

Jackson Energy Authority



Cost Allocation Manual FY 2022

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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 200, 270, 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, and 930.

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 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 2022

Dept #	Job Title	Allocation Method	Electric	Gas	Water	Wastewater	Cable & Internet	Telephone
Administration:								
10	President & CEO	General Allocator	25.2%	18.2%	18.8%	19.4%	16.2%	2.2%
10	Corporate Secretary	General Allocator	25.2%	18.2%	18.8%	19.4%	16.2%	2.2%
10	Secretary	General Allocator	25.2%	18.2%	18.8%	19.4%	16.2%	2.2%
10	Sr. VP & CFO	General Allocator	25.2%	18.2%	18.8%	19.4%	16.2%	2.2%
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	25.2%	18.2%	18.8%	19.4%	16.2%	2.2%
10	Board of Directors	General Allocator	25.2%	18.2%	18.8%	19.4%	16.2%	2.2%
Human Resources:								
100	VP-Human Resources	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
100	HR Supervisor	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
100	Benefits/Employee Relations Coordinator	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
100	HR Generalist	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
100	HR Coordinator	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
100	Training/Development Coordinator	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
100	Safety Coordinator	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
100	Minority Interns-PT	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	16.0%	1.5%
Engineering:								
200	Secretary	Comp Weighted Avg. (200, 270)	31.4%	32.7%	17.0%	18.9%	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	45.6%	37.4%	12.9%	4.1%	0.0%	0.0%
Distribution:								
320	Utility Locator	Miles of underground services	11.9%	32.9%	25.0%	17.8%	12.4%	0.0%
320	Utility Locator Foreman	Miles of underground services	11.9%	32.9%	25.0%	17.8%	12.4%	0.0%
330	Administrative Clerk	Electric and Gas 50/50	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
350	Administrative Clerk	Composite of ST PR hrs in Dept 350	0.0%	0.0%	54.1%	45.9%	0.0%	0.0%
350	Supt-Water Distribution	Comp Weighted Avg. (350 and 360)	0.0%	0.0%	59.5%	40.5%	0.0%	0.0%
390	Sr. Mgr-Stores & Transportation-50%	Blend of M&S Inventory Transactions and Straight-Time Payroll hrs	48.7%	16.6%	20.8%	12.9%	0.9%	0.1%
390	Sr. Mgr-Stores & Transportation-50%	Blend of ST PR hrs in Dept 398 and Joint Plant Split	32.8%	24.9%	21.7%	16.6%	4.0%	0.0%
390	Warehouse Supervisor	M&S Inventory Transactions	50.0%	16.3%	21.0%	12.7%	0.0%	0.0%
390	Buyer	M&S Inventory Transactions	50.0%	16.3%	21.0%	12.7%	0.0%	0.0%
390	Storekeeper	M&S Inventory Transactions	50.0%	16.3%	21.0%	12.7%	0.0%	0.0%
390	Stores Helper	M&S Inventory Transactions	50.0%	16.3%	21.0%	12.7%	0.0%	0.0%
390	Lead Custodian	Joint Plant Owned	33.0%	29.0%	22.0%	16.0%	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	32.8%	19.7%	21.2%	17.3%	9.0%	0.0%

