

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF JACKSON PURCHASE)
ELECTRIC COOPERATIVE CORPORATION'S) CASE NO. 9975
RATES FOR DISTRIBUTION ELECTRIC SERVICE)

O R D E R

The Commission, on its own Motion, initiated Case No. 9885, An Investigation of Big Rivers Electric Corporation's Rates for Wholesale Electric Service, to review the current wholesale rates authorized for Big Rivers Electric Corporation ("Big Rivers") and also initiated this case on its own Motion to investigate the flow-through rates of Jackson Purchase Electric Cooperative Corporation ("Jackson Purchase"). Jackson Purchase had previously filed information in Case No. 9614¹ to support its flow-through rates to Big Rivers Rate Case No. 9613.² However, no rate increase was granted Big Rivers at that time. The background information filed by Jackson Purchase in Case No. 9614 is still applicable to the present case.

¹ Notice and Application of Jackson Purchase Electric Cooperative Corporation for Permission to Flow Through a Wholesale Rate Increase Filed Before the Kentucky Public Service Commission by Big Rivers Electric Corporation, Docket No. 9613.

² Big Rivers Electric Corporation's Notice of Changes in Rates and Tariffs for Wholesale Electric Service and of a Financial Workout Plan.

Jackson Purchase is one of four member distribution cooperatives of Big Rivers. In Case No. 9885, Big Rivers requested an increase in revenue, excluding aluminum smelter delivery points, of approximately \$15,219,001. Of this total increase, Jackson Purchase would experience an increase in power costs of approximately \$3,770,388, which represents 24.77 percent of the proposed Big Rivers increase and would result in an overall increase to Jackson Purchase's consumers of approximately 20.3 percent.

The Commission, after review of the evidence of record and being advised, is of the opinion and finds that:

1. The Commission, by reference, incorporates Case No. 9614 as a part of the record in this case.

2. The actual increase allowed Big Rivers, excluding aluminum smelter delivery points, in Case No. 9885, is \$13,321,181, which will result in an increase in power costs to Jackson Purchase of \$3,352,258.

3. Jackson Purchase's financial condition would be materially impaired if it were not allowed to recover the increased wholesale power costs allowed in Case No. 9885.

4. The revised rates and charges in Appendix A are designed to reflect only the increased power costs from Big Rivers allowed in the Final Order in Case No. 9885.

5. The flow-through of the wholesale power costs will not result in any additional net margin to Jackson Purchase.

IT IS THEREFORE ORDERED that:

1. Jackson Purchase be and it hereby is authorized to flow-through the increased power costs resulting from the rate

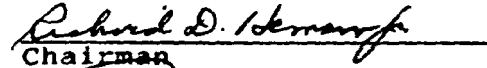
increase granted its wholesale power supplier, Big Rivers, in Case No. 9885.

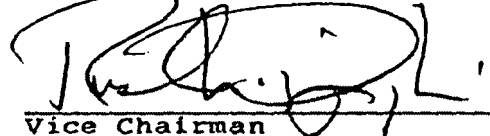
2. The rates in Appendix A shall be placed into effect on the effective date of the Big Rivers' wholesale power increase.

3. Jackson Purchase shall, within 20 days from the date of this Order, file its revised tariff sheets setting out the rates and charges approved herein.

Done at Frankfort, Kentucky, this 31st day of August, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9975 DATED AUGUST 31, 1987.

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

SCHEDULE R - RESIDENTIAL

Rates:

<u>Service Charge:</u>	\$ 6.15 Per Month
First 400 KWH	.07474 Per KWH
Next 600 KWH	.05377 Per KWH
Over 1,000 KWH	.04960 Per KWH

SCHEDULE SL - MERCURY VAPOR SECURITY LIGHTING

175 Watt Mercury Vapor Lamp	\$8.15 Per Month
400 Watt Mercury Vapor Lamp	12.20 Per Month

SCHEDULE CSL - COMMUNITY & PUBLIC AUTHORITY STREET LIGHTING

175 Watt Mercury Vapor Lamp	\$8.15 Per Month
400 Watt Mercury Vapor Lamp	12.20 Per Month

SCHEDULE C - SMALL COMMERCIAL

Rates:

Service Charge:	\$6.15 Per Month
First 500 KWH Per Month	.07490 Per KWH
Next 500 KWH Per Month	.06586 Per KWH
Next 5,000 KWH Per Month	.06029 Per KWH
Over 6,000 KWH Per Month	.04976 Per KWH

SCHEDULE D - COMMERCIAL AND INDUSTRIAL SERVICE & THREE
 PHASE SERVICE OVER 25 KVA, SINGLE-PHASE
 RESIDENTIAL OVER 50 KVA

Service Charge:	\$15.00 Per Month
Demand Charge	5.35 Per KW Per Month
First 200 KWH Per KW Per Month	.03639 Per KWH
Over 200 KWH Per KW Per Month	.03361 Per KWH

SCHEDULE SP - SEASONAL POWER SERVICE

First 1,500 KWH	\$.12935 Per KWH
Next 500 KWH/H.P.	.09305 Per KWH
All Additional KWH	.05534 Per KWH

Minimum Annual Charge:

First 25 Connected HP or Less	\$309.00
Balance of Connected HP or Less	9.99

SCHEDULE I - INDUSTRIAL SERVICE

Demand Charge:

First 3,000 KW - Min./Mo.	\$24,162.00
All Additional Per KW Per Month	8.054
Energy Charge:	
All KWH	.018971 Per KWH

SCHEDULE ND - COMMERCIAL & INDUSTRIAL & ALL OTHER THREE PHASE
 SERVICE UNDER 25 KVA, RESIDENTIAL SERVICE
 50 KVA OR LESS

Service Charge:	\$7.00 Per Month
First 500 KWH Per Month	.07490
Next 500 KWH Per Month	.06586
Next 5,000 KWH Per Month	.06029
Over 6,000 KWH Per Month	.04976