

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PROPOSED)
GENERAL RATE ADJUSTMENT BY) CASE NO. 97-224
JACKSON PURCHASE ELECTRIC)
COOPERATIVE CORPORATION)

O R D E R

By Order dated June 24, 1997, the Commission granted the application of Jackson Purchase Electric Cooperative Corporation ("Jackson Purchase") for authority to use the abbreviated form of newspaper notice specified in 807 KAR 5:001, Section 8. Upon further review and analysis, the Commission finds that the substance of this case will be to adjust the rates of Jackson Purchase and the notice requirements for general rate adjustments are set forth in 807 KAR 5:001, Section 10(3), which has superseded 807 KAR 5:011, Section 8.

Based on the requirements of 807 KAR 5:001, Section 10(3), the Commission further finds that the proposed abbreviated notice fails to disclose: (1) the present and proposed rates; (2) the proposed changes in dollars and percentages for each customer class to be adjusted; or (3) the effect on the average bill for each customer class to be adjusted. Thus, the proposed abbreviated notice provides Jackson Purchase's customers with none of the requisite information deemed necessary for determining the financial impact of the rate adjustment and whether intervention should be requested.

In prior cases the Commission has authorized the use of abbreviated notice only when such notice fully disclosed the requisite information applicable to all residential customers and those commercial and industrial customers served under frequently used rate schedules. Thus, the intent of an abbreviated notice is to relieve utility from the burdensome cost to publish voluminous rate information for rarely used rate schedules. Jackson Purchase has not alleged that it has a large number of rarely used rate schedules and, in any event, the \$1200 cost to publish the full notice is not burdensome considering its annual operating expenses are \$31.9 million.

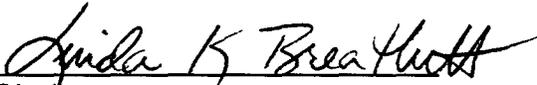
The Commission recognizes that when notice of a general rate adjustment is given by newspaper publication, 807 KAR 5:001, Section 10(4)(c)3 requires the first publication to be within seven days of the filing of the rate application. To the extent Jackson Purchase is unable to comply with that requirement due to its reliance on the June 24, 1997 Order, the Commission finds good cause to allow the first publication to be made as soon as reasonable possible.

IT IS THEREFORE ORDERED that:

1. The June 24, 1997 Order granting Jackson Purchase authority to use an abbreviated notice is rescinded.
2. To the extent Jackson Purchase is unable to publish its first newspaper notice within seven days of filing its rate application, the first notice shall be published as soon as reasonably possible after the application is filed.

Done at Frankfort, Kentucky, this 30th day of June, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director