Personnel Cost Allocation Factors Summary

Fiscal Year 2022

Dept #	Job Title	Allocation Method	Electric	Gas	Water	Wastewater	Cable & Internet	Telephone
Telecom Operations:								
446	Supt-Telecom Field Service	Comp Weighted Avg. (446, 447)	0.0%	0.0%	0.0%	0.0%	90.1%	9.9%
446	Telecom Foreman	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
446	Plant Manager-Telecom	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
446	Telecom Serviceman I	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
446	Telecom Serviceman II	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
446	Telecom Serviceman III	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
446	Telecom Installation Tech	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
446	Telecom Field Network Tech	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
446	Telecom Network Technician	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
447	Telecom Storekeeper	Straight-Time Payroll Hours	0.0%	0.0%	0.0%	0.0%	97.3%	2.7%
447	Telecom Stors Helper	Straight-Time Payroll Hours	0.0%	0.0%	0.0%	0.0%	97.3%	2.7%
480	Headend Manager	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
480	Headend Technician	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
480	Telecom Network Specialist	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
480	Network Specialist III	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	89.4%	10.6%
482	Telecom Commercial Sales Manager	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	87.0%	13.0%
482	Telecom Sales Associate	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	87.0%	13.0%
482	Telecom Customer Support Specialist	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	87.0%	13.0%
482	Telecom Creative Services Coordinator	Number of Telecom Customers	0.0%	0.0%	0.0%	0.0%	87.0%	13.0%
Information Technology:								
500	VP-Information Technology Services	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Manager-IT Projects	Estimated time spent per division and/or business unit, 35% Telecom Projects	20.4%	13.4%	10.9%	8.9%	41.1%	5.3%
500	Manager-IT Operations	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Manager-IT Applications	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	System Administrator	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Network Administrator	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Business System Analyst I	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Business System Analyst II	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Help Desk Analyst	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	PC/Networking Technician	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Programmer Analyst II	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
500	Sr Programmer Analyst	Estimated time spent per division and/or business unit	31.5%	20.7%	16.7%	13.8%	14.9%	2.4%
Finance, Accounting & Billing:								
600	Manager-Accounting	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Manager-Internal Control & Audit	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Business Operations Analyst	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Acct. Assoc I	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Acct. Assoc II	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Acct. Assoc III	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Staff Accountant	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Manager-Finance	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Financial Analyst	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
600	Insurance Risk Manager	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	12.5%	6.0%
610	Billing Supervisor	Comp Weighted Avg Weighted Utility Services & Number of Meters	24.7%	18.6%	20.5%	16.5%	16.8%	2.9%
610	Senior Billing Coordinator	Comp Weighted Avg Weighted Utility Services & Number of Meters	24.7%	18.6%	20.5%	16.5%	16.8%	2.9%
610	Billing Coordinator	Comp Weighted Avg Weighted Utility Services & Number of Meters	24.7%	18.6%	20.5%	16.5%	16.8%	2.9%

Personnel Cost Allocation Factors Summary

Fiscal Year 2022

Dept #	Job Title	Allocation Method	Electric	Gas	Water	Wastewater	Cable & Internet	Telephone
Field Service Operations:								
700	VP-Operations	Comp Weighted Avg. (200, 270, 320, 390, 398, 710, 740, 790, 945, 960)	47.9%	23.6%	17.2%	10.7%	0.6%	0.0%
710	Sr. Manager-Operations	Comp Weighted Avg. (710 & 945)	27.2%	37.0%	27.0%	8.8%	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%	54.3%	17.7%	8.8%	0.0%	0.0%
730	Water/Ww Plant Engineer	Composite of ST PR hrs in Dept 730	0.0%	0.0%	36.3%	63.7%	0.0%	0.0%
730	Administrative Clerk	Composite of ST PR hrs in Dept 730	0.0%	0.0%	36.3%	63.7%	0.0%	0.0%
740	Electric Operations Engineer	90% Electric, 10% Number of Meters	90.3%	4.2%	3.2%	2.3%	0.0%	0.0%
740	AMI Communications Coordinator	Management Estimate of AMI Meters	73.0%	13.5%	8.1%	5.4%	0.0%	0.0%
790	Facilities Manager	Joint Plant Owned	33.0%	29.0%	22.0%	16.0%	0.0%	0.0%
790	Project Coordinator-PT	Joint Plant Owned	33.0%	29.0%	22.0%	16.0%	0.0%	0.0%
Business Development:								
810	VP-Economic & Industrial Development	Weighted Commercial, Industrial Customer Number	39.8%	24.3%	12.6%	10.2%	7.7%	5.4%
810	Manager-Commercial, Industrial Svcs	Weighted Commercial, Industrial Customer Number	39.8%	24.3%	12.6%	10.2%	7.7%	5.4%
810	Manager-Commercial Relations	Weighted Commercial, Industrial Customer Number	39.8%	24.3%	12.6%	10.2%	7.7%	5.4%
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%
Customer Service:								
900	VP-Customer Service & Community Relations	Comp Weighted Avg. (820, 910, 930)	32.0%	16.9%	13.9%	11.8%	22.8%	2.6%
910	Manager-Customer Care	Comp Weighted Avg. (912, 916)	29.1%	16.1%	14.8%	12.1%	25.0%	2.9%
912	Cashier-FT, PT	Utility Services	21.2%	19.9%	22.0%	17.7%	16.4%	2.8%
916	Supervisor-Customer Service Rep	Call Types and Duration	32.5%	14.6%	11.9%	9.8%	28.3%	2.9%
916	Customer Service Rep-FT, PT	Call Types and Duration	32.5%	14.6%	11.9%	9.8%	28.3%	2.9%
930	Manager-Customer Accounts	Sales Revenue	57.4%	14.2%	7.2%	8.0%	12.6%	0.6%
930	Credit Representative	Sales Revenue	57.4%	14.2%	7.2%	8.0%	12.6%	0.6%
945	Delinquent Accts Serviceman	Sales Revenue	57.4%	14.2%	7.2%	8.0%	12.6%	0.6%
945	Field Service Foreman	Service Order Manhours	19.2%	54.3%	17.7%	8.8%	0.0%	0.0%
945	Serviceman I, II, III	Service Order Manhours	19.2%	54.3%	17.7%	8.8%	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 2022 Allocators

