COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

THE APPLICATION OF JACKSON PURCHASE

ELECTRIC COOPERATIVE CORPORATION FOR

RATE INCREASE TO FLOW-THROUGH THE

WHOLESALE POWER COST INCREASE OF

KENTUCKY UTILITIES COMPANY'S

APPLICATION WITH THE FEDERAL ENERGY

REGULATORY COMMISSION FOR A WHOLESALE

POWER RATE INCREASE

CASE NO. 8223

ORDER

On August 24, 1982, the Commission entered an Order approving reduced rates for Jackson Purchase Electric Cooperative Corporation ("Jackson Purchase") for service rendered on and after November 21, 1981. The rates reflected the reduced wholesale power bill resulting from the Federal Energy Regulatory Commission decision on July 15, 1982, in docket number ER81-341. Jackson Purchase was ordered to file a plan for refunding excess charges to its customers.

On September 21, 1982, Jackson Purchase filed a refund plan.

Jackson Purchase received a refund from Kentucky Utilities Company including interest of \$344,393 based on wholesale service from November 21, 1981, through June 23, 1982. Jackson Purchase calculated an additional refund due to its customers of \$50,093 including interest based on service from June 23, 1982, through July 24, 1982. This calculation contained minor arithmetic errors. The correct additional refund amount is \$51,168 increasing the total refund amount to \$395,561. Jackson Purchase proposed to make the refund in October, 1982. The Shell pumping station, as the only member

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served off the Capline substation, would be refunded \$19,382 by check. All other customers would be refunded an amount equal to \$.001907 times the kilowatt hours billed from January, 1982, through August, 1982. For street and security lighting customers the refund amount would equal \$.14 per 175 watt light per month and \$.32 per 400 watt light per month. Customers with accounts active in October, 1982, will receive a one time credit on their bill. Customers with accounts inactive in October, 1982, would be refunded by check.

The Commission, after review of the evidence and being advised, is of the opinion and finds that the proposed refund plan as corrected in this Order is fair and reasonable and should be approved.

IT IS THEREFORE ORDERED that the proposed refund plan be and it hereby is approved with the corrections stated herein.

IT IS FURTHER ORDERED that Jackson Purchase shall refund approximately \$395,561 to its customers using the plan approved herein.

IT IS FURTHER ORDERED that Jackson Purchase file with the Commission verification of completion of the refund.

Done at Frankfort, Kentucky, this 30th day of September, 1982.

PUBLIC SERVICE COMMISSION

Chairman

Safteine Falle

Vice Chairman

Commissioner

ATTEST:

Secretary