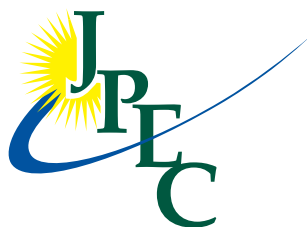




RELIABLE
RESPONSIVE
RESILIENT

ANNUAL 2021 REPORT



JACKSON PURCHASE ENERGY
A member-owned cooperative



RESPONSIVE

Because we are owned by the people we serve, Jackson Purchase Energy Cooperative (JPEC) has a unique accountability to our consumer-members. Throughout our history, it has been our duty to respond and adapt quickly to new and changing circumstances.

Every generation brings its own unique set of challenges, from equipment shortages during World War II to costly regulations in recent decades. Through it all, JPEC has worked with fellow cooperatives across Kentucky, and the nation to advocate for at-cost and reliable electric service for you.

The last few years have been full of challenges. And in this annual report, we would like to share a few examples of how JPEC is responsive to those needs with the best interests of our local communities always top of mind.

At our core, JPEC is responsive to consumer-members we serve because we are led by fellow co-op members. Every member of the JPEC board of directors is a member of this co-op, democratically elected by the membership to represent the interests of all members, not special interests or outside agendas. JPEC board members are your neighbors, not some corporate or activist types who live hundreds or thousands of miles away.

We are proud of our board and grateful for their service. In addition to their supervision and guidance of JPEC, board members receive important education and training, so they are prepared to deal with the complex world of electric service.

From ice and snowstorms, to flooding and tornadoes, 2021 was one of the most challenging weather years in Kentucky history. JPEC was responsive to these challenges.

While storms during 2021 caused their share of destruction in our service area, JPEC was able to provide mutual aid to sister electric cooperatives multiple times last year. Because the national network of transmission and distribution infrastructure owned by electric cooperatives is built to federal standards, line crews from any co-op in America can arrive on the scene ready to provide emergency support, secure in their knowledge of the system's engineering.

We have been on the receiving end of mutual aid in the past, and we know how important it is in times of desperation. From ice storms to tornadoes, JPEC employees were happy to help restore electric service as safely and quickly as possible to those where we could.

Of course, these natural disasters came amid the second year of COVID-19. Though everyone is ready for the end of the pandemic, it is the responsibility of JPEC to both comply with laws and regulations. To protect the health and safety of employees and members, we:

- Followed Centers for Disease Control and Prevention guidelines to protect members and employees.
- Implemented remote work (if possible) to reduce the risk of exposure to COVID-19 to both members and employees.
- Instructed crew members to drive separate vehicles to and from job sites.
- Supported community COVID-19 efforts.
- Presented consistent messaging on social media, the co-op website and in *Kentucky Living*.
- Transitioned the annual meeting to drive-thru format to accommodate safety restrictions and recommendations.

■ Cover, Jason Story operating a Terex digger derrick unloading a utility pole

■ Opposite top, Jackson Purchase Energy Cooperative employees Jonas Roberts, left, Travis Spiceland and Jason Gibson work in the dispatch room.

■ Opposite bottom, Dustin Cope lowers the bucket after adjusting disconnect switches at the Kentucky Lock and Dam expansion project. Photos: Joe Imel



Jackson
Purchase Energy
was built by,
belongs to and is led
by people in the
communities
we serve.





We know from our safety culture that complacency is a threat, so while our team worked to preserve member access to JPEC, we also remained intentional about following safety protocols.

Being responsive to this crisis also means addressing its economic implications. While maintaining the financial stability of JPEC, our board and staff have continued to work with members who face financial uncertainty, connecting them with resources and helping them stay current on their bill rather than racking up large balances.

Following the cooperative principle of “Concern for Community,” JPEC and our employees support our members and their charitable efforts:

- Employee donations to organizations such as the United Way.
- The co-op presents ten \$1,000 scholarships for local students each year.
- We sponsor students on the Frankfort and Washington Youth Tour experience.
- The co-op hangs Christmas lights at a local park, collects donations,

and conducts safety demonstrations for local schools, road departments and fire stations.

In partnership with our power provider, Big Rivers Electric, JPEC is responsive to the needs of local businesses and works to attract new employers like Blockware Mining, Drake Lighting and Cheddars Scratch Kitchen. With some of the most competitive electric rates in the country and our record of reliability and resilience, we have a great story to tell.

We are grateful to the people who built JPEC in 1937 and everyone who has contributed to the stewardship of our co-op ever since. They all were responsive to the challenges and opportunities they faced. We are also grateful to the 22,867 consumer-members we serve in six counties in western Kentucky. You are the reason we exist, and we pledge to be responsive, reliable and resilient as we work to serve you and these communities we all call home.