All Divisions

Reference Page		Electric	Gas	Water	Wastewater	Telecom	Total
c-2	General Allocator	25.2%	18.2%	18.8%	19.4%	18.4%	100.0%
c-3	Sales Revenue	57.4%	14.2%	7.2%	8.0%	13.2%	100.0%
c-3	Sales Revenue-El, Gs, Wt, Ww	66.2%	16.3%	8.3%	9.2%	0.0%	100.0%
c-4	Straight-Time Payroll Hours	25.3%	21.7%	18.8%	16.7%	17.5%	100.0%
c-5	Materials & Supplies Inventory Transactions	50.0%	16.3%	21.0%	12.7%	0.0%	100.0%
c-6	General Ledger Transactions	30.2%	17.7%	17.3%	16.3%	18.5%	100.0%
c-7	Utility Services	24.7%	18.6%	20.5%	16.5%	19.7%	100.0%
c-8	Number of Customers	21.5%	20.0%	22.1%	17.8%	18.7%	100.0%
c-9	Commercial, Industrial Customer Number	39.8%	24.3%	12.6%	10.2%	13.1%	100.0%
c-10	Telecom Truck Rolls	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
c-11	General Marketing Need	28.0%	28.0%	14.0%	14.0%	16.0%	100.0%
c-12	Number of Meters	2.3%	42.4%	32.3%	23.1%	0.0%	100.0%
c-13	Call Types and Duration	32.4%	14.6%	11.9%	9.8%	31.2%	100.0%
c-14	Service Order Manhours	19.2%	54.3%	17.7%	8.8%	0.0%	100.0%
c-15	Miles of Underground Services	11.8%	32.9%	25.0%	17.8%	12.4%	100.0%
	Joint Plant Owned	33.0%	29.0%	22.0%	16.0%	0.0%	100.0%

General Allocator**Fiscal Year 2022****All Divisions**

	Electric	Gas	Water	Wastewater	Telecom	Total
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-2020	\$ 13,560,122	\$ 10,246,893	\$ 9,802,031	\$ 10,152,878	\$ 9,860,560	\$ 53,622,483
2-year average	\$ 11,564,916	\$ 8,377,357	\$ 8,653,689	\$ 8,904,255	\$ 8,449,226	\$ 45,949,442
Allocation per Division	25.2%	18.2%	18.8%	19.4%	18.4%	100.0%
Allocation per Regulated Div	30.8%	22.3%	23.1%	23.7%		100.0%

Values based on 12 months ending 10/31/19 and 10/31/20

Sales Revenue Allocator

Fiscal Year 2022

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 - 2020	\$ 136,489,761	\$ 33,208,777	\$ 17,940,635	\$ 19,651,767	\$ 32,743,954	\$ 240,034,893
2-year average	\$ 141,931,215	\$ 35,000,711	\$ 17,855,112	\$ 19,745,362	\$ 32,644,005	\$ 247,176,406
Allocation per Division	57.4%	14.2%	7.2%	8.0%	13.2%	100.0%
Allocation per Regulated Div	66.2%	16.3%	8.3%	9.2%		100.0%

Values based on 12 months ending 10/31/19 and 10/31/20

Straight-Time Payroll Hours Allocator

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Manhours by Division - 2019	174,957	148,871	131,116	114,418	124,377	693,739
Manhours by Division - 2020	170,816	147,418	126,631	114,750	114,871	674,486
2-year average	172,886	148,145	128,874	114,584	119,624	684,113
Allocation per Division	25.3%	21.7%	18.8%	16.7%	17.5%	100.0%

Straight-Time Payroll Hours by Division for 12 months ending 10/31/19 and 10/31/20
All employees (FT, PT & temps)

