	83	-	910
Invoices (all through GP receiving)	-				-	-
Issues, returns, physical inventory	25,145	7,974	9,171	4,244	-	46,534
Transfers/Returns	24	-	-	-	-	24
2019 Division totals	31,288	11,075	13,176	7,947	-	63,486
2018 Division totals	34,320	10,181	14,429	9,188	-	68,118
2-year average	32,804	10,628	13,803	8,568	-	65,802
<b>Allocation per Division</b>	<b>49.9%</b>	<b>16.2%</b>	<b>21.0%</b>	<b>13.0%</b>	<b>0.0%</b>	<b>100.0%</b>

*Inventory Transactions based on 12 months ending 10/31/18 and 10/31/19 (no office supplies )*

*Telecom Transactions handled through Telecom Field Service Stores*

## General Ledger Transactions Allocator

Fiscal Year 2021

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
2019 General Ledger Transactions	74,454	28,347	28,803	27,069	29,125	187,798
2018 General Ledger Transactions	78,395	29,132	29,437	28,266	31,956	197,186
2-year average	76,425	28,739	29,120	27,668	30,541	192,492
<b>Allocation per Division</b>	<b>39.7%</b>	<b>14.9%</b>	<b>15.1%</b>	<b>14.4%</b>	<b>15.9%</b>	<b>100.0%</b>

		Electric	Gas	Water	Wastewater	Telecom	Total
Assets, Liabilities (management's estimate)	0.40	20.0%	20.0%	18.0%	18.0%	24.0%	100.0%
Number of customers	0.10	21.3%	19.8%	21.8%	17.6%	19.5%	100.0%
G/L Transactions-2 yr avg	0.50	39.7%	14.9%	15.1%	14.4%	15.9%	100.0%
<b>Allocation per Division</b>		<b>30.0%</b>	<b>17.4%</b>	<b>16.9%</b>	<b>16.1%</b>	<b>19.5%</b>	<b>100.0%</b>

General Ledger Transactions based on 12 months ending 10/31/19 and calendar year 2018

## Utility Services Allocator

Fiscal Year 2021

All Divisions

Service Month	Electric	Gas	Water	Wastewater	Telecom	Total
Nov-18	35,362	33,287	36,617	29,475	33,346	168,087
Dec-18	35,403	33,366	36,664	29,516	33,387	168,336
Jan-19	35,404	33,394	36,659	29,510	33,297	168,264
Feb-19	35,408	33,427	36,707	29,556	33,174	168,272
Mar-19	35,460	33,445	36,743	29,593	33,260	168,501
Apr-19	35,463	33,401	36,753	29,598	33,181	168,396
May-19	35,355	33,284	36,705	29,543	32,828	167,715
Jun-19	35,374	33,261	36,730	29,557	32,635	167,557
Jul-19	35,455	33,296	36,804	29,624	32,431	167,610
Aug-19	35,404	33,266	36,789	29,592	32,362	167,413
Sep-19	35,440	33,277	36,813	29,619	32,249	167,398
Oct-19	35,431	33,335	36,794	29,596	32,161	167,317
12 month average through Oct 2019	35,413	33,337	36,732	29,565	32,859	167,906
12 month average 2018	35,465	33,229	36,613	29,428	33,588	168,323
Electric weighting for rate complexity	1.25					
Telecom weighting for rate complexity	1.10					
2-year average with weighting	88,598	66,565	73,345	58,993	73,092	360,593
2-year average without weighting	70,878	66,565	73,345	58,993	66,448	336,228
<b>Allocation per Division</b>	<b>24.6%</b>	<b>18.5%</b>	<b>20.3%</b>	<b>16.4%</b>	<b>20.3%</b>	<b>100.0%</b>
<b>Allocation per Division</b>	<b>21.1%</b>	<b>19.8%</b>	<b>21.8%</b>	<b>17.5%</b>	<b>19.8%</b>	<b>100.0%</b>