Thank you for letting JPEC serve you, and feel free to reach out to us any time you have a question.

■ Above, consumer-member Don Barger and Staking Technician Jose Lopez discuss adding a new service.

■ Right, Jake Mills prepares the rigging for utility pole installation.

■ Opposite bottom, JPEC leadership team members, from left, Ward Morgan, Jeff Williams, Greg Grissom and Scott Adair. Photos: Joe Imel





Erick Harris
Chair



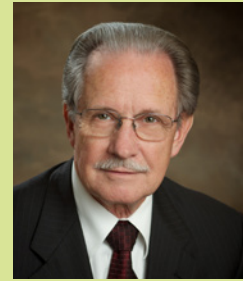
Jack Marshall
Vice Chair



Wayne Elliott
Secretary/Treasurer



Joshua Barnes
Director



Lee Bearden
Director



Kevin Bell
Director



Dr. Ivus Crouch
Director



Terry Teitloff
Director



Greg Grissom
President & CEO



Richard Walter
General Counsel

ANNUAL MEETING OF MEMBERS OF JACKSON PURCHASE ENERGY COOPERATIVE

The 2022 Annual Meeting will be recorded and available for viewing online at www.jpenergy.com. Members may submit questions to be addressed at the annual meeting during the drive thru registration.

When: Tuesday, June 28

Drive-Thru Registration: 9:00 AM–2:00 PM

Where: Jackson Purchase Energy Cooperative headquarters
(6525 Us Hwy 60 W Paducah, KY 42001)

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Determine quorum
2. Reading of the notice of the meeting and proof of mailing
3. Approval of membership meeting minutes held June 21, 2021
4. Presentation of financial report
5. Announcement of election results
6. Announcement of bylaw revision results
7. Unfinished business
8. New business
9. Adjournment

AGENDA



2021

JACKSON PURCHASER YEAR IN REVIEW

ACTIVE ACCOUNTS

As of December 31, 2021

Ballard	2,881
Carlisle	543
Graves	2,412
Livingston	5,896
Marshall	4,959
McCracken	13,742
TOTAL	30,433

ACCOUNTS BILLED

2021	30,433
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AVERAGE KWH USAGE

(residential per month)

2021	1,168
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MILES OF LINE

2021	2,983
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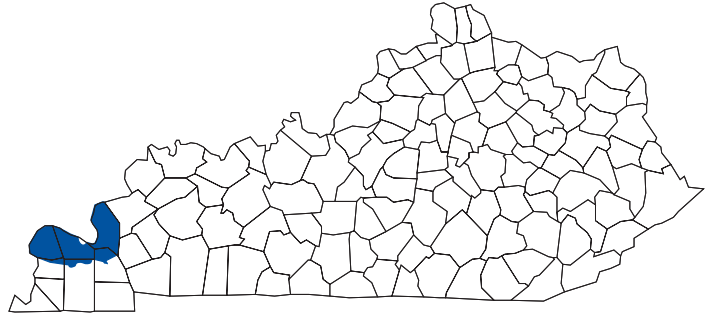
CONSUMERS PER MILE

2021	10.20
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FOR INFORMATION AND INQUIRIES

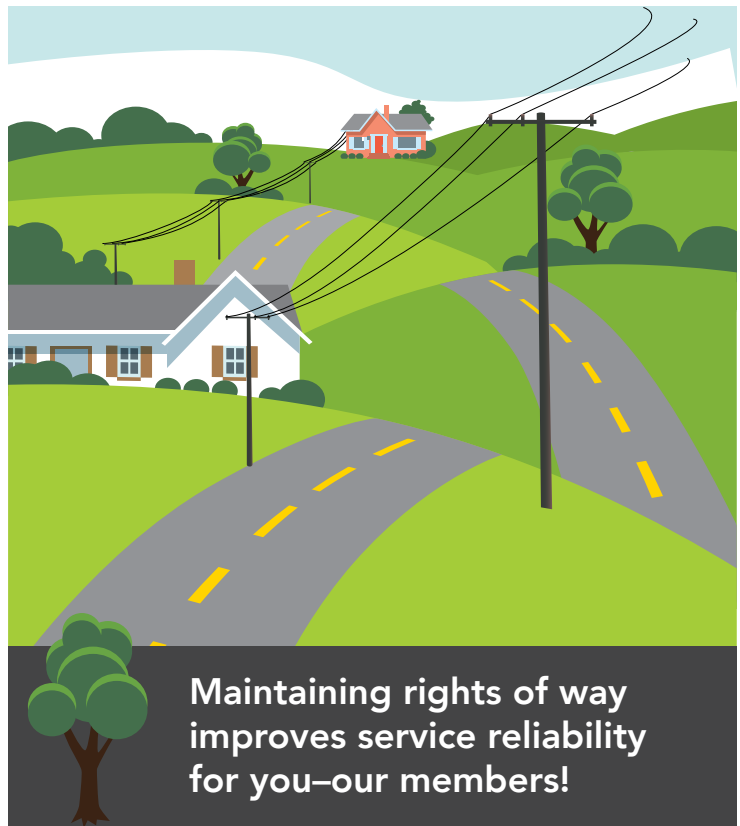
6525 US HWY 60 W
Paducah, KY 42001
(270) 442-7321
jpenergy.com

