

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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MAY 06 2008

PUBLIC SERVICE  
COMMISSION

IN THE MATTER OF:

GENERAL ADJUSTMENT OF ELECTRIC )  
RATES OF JACKSON PURCHASE ENERGY ) CASE NO. 2007-00116  
CORPORATION, )  
)

**SUPPLEMENTAL TESTIMONY OF G. KELLY NUCKOLS**

After first being duly sworn, the affiant, G. Kelly Nuckols, states as follows:

1. I am the President and Chief Executive Officer of Jackson Purchase Energy Corporation (“JPEC”), the applicant in the above-styled case.

2. I have knowledge of and am familiar with the financial condition of JPEC, and I have knowledge of the particular facts and issues involved in this case.

3. JPEC has filed an Application for an adjustment of its rates with the Kentucky Public Service Commission, and the Office of the Attorney General of the Commonwealth of Kentucky has intervened in the case.

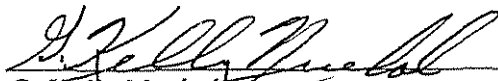
4. The original Application filed by JPEC sought an increase in revenue of \$3,544,064.

5. JPEC and the Office of the Attorney General have met and conferred and reached a settlement between the parties which provides for an increase in revenue in the amount of \$3,380,983, as set out in more detail in the “Joint Settlement Stipulation and Recommendation,” and attachments thereto, which has been filed with the Kentucky Public Service Commission.

6. I have also consulted with William K. Edwards, a consultant and expert witness in this matter, regarding the reasonableness of the settlement number.

7. Based on my own review and my consultation with Bill Edwards, I am of the opinion that the terms of the Joint Settlement Stipulation and Recommendation are reasonable, just, and fair, and will allow JPEC to achieve a financial situation that is acceptable.

Further the affiant sayeth naught.

  
\_\_\_\_\_  
G. Kelly Nuckols  
President and CEO, Jackson Purchase Energy  
Corporation

STATE OF KENTUCKY        )

COUNTY OF McCracken    )

Subscribed and sworn to before me by G. Kelly Nuckols on this the 1<sup>st</sup> day of May, 2008.

My commission expires 2/17/2012.

  
\_\_\_\_\_  
Notary Public, State at Large

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