Source - Monthly Stat Reports

## Number of Customers Allocator

Fiscal Year 2021

All Divisions

Month	Electric	Gas	Water	Wastewater	Telecom	Total
Nov-18	35,769	33,287	36,617	29,475	33,298	168,446
Dec-18	35,815	33,366	36,664	29,516	33,346	168,707
Jan-19	35,817	33,394	36,659	29,510	33,387	168,767
Feb-19	35,822	33,427	36,707	29,556	33,297	168,809
Mar-19	35,873	33,445	36,743	29,593	33,174	168,828
Apr-19	35,876	33,401	36,753	29,598	33,181	168,809
May-19	35,766	33,284	36,705	29,543	32,828	168,126
Jun-19	35,785	33,261	36,730	29,557	32,635	167,968
Jul-19	35,869	33,296	36,804	29,624	32,431	168,024
Aug-19	35,820	33,266	36,789	29,592	32,362	167,829
Sep-19	35,857	33,277	36,813	29,619	32,249	167,815
Oct-19	35,829	33,335	36,794	29,596	32,161	167,715
12-month average through Oct 2019	35,825	33,337	36,732	29,565	32,862	168,320
<b>Allocation per Division</b>	<b>21.3%</b>	<b>19.8%</b>	<b>21.8%</b>	<b>17.6%</b>	<b>19.5%</b>	<b>100.0%</b>

Source - Monthly Stat Reports



## Commercial and Industrial Customer Number Allocator

Fiscal Year 2021

All Divisions

Month	Electric	Gas	Water	Wastewater	Telecom	Total
Nov-18	5,971	3,620	3,792	3,070	3,779	20,232
Dec-18	5,975	3,635	3,791	3,066	3,798	20,265
Jan-19	5,982	3,646	3,801	3,075	3,822	20,326
Feb-19	5,972	3,665	3,805	3,079	3,782	20,303
Mar-19	5,979	3,660	3,795	3,070	3,791	20,295
Apr-19	5,986	3,645	3,783	3,068	3,810	20,292
May-19	5,968	3,628	3,794	3,067	3,805	20,262
Jun-19	5,969	3,621	3,795	3,064	3,818	20,267
Jul-19	5,987	3,633	3,804	3,063	3,822	20,309
Aug-19	5,982	3,625	3,814	3,059	3,818	20,298
Sep-19	6,005	3,620	3,809	3,064	3,842	20,340
Oct-19	6,002	3,623	3,805	3,062	3,872	20,364
12-month average ending Oct 2019	5,982	3,635	3,799	3,067	3,813	20,296
.5 weighting applied to Wt, Ww, Telecom	5,982	3,635	1,900	1,534	1,907	14,955
<b>Allocation per Division</b>	<b>40.0%</b>	<b>24.3%</b>	<b>12.7%</b>	<b>10.3%</b>	<b>12.7%</b>	<b>100.0%</b>

Source - Monthly Stat Reports

## Telecom Truck Rolls Allocator

Fiscal Year 2021

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
12 month totals through Oct 2019	-	-	-	-	14,480	14,480
<b>Allocation per Division</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source - ETI

## General Marketing Need Allocator

Fiscal Year 2021

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
General Marketing Need	28.0%	28.0%	14.0%	14.0%	16.0%	100.0%
<b>Allocation per Division</b>	<b>28.0%</b>	<b>28.0%</b>	<b>14.0%</b>	<b>14.0%</b>	<b>16.0%</b>	<b>100.0%</b>

Source - Management estimate

## Number of Meters Allocator

Fiscal Year 2021

## All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
<b>Meter Count - 2019</b>	38,543	33,386	40,209			
Less: AMI	(36,761)	(3,700)	(3,700)			
Meter Count - ProGas-2019		3,198				
Degree of difficulty multiplier*		1.2	1.2			
Weighted Meter Count	1,782	33,524	43,811		-	79,116
Water/Wastewater Customer 2019 split			58.3%	41.7%		
<b>Allocation per Division</b>	<b>2.3%</b>	<b>42.4%</b>	<b>32.3%</b>	<b>23.1%</b>	<b>0.0%</b>	<b>100.0%</b>