Materials & Supplies Inventory Transactions Allocator

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Purchases	5,246	2,758	3,715	3,353	-	15,072
Receipts	389	154	235	69	-	847
Invoices (all through GP receiving)	-				-	-
Issues, returns, physical inventory	23,948	5,922	8,428	4,096	-	42,394
Transfers/Returns	8	-	-	-	-	8
2020 Division totals	29,591	8,834	12,378	7,518	-	58,321
2019 Division totals	31,288	11,075	13,176	7,947	-	63,486
2-year average	30,440	9,955	12,777	7,733	-	60,904
Allocation per Division	50.0%	16.3%	21.0%	12.7%	0.0%	100.0%

Inventory Transactions based on 12 months ending 10/31/19 and 10/31/20 (no office supplies)
Telecom Transactions handled through Telecom Field Service Stores

General Ledger Transactions Allocator

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
2019 G/L Transactions-12 months	74,454	28,347	28,803	27,069	29,125	187,798
2020 G/L Transactions-12 months	77,637	29,932	30,972	28,322	24,152	191,014
2-year average	76,046	29,139	29,887	27,695	26,638	189,406
Allocation per Division	40.1%	15.4%	15.8%	14.6%	14.1%	100.0%

		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	21.5%	20.0%	22.1%	17.8%	18.7%	100.0%
G/L Transactions-2 yr avg	0.50	40.1%	15.4%	15.8%	14.6%	14.1%	100.0%
Allocation per Division		30.2%	17.7%	17.3%	16.3%	18.5%	100.0%

General Ledger Transactions based on 12 months ending 10/31/19 and 10/31/20

Utility Services Allocator

Fiscal Year 2022

All Divisions

Service Month	Electric	Gas	Water	Wastewater	Telecom	Total
Nov-19	35,444	33,411	36,782	29,595	32,085	167,317
Dec-19	35,443	33,432	36,759	29,571	32,012	167,217
Jan-20	35,458	33,448	36,816	29,607	31,925	167,254
Feb-20	35,492	33,490	36,864	29,643	31,895	167,384
Mar-20	35,506	33,476	36,924	29,706	31,836	167,448
Apr-20	35,604	33,527	37,022	29,784	31,556	167,493
May-20	35,668	33,556	37,081	29,844	31,179	167,328
Jun-20	35,666	33,539	37,107	29,853	31,089	167,254
Jul-20	35,682	33,525	37,154	29,975	30,951	167,287
Aug-20	35,725	33,521	37,185	29,998	30,874	167,303
Sep-20	35,706	33,530	37,188	29,946	30,843	167,213
Oct-20	35,702	33,615	37,182	29,946	30,829	167,274
12 month average through Oct 2020	35,591	33,506	37,005	29,789	31,423	167,314
12 month average through Oct 2019	35,413	33,337	36,732	29,565	32,859	167,906
Electric weighting for rate complexity	1.25					
Telecom weighting for rate complexity	1.10					
2-year average with weighting	88,756	66,842	73,737	59,354	70,710	359,399
2-year average without weighting	71,005	66,842	73,737	59,354	64,282	335,220
Allocation per Division (with weighting)	24.7%	18.6%	20.5%	16.5%	19.7%	100.0%
Allocation per Division (without weighting)	21.2%	19.9%	22.0%	17.7%	19.2%	100.0%

Source - Monthly Stat Reports

Number of Customers Allocator

Fiscal Year 2022

All Divisions

Month	Electric	Gas	Water	Wastewater	Telecom	Total
Nov-19	35,844	33,411	36,782	29,595	32,085	167,717
Dec-19	35,843	33,432	36,759	29,571	32,012	167,617
Jan-20	35,856	33,448	36,816	29,607	31,925	167,652
Feb-20	35,894	33,490	36,864	29,643	31,895	167,786
Mar-20	35,908	33,476	36,924	29,706	31,836	167,850
Apr-20	36,003	33,527	37,022	29,784	31,556	167,892
May-20	36,067	33,556	37,081	29,844	31,179	167,727
Jun-20	36,066	33,539	37,107	29,853	31,089	167,654
Jul-20	36,087	33,525	37,154	29,975	30,951	167,692
Aug-20	36,124	33,521	37,185	29,998	30,874	167,702
Sep-20	36,109	33,530	37,188	29,946	30,843	167,616
Oct-20	36,105	33,615	37,182	29,946	30,829	167,677
12-month average through Oct 2020	35,992	33,506	37,005	29,789	31,423	167,715
Allocation per Division	21.5%	20.0%	22.1%	17.8%	18.7%	100.0%

