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May 3, 2005

FEDEX

Ms. Elizabeth O'Donnell
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
Frankfort, Kentucky 40601

RECEIVED

MAY 4 2005

PUBLIC SERVICE
COMMISSION

Re: Case No. 2004-00319

Dear Ms. O'Donnell:

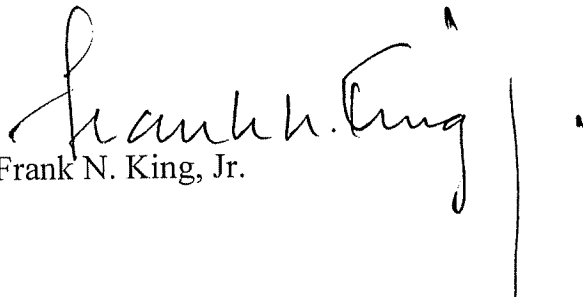
Enclosed for filing please find Response and Reply on behalf of
applicant Jackson Purchase Energy Corporation.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By


Frank N. King, Jr.

FNKJr/cds

COPY/w/encls.:

Service List

Jackson Purchase Energy Corporation

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAY 4 2005

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF JACKSON PURCHASE)
ENERGY CORPORATION FOR)
ADJUSTMENTS IN EXISTING CABLE)
TELEVISION ATTACHMENT TARIFF)CASE NO. 2004-00319

RESPONSE OF JPEC TO MOTION TO APPLY CTAT RATES TO
BALLARD RURAL
and
REPLY OF JPEC TO BALLARD RURAL'S RESPONSE TO
MOTIONS TO DISMISS AND TO APPROVE SETTLEMENT
AGREEMENT

Despite this lengthy heading, the issues before the Commission in this case are not overly involved or complex. This is a rate case in which JPEC seeks an adjustment in the rates set forth in its CTAT. JPEC and the four (4) CATV operators, through their association KCTA, have agreed to the new rates, and they seek to get these new rates into effect. However, Ballard Rural, a telephone company that is a party to a joint use agreement with JPEC, was allowed to intervene over the objection of JPEC and is delaying the

implementation of the new rates by opposing the settlement and seeking to have JPEC's CTAT rates apply to it.

The Commission should deny Ballard Rural's motion and grant JPEC's two (2) pending motions because:

1. In another pending case involving these two (2) parties, Case No. 2004-00036, the Commission entered order on March 23, 2005, holding that JPEC and Ballard Rural, as joint users, should negotiate rates and terms of service and, if they cannot reach agreement, the Commission will conduct an investigation and establish rates and terms for pole attachments that are fair, just and reasonable. In that case Ballard Rural also sought to have the CTAT rates apply to it. Thus, the Commission has already declined to apply JPEC's CTAT rates to Ballard Rural.

(It is to be noted that Ballard Rural did not seek review of this ruling by the Commission and a settlement conference is scheduled on May 19, 2005, in Case No. 2004-00036 for joint pole rates and terms to be negotiated.)

2. Ballard Rural should not be allowed to get "another bite of the apple." The Commission has considered Ballard Rural contention and has ruled otherwise. It would be improper and totally illogical to allow

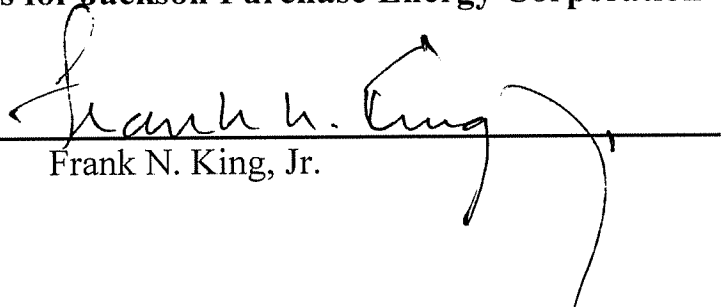
Ballard Rural to unearth its defeated position and attempt to resurrect it in the instant case.

3. Because Ballard Rural is not entitled to JPEC's CTAT rates, Ballard Rural should not be permitted to delay implementation of JPEC's new CTAT rates. Ballard Rural's position as intervenor has absolutely no relevance to the purpose of this case, but its presence in the case and opposition to the settlement prevents JPEC and KCTA from presenting to the Commission a unanimous settlement for approval.

For the foregoing reasons, JPEC respectfully requests that Ballard Rural's motion to have CTAT rates apply to it be denied and that JPEC's pending motions to dismiss Ballard Rural as an intervenor herein and to approve the tendered Settlement Agreement be granted.

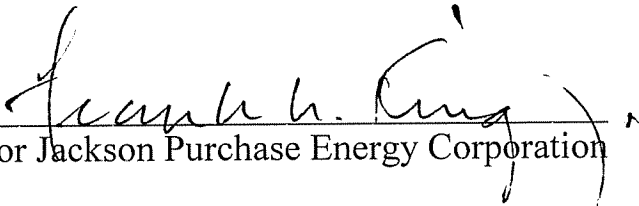
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Attorneys for Jackson Purchase Energy Corporation

By


Frank N. King, Jr.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing has been served upon the Gardner F. Gillespie, Hogan & Harston, L.L.P., 555 Thirteenth Street, Washington, D.C. 20004-1109; Frank F. Chuppe, Wyatt, Tarrant & Combs, LLP, 500 West Jefferson Street, Suite 2600, Louisville, KY 40202, attorneys for Kentucky Cable Telecommunications Association; and John E. Selent and Holly C. Wallace, Dinsmore & Shohl, LLP, 1400 PNC Plaza, 500 West Jefferson Street, Louisville, KY 40202, Attorneys for Ballard Rural Telephone Cooperative Corporation, Inc., by mailing a true and correct copy of same on this 3rd day of May, 2005.



counsel for Jackson Purchase Energy Corporation