Electronically Filed in TPUC Docket Room on August 1, 2024 at 3:09 p.m.

03-00438

JACKSON ENERGY AUTHORITY

Telecommunications Division

Telephone Business Unit

Report to Tennessee Public Utility Commission

as of

June 30, 2024

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Affiliated Entities

Jackson Energy Authority
Electric Division
250 North Highland Avenue
Jackson, Tennessee 38301

Jackson Energy Authority
Gas Division
250 North Highland Avenue
Jackson, Tennessee 38301

Jackson Energy Authority
Water Division
250 North Highland Avenue
Jackson, Tennessee 38301

Jackson Energy Authority
Wastewater Division
250 North Highland Avenue
Jackson, Tennessee 38301

Jackson Energy Authority
Telecommunications Division
Cable/Internet Business Unit
250 North Highland Avenue
Jackson, Tennessee 38301

The Tennergy Corporation
250 N. Highland Avenue
Jackson, Tennessee 38301

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Transactions with Affiliated Entities Excluding Allocated Costs

Contractual Transactions

None

Non-Contractual Transactions, excluding Allocated Costs

Access Fee Payments to Cable/Internet Business Unit

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Affiliate Transactions by Account Charged

Contractual Transactions

Transaction	Affiliate	Amount	Account Charged	Basis
None				

Non-Contractual Transactions, excluding Allocated Costs

Transaction	Affiliate	Amount	Account Charged	Basis
Minimum Access Fee	Telecommunications Division Cable/Internet Business Unit	$ 53,804.07	Minimum Access Fees to Cable	Fully Distributed Cost
Access Fees for Income in Excess of Required Working Capital	Telecommunications Division Cable/Internet Business Unit	$ 1,849,671.29	Access Fees to Cable - Excess	Income of the Telephone Business Unit in Excess of Required Working Capital

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Costs By Division
(Unaudited)

Cost Description	Electric Division	Gas Division	Water Division	Wastewater Division	Telecommunications Division Cable/Internet Business Unit	Telecommunications Division Telephone Business Unit
Capital Costs	$ 17,532,360.29	$ 4,568,545.31	$ 6,154,005.22	$ 7,188,991.29		$ -
Purchased Power, Gas and Services	120,218,385.44	14,325,841.26	-	-	13,469,537.70	538,342.15
Operating and Maintenance Expenses						
Operating Expenses						
Transmission and Distribution	2,671,973.58	2,175,060.19	1,599,951.92	944,345.99	-	-
Production	-	2,184.82	-	-	-	-
Source of Supply	-	-	570,720.61	-	-	-
Pumping	-	-	686,657.98	137,880.19	-	-
Treatment	-	-	1,294,561.08	2,555,697.28	-	-
Plant Specific	-	-	-	-	1,061,585.25	38,367.30
Plant Non-Specific	-	-	-	-	365,017.78	132,517.89
Customer Accounting and Collecting	883,242.80	1,175,314.02	1,002,069.45	864,349.20	-	-
Customer Service and Informational	399,577.21	-	-	-	4,232,874.73	573,293.70
Sales	42,928.35	259,639.31	-	-	-	-
Administrative and General	8,031,633.06	5,983,932.86	4,938,052.41	4,335,142.11	4,329,935.55	610,804.09
Maintenance Expenses						
Transmission and Distribution	3,978,418.74	1,205,511.55	1,270,701.99	1,107,133.02	-	-
Production	-	4,583.30	-	-	-	-
Source of Supply	-	-	81,758.15	-	-	-
Pumping	-	-	76,307.98	398,251.78	-	-
Treatment	-	-	487,214.33	857,418.67	-	-
Administrative and General	863,290.93	578,892.97	557,025.22	478,163.48	-	-
Depreciation and Amortization	9,904,959.50	4,953,649.28	3,775,493.56	5,405,956.83	7,164,292.18	16,940.88
Taxes	4,700,408.07	2,007,046.43	561,282.19	541,840.96	997,623.68	126,279.75
Non-Operating Expenses	139,251.98	547,698.98	255,380.57	424,212.62	1,005,345.91	310.17
Total Costs	$ 169,366,429.95	$ 37,787,900.28	$ 23,311,182.66	$ 25,239,383.42	$ 32,626,212.78	$ 2,036,855.93

