

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION)
OF THE ENVIRONMENTAL SURCHARGE PASSTHROUGH) CASE NO.
MECHANISM OF JACKSON PURCHASE ELECTRIC) 96-329
COOPERATIVE AS BILLED FROM DECEMBER 1, 1995 TO)
APRIL 30, 1996)

ORDER

IT IS ORDERED that Jackson Purchase Electric Cooperative Corporation ("Jackson Purchase") shall file an original and 10 copies of the following information with this Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. The information requested herein is due no later than August 29, 1996.

1. In the Commission's July 12, 1996 Order, the review period was established as the billing period from December 1, 1995 to April 30, 1996. In its filing of July 26, 1996, Jackson Purchase expanded the review period as the billing period from November 1, 1995 to May 27, 1996. Explain why Jackson Purchase found it necessary to expand the review period.

2. Describe how Jackson Purchase proposes to return its over-recovery to non-dedicated customers. Specifically, does Jackson Purchase propose a dollar

adjustment to the amounts billed to non-dedicated customers, a billing factor adjustment, or through the use of some other method? Why is this method reasonable?

3. In Case No. 95-208,¹ the Commission approved the Big Rivers Electric Corporation's ("Big Rivers") member distribution cooperatives' ("Cooperatives") proposal to split the monthly Big Rivers environmental surcharge between two customer groups: those served from dedicated delivery points and those served from non-dedicated delivery points. For dedicated delivery point customers, the Cooperatives proposed to transfer directly to those customers' retail electric bills the amounts billed by Big Rivers to dedicated delivery points. This approach was possible since the wholesale power bill from Big Rivers designated the amounts billed by delivery point. In its response to Item 4(a), page 1 of 2, of the Commission's July 12, 1996 Order, Jackson Purchase calculates over- and under-recovery for Shell Oil, a dedicated delivery point customer of Jackson Purchase. If the environmental surcharge amount is directly transferred to Shell Oil's retail electric bill from the wholesale power bill, how can any over- and under-recoveries exist for this customer?

4. The KWH Purchased taken from the September 1995 power bill (Item 4(a), page 2 of 2) does not agree with the Big Rivers' invoice to Jackson Purchase - Rurals (Item 4(d), page 1 of 7). Prepare a reconciliation of these two amounts and describe the reason(s) for the difference.

¹ Case No. 95-208, The Applications of Green River Electric Corporation, Henderson Union Electric Cooperative Corporation, Jackson Purchase Electric Cooperative Corporation, and Meade County Rural Electric Cooperative Corporation for Approval of Mechanisms to Flow Through Environmental Surcharges to be Charged by Their Wholesale Power Supplier, Big Rivers Electric Corporation.

5. Refer to Item 4(d), page 2 of 7. Explain the reason(s) for the adjustment to KWH purchased. Also explain why the higher amount was not used in the calculations shown in Item 4(a), page 2 of 2.

6. Refer to Item 4(d), pages 4 and 7 of 7. Explain the reason(s) for the adjustment to the environmental surcharge billed by Big Rivers.

Done at Frankfort, Kentucky, this 15th day of August, 1996.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director