Meter count as of 11/01/19

\*Multiplier applied to ProGas and Water

## Call Types and Duration Allocator

Fiscal Year 2021

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Total Minutes - 2019	249,757	109,487	87,247	72,620	204,696	723,808
Total Minutes - 2018	282,720	116,991	92,088	77,646	240,342	809,787
2-year average	266,239	113,239	89,668	75,133	222,519	766,798
<b>Allocation per Division</b>	<b>34.7%</b>	<b>14.8%</b>	<b>11.7%</b>	<b>9.8%</b>	<b>29.0%</b>	<b>100.0%</b>

12 month history through Oct 2019 and calendar year 2018

Source - Call types &amp; duration time study

**Service Order Manhours Allocator**

**Fiscal Year 2021**

**All Divisions**

	<b>Electric</b>	<b>Gas</b>	<b>Water</b>	<b>Wastewater</b>	<b>Telecom</b>	<b>Total</b>
2019 Total Hours	2,373	6,717	2,083	1,042	-	12,215
2018 Total Hours	2,514	7,314	2,279	1,140	-	13,248
2-year average	2,444	7,015	2,181	1,091	-	12,731
<b>Allocation per Division</b>	<b>19.2%</b>	<b>55.1%</b>	<b>17.1%</b>	<b>8.6%</b>	<b>0.0%</b>	<b>100.0%</b>

*12 month history through Oct 2019 and calendar year 2018*

*Source - Field Service time study*

## Miles of Underground Services

Fiscal Year 2021

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Length in Miles	540.2	1,496.3	1,175.9	831.5	575.2	4,619.1
<b>Allocation per Division</b>	<b>11.7%</b>	<b>32.4%</b>	<b>25.5%</b>	<b>18.0%</b>	<b>12.5%</b>	<b>100.0%</b>

*Services as of 11/01/19*

## Departmental Allocators

Fiscal Year 2021

### All Divisions

Dept	Electric	Gas	Water	WWater	Telecom	Total
10	24.9%	18.2%	18.8%	19.8%	18.3%	100.0%
100	25.3%	21.5%	18.0%	16.9%	18.3%	100.0%
200	31.9%	34.0%	14.7%	19.4%	0.0%	100.0%
270	46.7%	34.7%	14.1%	4.5%	0.0%	100.0%
310	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
320	11.6%	32.4%	25.5%	18.0%	12.5%	100.0%
330	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
350	0.0%	0.0%	54.2%	45.8%	0.0%	100.0%
360	0.0%	0.0%	93.0%	7.0%	0.0%	100.0%
390	49.8%	16.2%	21.0%	13.0%	0.0%	100.0%
398	32.6%	18.4%	22.7%	16.8%	9.5%	100.0%
446	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
447	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
480	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
482	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
500	30.2%	21.4%	16.7%	13.9%	17.8%	100.0%
600	30.1%	17.4%	16.9%	16.1%	19.5%	100.0%
610	24.5%	18.5%	20.3%	16.4%	20.3%	100.0%
700	36.0%	28.0%	22.3%	12.1%	1.6%	100.0%
710	35.1%	19.8%	36.3%	8.8%	0.0%	100.0%
730	0.0%	0.0%	33.5%	66.5%	0.0%	100.0%
740	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
750	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
790	33.0%	29.0%	22.0%	16.0%	0.0%	100.0%
810	40.0%	24.3%	12.7%	10.3%	12.7%	100.0%
820	28.0%	28.0%	14.0%	14.0%	16.0%	100.0%
821	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
900	33.1%	17.1%	14.0%	11.9%	24.0%	100.0%
910	30.5%	16.3%	14.8%	12.2%	26.2%	100.0%
912	21.1%	19.8%	21.8%	17.5%	19.8%	100.0%
916	34.7%	14.8%	11.7%	9.8%	29.0%	100.0%
930	57.9%	14.7%	7.0%	7.7%	12.7%	100.0%
938	58.9%	20.5%	9.8%	10.8%	0.0%	100.0%
945	19.2%	55.1%	17.1%	8.6%	0.0%	100.0%
960	2.2%	42.4%	32.3%	23.1%	0.0%	100.0%
990	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%



