

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JACKSON COUNTY)
RURAL ELECTRIC COOPERATIVE)
CORPORATION OF MCKEE,) CASE NO. 9650
KENTUCKY, FOR AN ORDER)
AUTHORIZING THE ADOPTION OF)
NEW INDUSTRIAL TARIFFS)

O R D E R

On December 4, 1986, Mt. Vernon Plastics Corporation ("Mt. Vernon") filed a motion for reconsideration and for hearing in this case. On December 5, 1986, Jackson County Rural Electric Cooperative Corporation ("Jackson County") filed a petition for rehearing in this case.

Mt. Vernon wants to present evidence in regard to Schedule 46. In its motion Mt. Vernon states that with a rate reduction, it will be able to continue rapid growth and greatly increase its usage, and without a rate reduction its present usage will diminish or expire.

In its petition Jackson County stated that it and Mt. Vernon could produce proof that Mt. Vernon's electric load will increase to the point where Jackson County could provide service under Schedule 46 with no loss of net revenue.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

(1) Mt. Vernon's motion for reconsideration and hearing should be granted. Mt. Vernon should file with the Commission within 30 days of the date of this Order documents and written testimony it intends to present in support of its projected electric usage with and without approval of Schedule 46.

(2) Jackson County's petition for rehearing should be granted. Jackson County should file with the Commission within 30 days of the date of this Order supporting computations for the test-year power cost and income amounts stated in Exhibit I of its amended application, its forecast of Mt. Vernon's future load, assumptions and evidence supporting that forecast, projected annual revenue net of power cost for serving Mt. Vernon's forecasted load with supporting calculations, and other documents and written testimony it intends to present in support of Schedule 46.

IT IS THEREFORE ORDERED that:

(1) Mt. Vernon's motion for reconsideration and hearing be and it hereby is granted. Mt. Vernon shall file with the Commission within 30 days of the date of this Order the information requested herein. If the information cannot be provided by the due date, Mt. Vernon should submit a motion for an extension of time stating the reason why a delay is necessary and including a date by which the information will be furnished. Such motion will be considered by the Commission.

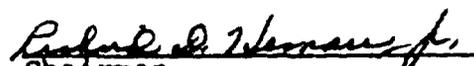
(2) Jackson County's petition for rehearing be and it hereby is granted. Jackson County shall file with the Commission within 30 days of the date of this Order the information requested

herein. If the information cannot be provided by the due date, Jackson County should submit a motion for an extension of time stating the reason why a delay is necessary and including a date by which the information will be furnished. Such motion will be considered by the Commission.

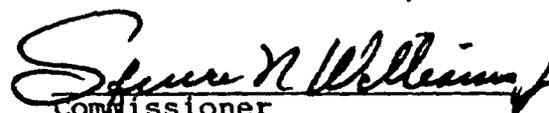
(3) A hearing is hereby set for February 17, 1987, at 1:30 p.m., Eastern Standard Time, in the Commission's offices, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 24th day of December, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director