

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE AND APPLICATION OF JACKSON)
PURCHASE ELECTRIC COOPERATIVE)
CORPORATION FOR PERMISSION TO)
FLOW THROUGH A PORTION OF THE) CASE NO. 97-224
GENERAL RATE DECREASE FILED BEFORE)
THE KENTUCKY PUBLIC SERVICE COMMISSION)
BY BIG RIVERS ELECTRIC CORPORATION,)
CASE NO. 97-204)

ORDER

On May 13, 1998, Jackson Purchase Electric Cooperative Corporation ("Jackson Purchase") petitioned for rehearing on the Commission's Order of May 6, 1998. In its petition, Jackson Purchase alleged that the rates set forth in the May 6, 1998 Order failed to reflect certain assumptions upon which the parties based their Settlement Agreement and that the rates failed to produce the total revenues upon which the parties agreed.

After the Commission granted Jackson Purchase's petition, the parties stipulated that a central assumption of their Settlement Agreement is that the utility's test period revenues and purchase power costs should be adjusted to reflect the level of customers at the end of the test period.¹ The rates set forth in the May 6, 1998 Order are based upon historic customer levels and are not based upon any normalization of utility revenues or purchase power costs to reflect test-year-end customer levels.

¹ Although a basic assumption to their Settlement Agreement, the parties did not state this assumption in that Agreement.

The parties also stipulated that the changes that the Commission ordered in the design of Big Rivers Electric Corporation's industrial rates in Case No. 97-204 would allow Jackson Purchase to achieve greater net revenues than allowed under the Settlement Agreement. Recognizing that any future changes to Jackson Purchase's industrial customer class will alter the level of this revenue, the parties agreed to accept the rate design established in the May 6, 1998 Order.

Having considered the parties' stipulation and being otherwise sufficiently advised, the Commission finds that:

1. The rates set forth in the May 6, 1998 Order failed to reflect accurately the parties' agreement.

2. The rates set forth in Appendix A to this Order accurately reflect the agreement of the parties.

3. The rates set forth in Appendix A to this Order are fair, just, and reasonable and should be approved for service rendered on and after the date of this Order.

IT IS THEREFORE ORDERED that:

1. The rates set forth in Appendix A to this Order are approved for service that Jackson Purchase renders on and after the date of this Order.

2. Within 20 days of the date of this Order, Jackson Purchase shall file its revised tariff sheets setting forth the rates approved herein.

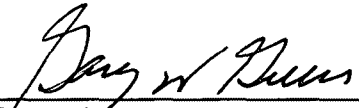
3. All provisions of the Order of May 6, 1998 not in conflict with this Order shall remain in full force and effect.

Done at Frankfort, Kentucky, this 6th day of August, 1998.

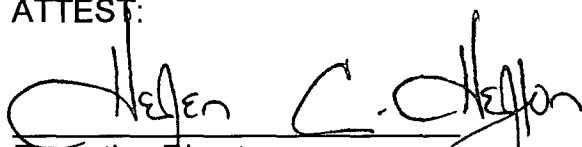
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION
IN CASE NO. 97-224 DATED AUGUST 6, 1998

The following rates and changes 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 effective date of this Order.

SCHEDULE R
RESIDENTIAL

Monthly Rate:

Service Charge	\$7.00
Energy Charge per KWH	.05729

SCHEDULE C
SMALL COMMERCIAL

Monthly Rate:

Service Charge	\$7.00
Energy Charge per KWH	.05883

SCHEDULE D - COMMERCIAL AND INDUSTRIAL
SERVICE AND THREE-PHASE SERVICE

Monthly Rate:

Service Charge	\$25.00
Demand Charge per KW	4.95
Energy Charge per KWH	
First 200 kWH	.03757
Next 200 KWH	.03027
Next 200 KWH	.02657
Over 600 KWH	.02297

SCHEDULE SP
SEASONAL POWER SERVICE

Rate Per Year

First 1,500 KWH per KWH per year	\$.14054
Next 500 KWH per HP per KWH per year	.10127
All additional KWH per KWH per year	.06047

SCHEDULE OL
OUTDOOR LIGHTING

Monthly Rate:

175 Watt Mercury Vapor Lamp per lamp	\$ 6.73
400 Watt Mercury Vapor Lamp per lamp	10.02
100 Watt High Pressure Sodium per lamp	6.73
250 Watt High Pressure Sodium per lamp	8.93
250 Watt High Pressure Sodium per lamp (Flood)	9.43
175 Watt Metal Halide per lamp	11.32
400 Watt Metal Halide per lamp	15.91
1000 Watt Metal Halide per lamp	22.36
100 Watt HPS \$15.32 FC on CSL per lamp	16.50
100 Watt HPS \$14.64 FC on CSL per lamp	15.82

SCHEDULE ND – COMMERCIAL AND INDUSTRIAL
AND ALL OTHER THREE-PHASE SERVICE
(UNDER 25 KVA)

Monthly Rate:

Service Charge	\$15.00
All KWH per KWH	.05583

SCHEDULE I
INDUSTRIAL SERVICE

Monthly Rate:

<u>Demand Charge</u>	
First 3,000 KW of Billing Demand Minimum per month	\$31,440.00
All additional KW per KW per month	10.48
<u>Energy Charge</u>	
All Energy per KWH per month	\$.015452