**Jackson Energy Authority**

**Fiscal Year 2021 Allocators**

**Telecommunications Business Units  
Intra-Division Allocators**

Reference		<b>Cable &amp; Internet</b>	<b>Telephone</b>	<b>Total Telecom</b>
Page				
d-2	<b>General Allocator</b>	16.0%	2.3%	18.3%
d-2	<b>Telecom General Allocator</b>	87.3%	12.7%	100.0%
d-3	<b>Sales Revenue</b>	12.1%	0.6%	12.7%
d-4	<b>Straight-Time Payroll Hours</b>	16.6%	1.7%	18.3%
d-5	<b>Materials &amp; Supplies Inventory Transactions</b>	0.0%	0.0%	0.0%
d-6	<b>General Ledger Transactions</b>	13.3%	6.2%	19.5%
d-7	<b>Utility Services</b>	16.9%	3.4%	20.3%
d-8	<b>Number of Customers</b>	16.3%	3.2%	19.5%
d-9	<b>Commercial, Industrial Customer Number</b>	7.6%	5.1%	12.7%
d-10	<b>Telecom Truck Rolls</b>	90.1%	9.9%	100.0%
d-11	<b>General Marketing Need</b>	14.0%	2.0%	16.0%
d-12	<b>Number of Meters</b>	0.0%	0.0%	0.0%
d-13	<b>Call Types and Duration</b>	26.7%	2.3%	29.0%
d-14	<b>Service Order Manhours</b>	0.0%	0.0%	0.0%
d-15	<b>Miles of Underground Services</b>	12.5%	0.0%	12.5%
	<b>Joint Plant Owned</b>	0.0%	0.0%	0.0%

**General Allocator**

**Fiscal Year 2021**

**Telecommunications Business Units  
Intra-Division Allocators**

		<b>Cable &amp; Internet</b>		<b>Telephone</b>		<b>Total Telecom</b>
Oper. & Maint. Expense-2019	\$	6,238,236	\$	799,655	\$	7,037,891
Oper. & Maint. Expense-2018	\$	7,655,962	\$	1,220,267	\$	8,876,229
2-year average	\$	6,947,099	\$	1,009,961	\$	7,957,060
<b>Telecom Intra-Division Allocator</b>		<b>16.0%</b>		<b>2.3%</b>		<b>18.3%</b>
<b>Telecom General Allocator</b>		<b>87.3%</b>		<b>12.7%</b>		<b>100.0%</b>

*Values based on 12 months ending 10/31/18 and 10/31/19*

## Sales Revenue Allocator

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

	Cable & Internet		Telephone		Total Telecom
Sales Revenue - 2019	\$	31,224,189	\$	1,319,867	\$ 32,544,056
Sales Revenue - 2018	\$	30,394,765	\$	1,834,215	\$ 32,228,980
2-year average	\$	30,809,477	\$	1,577,041	\$ 32,386,518
<b>Telecom Intra-Division Allocator</b>		<b>12.1%</b>		<b>0.6%</b>	<b>12.7%</b>
<b>Telecom Sales Revenue</b>		<b>95.1%</b>		<b>4.9%</b>	<b>100.0%</b>

Values based on 12 months ending 10/31/18 and 10/31/19

# **Straight-Time Payroll Hours Allocator**

**Fiscal Year 2021**

## **Telecommunications Business Units Intra-Division Allocators**

	<b>Cable &amp; Internet</b>	<b>Telephone</b>	<b>Total Telecom</b>
Straight-Time Payroll Hours-2019	113,357	11,020	124,377
Straight-Time Payroll Hours-2018	118,787	12,888	131,675
2-year average	116,072	11,954	128,026
<b>Telecom Intra-Division Allocator</b>	<b>16.6%</b>	<b>1.7%</b>	<b>18.3%</b>
<b>Telecom Straight-Time Payroll Hours</b>	<b>90.7%</b>	<b>9.3%</b>	<b>100.0%</b>