Note: The Jackson Energy Authority Cost Allocation Manual calls for JEA to report "total costs allocated or charged back to each division." This schedule includes both direct and allocated costs. JEA splits costs by transaction at the time the transaction occurs. In addition, both direct and allocated costs are posted to the same accounts in the general ledger. JEA does not record transactions in a "clearing" type account for allocation at a later date. Hence, it is not practical to separate direct costs and allocated costs.

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Updates of Allocation Factors Used

For the fiscal year ended June 30, 2024, the allocation factors used were included in the Cost Allocation Manual filed with the TRA as of December 31, 2023. There were no changes during the fiscal year ended June 30, 2024.

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Financial Statement Data

Please refer to page 4 for financial statement data as recorded for each Jackson Energy Authority division and business unit.

Jackson Energy Authority's audited financials statements will be forwarded to the Tennessee Regulatory Authority when available.

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Property Taxes

Part I

Taxing District	June 30, 2024 Net Book Value	Assessment Ratio	2024 Tax Rate	2024 Equalization Ratio	Tax
Jackson	$ -	0.55	$ 1.61	1.0000	$ -
Madison County	-	0.55	$ 1.87	1.0000	-
Total Part I	$ -				$ -
Total Property Tax Paid (See Note)					$ - (1)

(1) The Telecommunications Division has elected to calculate and pay property taxes in the same manner as a private-sector entity in the same type of business. The Telephone business unit of JEA has no plant and equipment. All Telecommunication property taxes are paid by the Cable business unit and are included in the access fee calculations charged to the Telephone business unit. For the fiscal year ended June 30, 2024, the Cable business unit paid $376,463.71.

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Sales and Use Taxes

Capital expenses	$ -	
Operating expenses	313,394.05	
Total	313,394.05	
@ 7.00% State		$ 21,937.58
Capital expenses	-	
Operating expenses	313,394.05	
Total	313,394.05	
Less: Single article	-	
	313,394.05	
@ 2.75% State		8,618.34
Total sales and use tax		$ 30,555.92

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Franchise and Excise Tax

Franchise Tax

Net Worth				$ 48,191.29
Real & Tangible Personal Property				-
Inventories				-
Rents			Multiple	
Real property		$ -	8	-
Equipment		-	3	-
Furniture, office equipment		-	2	-
Mobile equipment		-	1	-
		$ -		
				$ -
Franchise tax	$.25 per $100 of the greater of Net Worth or Real & Personal Property - Minimum $100			$ 120.48

Excise Tax

Income Subject to Excise Tax		$ 184,670.31
Excise Tax	6.5%	12,003.57

Total Franchise and Excise Tax	$ 12,124.05

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Privilege Tax

Total Operating Revenue, net of access fees	$ 1,554,540.90
Access Fees Paid to the Cable Business Unit	1,903,475.36
Less: Exempt	-
Gross Receipts	3,458,016.26
	Retail
	3,458,016.26
@ Privilege tax - retail - (3/16's of 1%) - City and County	12,967.56
Net Privilege tax	12,967.56

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Federal Income Tax

Total Operating Revenue, net of access fees	$ 2,092,883.05
Cost of goods sold	(538,342.15)
Interest income	65,400.41
Other income	89,778.14
Total income	1,709,719.45
Salaries & wages	448,579.26
Rents	1,073.37
Taxes & licenses	156,555.63
Amortization	16,940.88
Advertising	37,941.37
Pension plan	210,708.98
Employee benefit programs	79,208.22
Other deductions	577,057.78
Total deductions	1,528,065.49
Taxable income	$ 181,653.96
Tax	$ 38,147.33