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Leonard K. Peters  
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Energy and Environment Cabinet

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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

November 14, 2014

## PARTIES OF RECORD

Re: Case No. 2014-00194

Attached is a copy of a memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum please do so within five days of receipt of this letter. If you have any questions, please contact David Spenard, Commission Counsel, at 502/782-2580.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Derouen".

Jeff Derouen  
Executive Director

Enclosures

**INTRA-AGENCY MEMORANDUM**  
**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Case File No. 2004-00194  
**FROM:** David Spenard, Staff Attorney  
**DATE:** November 14, 2014  
**RE:** Informal Conference of November 12, 2014

Pursuant to the Commission's November 4, 2014 Order, an informal conference was held in this matter on November 12, 2014. A list of attendees is attached.

Mr. Bill's Grocery, the Complainant, through counsel stated its concerns that the estimate by Jackson Energy Cooperative Corporation ("Jackson Energy") was not correct because it did not take into consideration changes in the operation of the business during the period for there was a problem in measuring usage. Mr. Bill's Grocery stated its concern that Jackson Energy could not identify with certainty the exact date of the occurrence of a defect in Jackson Energy's measurement facility.

Jackson Energy, the Defendant, through counsel stated that it has a responsibility to collect for any under-billed usage by Mr. Bill's Grocery. Jackson Energy stated that it could not bill for service after two years from the date of the service. Jackson Energy stated that the defect in its measurement facility had resulted in an under-billing for an approximate three-year period. Jackson Energy stated that it sought only to collect for the two-year period immediately prior to the detection and correction of the problem with its measurement facility.

The parties and Commission Staff discussed the manner in which Jackson Energy calculated its estimate of usage. Mr. Bill's Grocery stated a concern with the month chosen by Jackson Energy for developing its estimated backbill usage multiplier. Commission Staff stated a concern with Jackson Energy's inclusion of a monthly customer charge amount in calculating the per kWh rate for the back-billing. Jackson Energy stated that it would agree to recalculate the under-billing in a manner consistent with Commission Staff's recommendation. Mr. Bill's Grocery stated agreement with the recalculation and the revised amount due for the under-billing. Jackson Energy stated that it would draft a settlement agreement, and the parties stated that an executed settlement agreement would be submitted to the Commission within 7 to 10 days.

There being no further business, the informal conference adjourned.

Enclosure

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MR. BILL'S GROCERY	)	
	)	CASE NO.
COMPLAINANT	)	2014-00194
	)	
V.	)	
	)	
JACKSON ENERGY COOPERATIVE CORPORATION	)	
	)	
DEFENDANT	)	

SIGN IN

November 12, 2014

PERSON

REPRESENTING

2 en 44  
Eno Klobner  
JOHN SHUPP  
Bill Meader  
Bill Flinnery  
Clayton Oswald  
Larry Lakes  
Carol Wright

Commission Staff  
KPSC-FA  
KPSC-ENG  
Mr. Bill's Grocery by telephone  
Mr. Bill's Grocery by telephone  
Jackson Energy by telephone  
Jackson Energy by telephone  
Jackson Energy by telephone