*Straight-Time Payroll Hours by Division for 12 months ending 10/31/18 and 10/31/19  
All employees (FT, PT & temps)*

## Materials &amp; Supplies Inventory Transactions Allocator

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
Purchases	-	-	-
Receipts	-	-	-
Invoices (all through GP receiving)	-	-	-
Issues, returns, physical inventory	-	-	-
Transfers/Returns	-	-	-
2019 Division totals	-	-	-
2018 Division totals	-	-	-
2-year average	-	-	-
<b>Telecom Intra-Division Allocator</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Telecom M &amp; S Transactions</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

*Inventory Transactions based on 12 months ending 10/31/18 and 10/31/19 (no office supplies )*  
*Telecom Transactions handled through Telecom Field Service Stores*

## General Ledger Transactions Allocator

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
2019 General Ledger Transactions	20,601	8,524	29,125
2018 General Ledger Transactions	22,813	9,143	31,956
2-year average	21,707	8,834	30,541
<b>Telecom Intra-Division Allocator</b>	<b>11.3%</b>	<b>4.6%</b>	<b>15.9%</b>
<b>Telecom General Ledger Transactions</b>	<b>71.1%</b>	<b>28.9%</b>	<b>100.0%</b>
Assets, Liabilities (management's estimate) 0.40	15.0%	9.0%	24.0%
Number of customers 0.10	16.3%	3.2%	19.5%
G/L Transactions-2 yr avg 0.50	11.3%	4.6%	15.9%
<b>Telecom Intra-Division Allocator</b>	<b>13.3%</b>	<b>6.2%</b>	<b>19.5%</b>
<b>Telecom General Ledger Transactions</b>	<b>68.1%</b>	<b>31.9%</b>	<b>100.0%</b>

General Ledger Transactions based on 12 months ending 10/31/19 and Calendar Year 2018.

## Utility Services Allocator

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

Service Month	Cable & Internet	Telephone	Total Telecom
Nov-18	27,708	5,638	33,346
Dec-18	27,751	5,636	33,387
Jan-19	27,708	5,589	33,297
Feb-19	27,618	5,556	33,174
Mar-19	27,720	5,540	33,260
Apr-19	27,663	5,518	33,181
May-19	27,476	5,352	32,828
Jun-19	27,396	5,239	32,635
Jul-19	27,273	5,158	32,431
Aug-19	27,280	5,082	32,362
Sep-19	27,232	5,017	32,249
Oct-19	27,244	4,917	32,161
12-month average through Oct 2019	27,506	5,354	32,859
12-month average 2018	27,943	5,645	33,588
Electric weighting for rate complexity	1.25		
Telecom weighting for rate complexity	1.10		
2-year average	60,993	12,099	73,092
<b>Telecom Intra-Division Allocator</b>	<b>16.9%</b>	<b>3.4%</b>	<b>20.3%</b>
<b>Telecom Utility Services</b>	<b>83.4%</b>	<b>16.6%</b>	<b>100.0%</b>

Source - Monthly Stat Reports

## Number of Customers Allocator

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

Month	Cable & Internet	Telephone	Total Telecom
Nov-18	27,650	5,648	33,298
Dec-18	27,708	5,638	33,346
Jan-19	27,751	5,636	33,387
Feb-19	27,708	5,589	33,297
Mar-19	27,618	5,556	33,174
Apr-19	27,663	5,518	33,181
May-19	27,476	5,352	32,828
Jun-19	27,396	5,239	32,635
Jul-19	27,273	5,158	32,431
Aug-19	27,280	5,082	32,362
Sep-19	27,232	5,017	32,249
Oct-19	27,244	4,917	32,161
<hr/>			
12-month average through Oct 2019	27,500	5,363	32,862
<b>Telecom Intra-Division Allocator</b>	<b>16.3%</b>	<b>3.2%</b>	<b>19.5%</b>
<b>Telecom Number of Customers</b>	<b>83.7%</b>	<b>16.3%</b>	<b>100.0%</b>