Source - Monthly Stat Reports

Commercial and Industrial Customer Number Allocator

Fiscal Year 2022

All Divisions

Month	Electric	Gas	Water	Wastewater	Telecom	Total
Nov-19	6,020	3,662	3,809	3,063	3,875	20,429
Dec-19	6,030	3,659	3,798	3,058	3,871	20,416
Jan-20	6,029	3,671	3,826	3,070	3,883	20,479
Feb-20	6,014	3,672	3,813	3,060	3,901	20,460
Mar-20	6,000	3,670	3,801	3,059	3,914	20,444
Apr-20	6,008	3,671	3,813	3,057	3,909	20,458
May-20	6,018	3,677	3,813	3,065	3,952	20,525
Jun-20	6,026	3,674	3,819	3,065	3,980	20,564
Jul-20	6,014	3,667	3,825	3,082	3,972	20,560
Aug-20	6,030	3,682	3,831	3,085	3,992	20,620
Sep-20	6,026	3,678	3,832	3,093	4,031	20,660
Oct-20	6,018	3,689	3,829	3,093	4,040	20,669
12-month average ending Oct 2020	6,019	3,673	3,817	3,071	3,943	20,524
.5 weighting applied to Wt, Ww, Telecom	6,019	3,673	1,909	1,535	1,972	15,107
Allocation per Division	39.8%	24.3%	12.6%	10.2%	13.1%	100.0%

Source - Monthly Stat Reports

Telecom Truck Rolls Allocator

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
12 month totals through Oct 2020	-	-	-	-	14,978	14,978
Allocation per Division	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%

Source - ETI

General Marketing Need Allocator

Fiscal Year 2022

All Divisions

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

Source - Management estimate

Number of Meters Allocator

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Meter Count - 2019	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%		
Allocation per Division	2.3%	42.4%	32.3%	23.1%	0.0%	100.0%

Meter count as of 11/01/19 - did not update to 2020 counts due to new changes to AMI and will reevaluate methodology next year

*Multiplier applied to ProGas and Water

Call Types and Duration Allocator

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
2020 total minutes-12 months	196,717	91,594	76,664	62,800	225,215	652,989
2019 total minutes-12 months	249,757	109,487	87,247	72,620	204,696	723,808
2-year average	223,237	100,540	81,955	67,710	214,956	688,399
Allocation per Division	32.4%	14.6%	11.9%	9.8%	31.2%	100.0%

12 month history through Oct 2019 and Oct 2020

Source - Call types & duration time study

Service Order Manhours Allocator

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
2020 Total Hours - 12 months	2,096	5,923	2,027	1,013	-	11,059
2019 Total Hours - 12 months	2,373	6,717	2,083	1,042	-	12,215
2-year average	2,234	6,319	2,055	1,028	-	11,637
Allocation per Division	19.2%	54.3%	17.7%	8.8%	0.0%	100.0%

12 month history through Oct 2019 and Oct 2020

Source - Field Service time study

Miles of Underground Services

Fiscal Year 2022

All Divisions

	Electric	Gas	Water	Wastewater	Telecom	Total
Length in Miles	550.1	1,540.8	1,171.5	835.1	581.1	4,678.6
Allocation per Division	11.8%	32.9%	25.0%	17.8%	12.4%	100.0%

Services as of 10/31/2020

Departmental Allocators

Fiscal Year 2022

All Divisions

Dept	Electric	Gas	Water	WWater	Telecom	Total
10	25.2%	18.2%	18.8%	19.4%	18.4%	100.0%
100	25.3%	21.7%	18.8%	16.7%	17.5%	100.0%
200	31.4%	32.7%	17.0%	18.9%	0.0%	100.0%
270	45.6%	37.4%	12.9%	4.1%	0.0%	100.0%
310	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
320	11.9%	32.9%	25.0%	17.8%	12.4%	100.0%
330	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
350	0.0%	0.0%	54.1%	45.9%	0.0%	100.0%
360	0.0%	0.0%	94.4%	5.6%	0.0%	100.0%
390	50.0%	16.3%	21.0%	12.7%	0.0%	100.0%
398	32.8%	19.7%	21.2%	17.3%	9.0%	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	31.5%	20.7%	16.7%	13.8%	17.2%	100.0%
600	30.2%	17.7%	17.3%	16.3%	18.5%	100.0%
610	24.7%	18.6%	20.5%	16.5%	19.7%	100.0%
700	47.9%	23.6%	17.2%	10.7%	0.6%	100.0%
710	35.1%	19.8%	36.3%	8.8%	0.0%	100.0%
730	0.0%	0.0%	36.3%	63.7%	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	39.8%	24.3%	12.6%	10.2%	13.1%	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	32.0%	16.9%	13.9%	11.8%	25.4%	100.0%
910	29.1%	16.1%	14.8%	12.1%	27.9%	100.0%
912	21.2%	19.9%	22.0%	17.7%	19.2%	100.0%
916	32.5%	14.6%	11.9%	9.8%	31.2%	100.0%
930	57.4%	14.2%	7.2%	8.0%	13.2%	100.0%
945	19.2%	54.3%	17.7%	8.8%	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 2022 Allocators

