

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF JACKSON)	CASE NO.
PURCHASE ENERGY CORPORATION)	2010-00512
FROM JULY 17, 2009 THROUGH)	
OCTOBER 31, 2010)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 26, 2011, established this case to review and evaluate the application of the Fuel Adjustment Clause ("FAC") of Jackson Purchase Energy Corporation ("Jackson Purchase") for the period from July 17, 2009 through October 31, 2010.

As part of this review, the Commission ordered Jackson Purchase to submit certain information and an affidavit attesting to its adherence to 807 KAR 5:056. The Commission further ordered that a public hearing be held on March 22, 2011. On March 18, 2011, Jackson Purchase filed affidavits of publication that indicated that timely notice of the public hearing had been published in three newspapers in its service territory but that timely notice had not been published in three other newspapers in its service territory. The March 22, 2011 public hearing was cancelled when, after publication of notice in McCracken, Marshall, and Graves Counties, no interested person advised the Commission of his or her intent to attend.

On April 6, 2011, the Commission issued an Order setting a new hearing date of May 3, 2011 and requiring Jackson Purchase to publish notice of the hearing in its

service territories of Carlisle, Ballard, and Livingston Counties. The Order indicated that if no interested party filed written notice of intent to attend the hearing by April 29, 2011, the hearing would be canceled and the matter would be considered submitted for decision based on the evidence in the record.

The public hearing was cancelled when, after publication of notice, no interested person advised the Commission of his or her intent to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. During the period under review, Jackson Purchase has complied in all material respects with the provisions of 807 KAR 5:056.

2. Big Rivers Electric Corporation ("Big Rivers"), the wholesale supplier of Jackson Purchase, has been authorized to transfer (roll-in) to its base energy rates 10.212 mills per kWh of fuel costs that were being recovered through its FAC.¹

3. Except for its direct-served customer, Jackson Purchase should be authorized to transfer (roll-in) to its base energy rates 10.749 mills per kWh to reflect, as adjusted for line loss, the transfer (roll-in) by Big Rivers of 10.212 mills per kWh of fuel costs to Big Rivers' base energy rates that were being recovered through its FAC. As there is no line adjustment for direct-served customers, Jackson Purchase should be authorized to transfer (roll-in) 10.212 mills per kWh to the base energy rates applicable to its direct-served customer.

¹ Case No. 2010-00495, An Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from July 17, 2009 through October 31, 2010 (Ky. PSC May 31, 2011).

4. The rates and charges in the Appendix to this Order are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Jackson Purchase through the FAC for the period from July 17, 2009 through October 31, 2010 are approved.

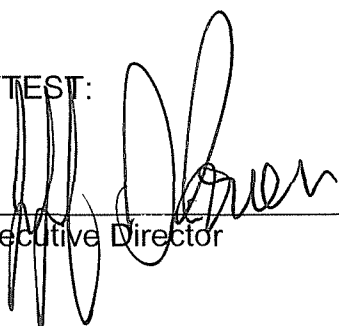
2. Except for its direct-served customer, Jackson Purchase shall transfer (roll-in) 10.749 mills per kWh to base energy rates (as adjusted for line-loss) to reflect the transfer (roll-in) by Big Rivers of 10.212 mills per kWh of fuel costs to Big Rivers' base energy rates that were being recovered through its FAC as approved in Case No. 2010-00495. As there is no line adjustment for direct-served customers, Jackson Purchase shall transfer (roll-in) 10.212 mills per kWh to the base energy rates applicable to its direct-served customer.

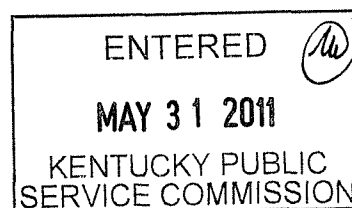
3. The rates in the Appendix to this Order are approved for service rendered by Jackson Purchase on and after June 1, 2011, the effective date of Big Rivers' change in rates.

4. Within 20 days of the date of this Order, Jackson Purchase shall file revised tariff sheets with the Commission setting out the rates approved herein and reflecting that they were approved by this Order.

By the Commission

ATTEST:


Executive Director



APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00512 DATED **MAY 31 2011**

The following rates and charges are prescribed for the customers in the area served by Jackson Purchase Energy Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SCHEDULE R
RESIDENTIAL

Energy Charge per kWh \$.072859

SCHEDULE C-1
SMALL COMMERCIAL - SINGLE PHASE

Energy Charge per kWh \$.073869

SCHEDULE C-3
SMALL COMMERCIAL - THREE PHASE

Energy Charge per kWh \$.070139

SCHEDULE D
COMMERCIAL AND INDUSTRIAL - DEMAND LESS THAN 3,000 kW

Energy Charge per kWh:
First 200 kWh per kW \$.044969
Next 200 kWh per kW \$.037669
Next 200 kWh per kW \$.033959
Over 600 kWh per kW \$.030359

SCHEDULE I-E
LARGE COMMERCIAL AND INDUSTRIAL - EXISTING

Energy Charge per kWh \$.027562

SCHEDULE L
LARGE COMMERCIAL AND INDUSTRIAL - 3,000-5,000 kW

Energy Charge per kWh \$.027562

SCHEDULE OL
OUTDOOR LIGHTING

Flat rate per light per month as follows:

175 Watt M.V.	\$	8.26
400 Watt M.V.	\$	12.78
100 Watt H.P.S.	\$	7.94
250 Watt H.P.S.	\$	11.02
250 Watt H.P.S. - Flood	\$	11.58
175 Watt Metal	\$	13.44
150 Watt Metal	\$	13.02
400 Watt Metal	\$	19.57
1,000 Watt Metal - Flood	\$	28.99

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