Source - Monthly Stat Reports



## Commercial and Industrial Customer Number Allocator

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

Month	Cable & Internet	Telephone	Total Telecom
Nov-18	2,276	1,503	3,779
Dec-18	2,283	1,515	3,798
Jan-19	2,301	1,521	3,822
Feb-19	2,276	1,506	3,782
Mar-19	2,278	1,513	3,791
Apr-19	2,280	1,530	3,810
May-19	2,273	1,532	3,805
Jun-19	2,279	1,539	3,818
Jul-19	2,275	1,547	3,822
Aug-19	2,268	1,550	3,818
Sep-19	2,278	1,564	3,842
Oct-19	2,296	1,576	3,872
12-month average ending Oct 2019	2,280	1,533	3,813
.5 weighting applied to Wt, Ww, Telecom	1,140	767	1,907
<b>Telecom Intra-Division Allocator</b>	<b>7.6%</b>	<b>5.1%</b>	<b>12.7%</b>
<b>TC Commercial, Industrial Customer No.</b>	<b>59.8%</b>	<b>40.2%</b>	<b>100.0%</b>

Source - Monthly Stat Reports

**Telecom Truck Rolls Allocator**

**Fiscal Year 2021**

**Telecommunications Business Units  
Intra-Division Allocators**

	<b>Cable &amp; Internet</b>	<b>Telephone</b>	<b>Total Telecom</b>
12 month totals through Oct 2019	13,043	1,437	14,480
<b>Telecom Intra-Division Allocator</b>	<b>90.1%</b>	<b>9.9%</b>	<b>100.0%</b>
<b>Telecom Truck Rolls</b>	<b>90.1%</b>	<b>9.9%</b>	<b>100.0%</b>

*Source - ETI*

**General Marketing Need Allocator**

**Fiscal Year 2021**

**Telecommunications Business Units  
Intra-Division Allocators**

	<b>Cable &amp; Internet</b>	<b>Telephone</b>	<b>Total Telecom</b>
General Marketing Need	14.0%	2.0%	16.0%
<b>Telecom Intra-Division Allocator</b>	<b>14.0%</b>	<b>2.0%</b>	<b>16.0%</b>
<b>Telecom Marketing</b>	<b>87.5%</b>	<b>12.5%</b>	<b>100.0%</b>

*Source - Management estimate*

## Number of Meters Allocator

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
<b>Meter Count - 2019</b>			
Less: AMI			
Add: Monthly Electric audit			
Meter Count - ProGas-2019			
Degree of difficulty multiplier*			
Weighted Meter Count			-
Water/Wastewater Customer split			
<b>Telecom Intra-Division Allocator</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>Telecom Number of Meters</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

Meter count as of 11/01/19

## Call Types and Duration Allocator

Fiscal Year 2021

### Telecommunications Business Units Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
Total Minutes - 2019	183,053	21,643	204,696
Total Minutes - 2018	227,097	13,245	240,342
2-year average	205,075	17,444	222,519
<b>Telecom Intra-Division Allocator</b>	<b>26.7%</b>	<b>2.3%</b>	<b>29.0%</b>
<b>Telecom Call Types and Duration</b>	<b>92.2%</b>	<b>7.8%</b>	<b>100.0%</b>

12 month history through Oct 2019 and calendar year 2018

Source - Call types & duration time study

**Service Order Manhours Allocator**

**Fiscal Year 2021**

**Telecommunications Business Units  
Intra-Division Allocators**

	<b>Cable &amp; Internet</b>	<b>Telephone</b>	<b>Total Telecom</b>
2019 Total Hours	-	-	-
2018 Total Hours	-	-	-
2-year average	-	-	-
<b>Telecom Intra-Division Allocator</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Telecom Service Order Manhours</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