**Telecommunications Business Units
Intra-Division Allocators**

Reference		Cable & Internet	Telephone	Total Telecom
Page				
d-2	General Allocator	16.2%	2.2%	18.4%
d-2	Telecom General Allocator	88.2%	11.8%	100.0%
d-3	Sales Revenue	12.6%	0.6%	13.2%
d-4	Straight-Time Payroll Hours	16.0%	1.5%	17.5%
d-5	Materials & Supplies Inventory Transactions	0.0%	0.0%	0.0%
d-6	General Ledger Transactions	12.5%	6.0%	18.5%
d-7	Utility Services	16.8%	2.9%	19.7%
d-8	Number of Customers	16.3%	2.4%	18.7%
d-9	Commercial, Industrial Customer Number	7.7%	5.4%	13.1%
d-10	Telecom Truck Rolls	89.4%	10.6%	100.0%
d-11	General Marketing Need	14.0%	2.0%	16.0%
d-12	Number of Meters	0.0%	0.0%	0.0%
d-13	Call Types and Duration	28.3%	2.9%	31.2%
d-14	Service Order Manhours	0.0%	0.0%	0.0%
d-15	Miles of Underground Services	12.4%	0.0%	12.4%
	Joint Plant Owned	0.0%	0.0%	0.0%

General Allocator

Fiscal Year 2022

**Telecommunications Business Units
Intra-Division Allocators**

		Cable & Internet		Telephone		Total Telecom
Oper. & Maint. Expense-2019	\$	6,238,236	\$	799,655	\$	7,037,891
Oper. & Maint. Expense-2020	\$	8,671,614	\$	1,188,946	\$	9,860,560
2-year average	\$	7,454,925	\$	994,300	\$	8,449,226
Telecom Intra-Division Allocator		16.2%		2.2%		18.4%
Telecom General Allocator		88.2%		11.8%		100.0%

Values based on 12 months ending 10/31/19 and 10/31/20

Sales Revenue Allocator

Fiscal Year 2022

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 - 2020	\$	30,889,971	\$	1,853,983	\$ 32,743,954
2-year average	\$	31,057,080	\$	1,586,925	\$ 32,644,005
Telecom Intra-Division Allocator		12.6%		0.6%	13.2%
Telecom Sales Revenue		95.1%		4.9%	100.0%

Values based on 12 months ending 10/31/19 and 10/31/20

Straight-Time Payroll Hours Allocator

Fiscal Year 2022

Telecommunications Business Units Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
Manhours by Division - 2019	113,357	11,020	124,377
Manhours by Division - 2020	105,191	9,680	114,871
2-year average	109,274	10,350	119,624
Telecom Intra-Division Allocator	16.0%	1.5%	17.5%
Telecom Straight-Time Payroll Hours	91.3%	8.7%	100.0%

*Straight-Time Payroll Hours by Division for 12 months ending 10/31/19 and 10/31/20
All employees (FT, PT & temps)*

Materials & Supplies Inventory Transactions Allocator

Fiscal Year 2022

Telecommunications Business Units
Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
Purchases	-	-	-
Receipts	-	-	-
Invoices (all through GP receiving)	-	-	-
Issues, returns, physical inventory	-	-	-
Transfers/Returns	-	-	-
2020 Division totals	-	-	-
2019 Division totals	-	-	-
2-year average	-	-	-
Telecom Intra-Division Allocator	0.0%	0.0%	0.0%
Telecom M & S Transactions	0.0%	0.0%	0.0%