SERVICE AREA



We clear certain areas in our service territory, known as rights of way, to:

- Protect our members from electrical hazards
- Reduce tree related outages
- Restore power more efficiently



Maintaining rights of way
improves service reliability
for you—our members!

CHASE ENERGY COOPERATIVE

STATEMENT OF OPERATIONS

As of December 31, 2021

Operating Revenue\$68,219,738

OPERATING EXPENSE

Purchased Power\$48,783,326
Operating System..... 11,927,026
Depreciation6,694,286
Taxes.....86,031
Interest on Loans1,808,503
Other Deductions.....1,701
Total Cost of Electric Service\$69,300,873

Operating Margins\$(1,081,135)

Non-Operating Margins(514,361)

Other Capital Credits350,558

Patronage Capital and Margins.....\$(1,244,938)

BALANCE SHEET

As of December 31, 2021

ASSETS

Total Utility Plant.....\$198,690,796
Less Depreciation75,426,395
Net Utility Plant123,264,401
Investments in Associate Organization.....3,854,966
Cash.....4,560,370
Accounts and Notes Receivable.....5,514,191
Inventory.....2,202,404
Accrued Unbilled Revenue3,643,168
Deferred Debits and Other Assets537,146

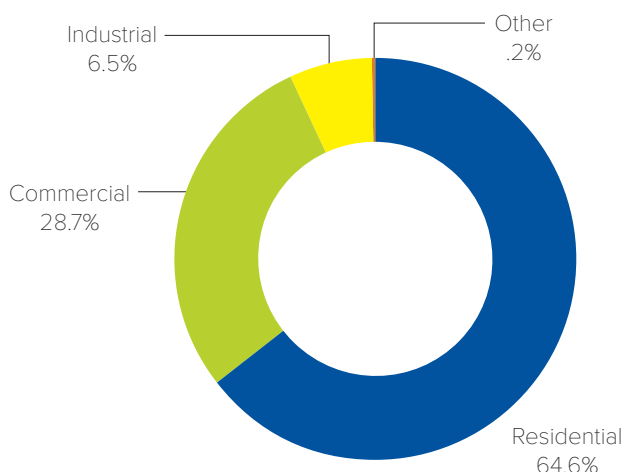
Total Assets..... \$143,576,646

LIABILITIES

Consumer Deposits.....\$3,044,887
Membership and Other Equities50,384,711
Long-Term Debt78,267,878
Current Portion of Long-Term Debt2,336,300
Notes and Accounts Payable5,456,450
Other Current Liabilities4,086,420

Total Liabilities \$143,576,646

REVENUE SOURCES



COMMUNITY-FOCUSED

Electric cooperatives are different than other types of energy providers.

- We are led by consumer-members just like you.
- We were built by the community we serve.
- We still belong to the community.



2022

Official Notice
**JACKSON PURCHASE
ENERGY COOPERATIVE
ANNUAL MEETING**

WADE HARRIS

TUESDAY, JUNE 28, 2022

Drive-thru Registration

9 a.m.–2 p.m.

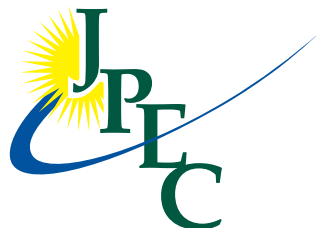
Jackson Purchase Energy Parking Lot

6525 US Hwy 60 W
Paducah, KY 42001

The 2022 annual business meeting will be held online. The meeting will be recorded and can be viewed online at www.jpenergy.com.

Each member who registers will receive \$10 cash and a free gift (limited to the first 700 members). Identification will be required, no exceptions will be made.

You may submit a question for the annual meeting at the drive-thru registration.



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