*12 month history through Oct 2019 and calendar year 2018*

*Source - Field Service time study*

## Miles of Underground Services

Fiscal Year 2021

Telecommunications Business Units  
Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
Length in Miles	575.2	-	575.2
<b>Telecom Intra-Division Allocator</b>	<b>12.5%</b>	<b>0.0%</b>	<b>12.5%</b>
<b>Telecom Miles of Underground Services</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>

*Services as of 11/01/19*

**Departmental Allocators**

**Fiscal Year 2021**

**Telecommunications Business Units  
Intra-Division Allocators**

<b>Dept</b>	<b>Cable &amp; Internet</b>	<b>Telephone</b>	<b>Total Telecom</b>
10	16.0%	2.3%	18.3%
100	16.6%	1.7%	18.3%
200	0.0%	0.0%	0.0%
270	0.0%	0.0%	0.0%
310	0.0%	0.0%	0.0%
320	12.5%	0.0%	12.5%
330	0.0%	0.0%	0.0%
350	0.0%	0.0%	0.0%
360	0.0%	0.0%	0.0%
390	0.0%	0.0%	0.0%
398	9.5%	0.0%	9.5%
446	90.1%	9.9%	100.0%
447	96.5%	3.5%	100.0%
480	90.1%	9.9%	100.0%
482	83.7%	16.3%	100.0%
500	15.4%	2.4%	17.8%
600	13.3%	6.2%	19.5%
610	16.9%	3.4%	20.3%
700	1.6%	0.0%	1.6%
710	0.0%	0.0%	0.0%
730	0.0%	0.0%	0.0%
740	0.0%	0.0%	0.0%
750	0.0%	0.0%	0.0%
790	0.0%	0.0%	0.0%
810	7.6%	5.1%	12.7%
820	14.0%	2.0%	16.0%
821	100.0%	0.0%	100.0%
900	21.6%	2.3%	24.0%
910	23.6%	2.6%	26.2%
912	16.5%	3.3%	19.8%
916	26.7%	2.3%	29.0%
930	12.1%	0.6%	12.7%
938	0.0%	0.0%	0.0%
945	0.0%	0.0%	0.0%
960	0.0%	0.0%	0.0%
990	0.0%	0.0%	0.0%



## Departmental Allocators

Fiscal Year 2021

Telecommunications Business Units  
Telecommunications Division

Dept	Cable & Internet	Telephone	Total Telecom
10	87.3%	12.7%	100.0%
100	90.7%	9.3%	100.0%
200	0.0%	0.0%	0.0%
270	0.0%	0.0%	0.0%
310	0.0%	0.0%	0.0%
320	100.0%	0.0%	100.0%
330	0.0%	0.0%	0.0%
350	0.0%	0.0%	0.0%
360	0.0%	0.0%	0.0%
390	0.0%	0.0%	0.0%
398	100.0%	0.0%	100.0%
446	90.1%	9.9%	100.0%
447	96.5%	3.5%	100.0%
480	90.1%	9.9%	100.0%
482	83.7%	16.3%	100.0%
500	86.5%	13.5%	100.0%
600	68.1%	31.9%	100.0%
610	83.4%	16.6%	100.0%
700	100.0%	0.0%	100.0%
710	0.0%	0.0%	0.0%
730	0.0%	0.0%	0.0%
740	0.0%	0.0%	0.0%
750	0.0%	0.0%	0.0%
790	0.0%	0.0%	0.0%
810	59.8%	40.2%	100.0%
820	87.5%	12.5%	100.0%
821	100.0%	0.0%	100.0%
900	90.3%	9.7%	100.0%
910	90.1%	9.9%	100.0%
912	83.4%	16.6%	100.0%
916	92.2%	7.8%	100.0%
930	95.1%	4.9%	100.0%
938	0.0%	0.0%	0.0%
945	0.0%	0.0%	0.0%
960	0.0%	0.0%	0.0%
990	0.0%	0.0%	0.0%