Inventory Transactions based on 12 months ending 10/31/19 and 10/31/20 (no office supplies)
Telecom Transactions handled through Telecom Field Service Stores

General Ledger Transactions Allocator

Fiscal Year 2022

Telecommunications Business Units
Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
2019 G/L Transactions-12 months	20,601	8,524	29,125
2020 G/L Transactions-12 months	16,213	7,939	24,152
2-year average	18,407	8,231	26,638
Telecom Intra-Division Allocator	9.7%	4.3%	14.1%
Telecom General Ledger Transactions	69.1%	30.9%	100.0%
Assets, Liabilities (management's estimate) 0.40	15.0%	9.0%	24.0%
Number of customers 0.10	16.3%	2.4%	18.7%
G/L Transactions-2 yr avg 0.50	9.7%	4.3%	14.1%
Telecom Intra-Division Allocator	12.5%	6.0%	18.5%
Telecom General Ledger Transactions	67.5%	32.5%	100.0%

General Ledger Transactions based on 12 months ending 10/31/19 and 10/31/20

Utility Services Allocator

Fiscal Year 2022

Telecommunications Business Units
Intra-Division Allocators

Service Month	Cable & Internet	Telephone	Total Telecom	Total
Nov-19	27,222	4,863	32,085	167,317
Dec-19	27,233	4,779	32,012	167,217
Jan-20	27,232	4,693	31,925	167,254
Feb-20	27,269	4,626	31,895	167,384
Mar-20	27,354	4,482	31,836	167,448
Apr-20	27,351	4,205	31,556	167,493
May-20	27,468	3,711	31,179	167,328
Jun-20	27,469	3,620	31,089	167,254
Jul-20	27,414	3,537	30,951	167,287
Aug-20	27,360	3,514	30,874	167,303
Sep-20	27,358	3,485	30,843	167,213
Oct-20	27,379	3,450	30,829	167,274
12 month average through Oct 2020	27,342	4,080	31,423	167,314
12 month average through Oct 2019	27,506	5,354	32,859	167,906
Electric weighting for rate complexity	1.25			
Telecom weighting for rate complexity	1.10			
2-year average	60,333	10,377	70,710	359,399
Telecom Intra-Division Allocator	16.8%	2.9%	19.7%	100.0%
Telecom Utility Services	85.3%	14.7%	100.0%	

Source - Monthly Stat Reports

Number of Customers Allocator

Fiscal Year 2022

**Telecommunications Business Units
Intra-Division Allocators**

Month	Cable & Internet	Telephone	Total Telecom
Nov-19	27,222	4,863	32,085
Dec-19	27,233	4,779	32,012
Jan-20	27,232	4,693	31,925
Feb-20	27,269	4,626	31,895
Mar-20	27,354	4,482	31,836
Apr-20	27,351	4,205	31,556
May-20	27,468	3,711	31,179
Jun-20	27,469	3,620	31,089
Jul-20	27,414	3,537	30,951
Aug-20	27,360	3,514	30,874
Sep-20	27,358	3,485	30,843
Oct-20	27,379	3,450	30,829
<hr/>			
12-month average through Oct 2020	27,342	4,080	31,423
Telecom Intra-Division Allocator	16.3%	2.4%	18.7%
Telecom Number of Customers	87.0%	13.0%	100.0%

Source - Monthly Stat Reports

Commercial and Industrial Customer Number Allocator

Fiscal Year 2022

**Telecommunications Business Units
Intra-Division Allocators**

Month	Cable & Internet	Telephone	Total Telecom
Nov-19	2,276	1,599	3,875
Dec-19	2,275	1,596	3,871
Jan-20	2,282	1,601	3,883
Feb-20	2,290	1,611	3,901
Mar-20	2,298	1,616	3,914
Apr-20	2,294	1,615	3,909
May-20	2,326	1,626	3,952
Jun-20	2,348	1,632	3,980
Jul-20	2,349	1,623	3,972
Aug-20	2,360	1,632	3,992
Sep-20	2,382	1,649	4,031
Oct-20	2,394	1,646	4,040
12-month average ending Oct 2020	2,323	1,621	3,943
.5 weighting applied to Wt, Ww, Telecom	1,161	810	1,972
Telecom Intra-Division Allocator	7.7%	5.4%	13.1%
TC Commercial, Industrial Customer No.	58.9%	41.1%	100.0%

Source - Monthly Stat Reports

Telecom Truck Rolls Allocator

Fiscal Year 2022

**Telecommunications Business Units
Intra-Division Allocators**

	Cable & Internet	Telephone	Total Telecom
12 month totals through Oct 2020	13,389	1,589	14,978
Telecom Intra-Division Allocator	89.4%	10.6%	100.0%
Telecom Truck Rolls	89.4%	10.6%	100.0%

Source - ETI

General Marketing Need Allocator

Fiscal Year 2022

**Telecommunications Business Units
Intra-Division Allocators**

	Cable & Internet	Telephone	Total Telecom
General Marketing Need	14.0%	2.0%	16.0%
Telecom Intra-Division Allocator	14.0%	2.0%	16.0%
Telecom Marketing	87.5%	12.5%	100.0%

Source - Management estimate

Number of Meters Allocator

Fiscal Year 2022

Telecommunications Business Units
Intra-Division Allocators

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

Meter count as of 11/01/19 - did not update to 2020 counts due to new changes to AMI and will reevaluate methodology next year

Call Types and Duration Allocator

Fiscal Year 2022

Telecommunications Business Units Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
2020 total minutes-12 months	207,138	18,077	225,215
2019 total minutes-12 months	183,053	21,643	204,696
2-year average	195,096	19,860	214,956
Telecom Intra-Division Allocator	28.3%	2.9%	31.2%
Telecom Call Types and Duration	90.8%	9.2%	100.0%

12 month history through Oct 2019 and Oct 2020

Source - Call types & duration time study

Service Order Manhours Allocator

Fiscal Year 2022

**Telecommunications Business Units
Intra-Division Allocators**

	Cable & Internet	Telephone	Total Telecom
2020 Total Hours - 12 months	-	-	-
2019 Total Hours - 12 months	-	-	-
2-year average	-	-	-
Telecom Intra-Division Allocator	0.0%	0.0%	0.0%
Telecom Service Order Manhours	0.0%	0.0%	0.0%

12 month history through Oct 2019 and Oct 2020

Source - Field Service time study

Miles of Underground Services

Fiscal Year 2022

Telecommunications Business Units
Intra-Division Allocators

	Cable & Internet	Telephone	Total Telecom
Length in Miles	581.1	-	581.1
Telecom Intra-Division Allocator	12.4%	0.0%	12.4%
Telecom Miles of Underground Services	100.0%	0.0%	100.0%

Services as of 10/31/2020

Departmental Allocators

Fiscal Year 2022

**Telecommunications Business Units
Intra-Division Allocators**

Dept	Cable & Internet	Telephone	Total Telecom
10	16.2%	2.2%	18.4%
100	16.0%	1.5%	17.5%
200	0.0%	0.0%	0.0%
270	0.0%	0.0%	0.0%
310	0.0%	0.0%	0.0%
320	12.4%	0.0%	12.4%
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	9.0%	0.0%	9.0%
446	89.4%	10.6%	100.0%
447	97.3%	2.7%	100.0%
480	89.4%	10.6%	100.0%
482	87.0%	13.0%	100.0%
500	14.8%	2.4%	17.2%
600	12.5%	6.0%	18.5%
610	16.8%	2.9%	19.7%
700	0.6%	0.0%	0.6%
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	7.7%	5.4%	13.1%
820	14.0%	2.0%	16.0%
821	100.0%	0.0%	100.0%
900	22.8%	2.6%	25.4%
910	25.0%	2.9%	27.9%
912	16.4%	2.8%	19.2%
916	28.3%	2.9%	31.2%
930	12.6%	0.6%	13.2%
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 2022

Telecommunications Business Units
Telecommunications Division

Dept	Cable & Internet	Telephone	Total Telecom
10	88.2%	11.8%	100.0%
100	91.3%	8.7%	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	89.4%	10.6%	100.0%
447	97.3%	2.7%	100.0%
480	89.4%	10.6%	100.0%
482	87.0%	13.0%	100.0%
500	86.0%	14.0%	100.0%
600	67.6%	32.4%	100.0%
610	85.3%	14.7%	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	58.9%	41.1%	100.0%
820	87.5%	12.5%	100.0%
821	100.0%	0.0%	100.0%
900	89.8%	10.2%	100.0%
910	89.6%	10.4%	100.0%
912	85.3%	14.7%	100.0%
916	90.8%	9.2%	100.0%
930	95.1%	4.9%	100.0%
945	0.0%	0.0%	0.0%
960	0.0%	0.0%	0.0%
990	0.0%	0.0%	0.0%