

115 Jackson Energy Lane McKee, Kentucky 40447 Telephone (606) 364-1000 • Fax (606 364-1007

Jackson Energy Cooperative 115 Jackson Energy Lane McKee, Kentucky 40447 Telephone (606) 364-1000 Fax (606)0364-1007 www.jacksonenergy.com <u>lisabaker@jacksonenergy.com</u> markkeene@jacksonenergy.com jimadkins25@aol.com

August 30, 2013

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Blvd. PO Box 615 Frankfort, KY 40602-0615

RE: Application of Jackson Energy Cooperative for an Adjustment for Rates PSC Case No. 2013-00219

Enclosed is an original of the response of Jackson Energy Cooperative for the "Commission Staff's First Request for Information to Jackson Energy Cooperative" dated July 2, 2013.

The documents filed electronically for this case are a true representation of the original provided. The documents filed are as follows:

Cover Letter:	JacksonEnergy_read1st_083013.pdf
Response:	JacksonEnergy_R-PSCDR1_083013.pdf

Please let us know if you have any questions or need further information.

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Clayton Oswald Counsel for Jackson Energy Cooperative 1306 West 5<sup>th</sup> Street Suite 100 London, KY 40741 <u>coswald@tkolegal.com</u>

# Enclosures

CC: Attorney General Utility Intervention and Rate Division 1024 Capital Center Drive Frankfort, KY 40601 rateintervention@ag.ky.gov

### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of Adjustment of Rates of Jackson Energy Cooperative Case No. 2013-00219

#### **MOTION FOR DEVIATION**

Jackson Energy Cooperative Corporation ("Jackson Energy"), by counsel, pursuant to 807 KAR 5:001, Section 21 and all other applicable law, moves the Kentucky Public Service Commission ("PSC") for an order permitting it to deviate from the requirements of 807 KAR 5:001, Section 16. As grounds for this motion, Jackson Energy states as follows:

1. On June 10, 2013, Jackson Energy, by letter, gave notice to the PSC that it intended to file an application for an increase in its retail rates. The PSC acknowledged that notice by letter dated June 11, 2013.

2. On August 7, 2013, Jackson Energy filed its application for an adjustment of retail rates along with supporting documentation. Included in those application materials was a copy of the notice that was given to Jackson Energy's consumers pursuant to publication in a number of local newspapers.

3. By letter dated August 21, 2013, the Commission staff rejected Jackson Energy's application for several reasons with one reason being that the public notice was incorrect as to the current rate for the 35 ft. Aluminum Pole for Cobra Head, which likewise caused the proposed rates for that same class to be incorrect.

4. 807 KAR 5:001, Section 16 sets forth the specific requirements that a utility must meet when giving public notice of its intent to seek an increase in its retail rates. This regulation requires that for a period of three consecutive weeks that a notice be published in local newspapers of general circulation setting forth the utility's present rates and the proposed rates for each customer class.

5. Jackson Energy admits that its public notice failed to comply with 807 KAR 5:001, Section 16 with respect to the 35 ft. Aluminum Pole for Cobra Head class only. The notice stated that the current rate for the 35 ft. Aluminum Pole for Cobra Head is \$22.24 and that it would increase by \$.60 per year for three years. In fact, the current rate for the 35 ft. Aluminum Pole for Cobra Head is \$27.24 and Jackson Energy's application seeks an increase in that rate by \$.60 per year for three years.

 807 KAR 5:001, Section 21 allows for deviations from PSC regulation for good cause shown.

7. Since it received the notice of deficiency from the PSC, Jackson Energy has filed with the PSC a correct notice regarding the present and proposed rates for the 35 ft. Aluminum Pole for Cobra Head.

8. The error in the public notice was simply the result of a clerical error. As stated in the attached affidavit, Jackson Energy currently has no customers in the affected rate class, nor have any of its customers ever utilized that particular portion of the tariff. As such, the incorrect notice could not have been misleading or resulted in detrimental reliance by any customers of Jackson Energy.

9. Jackson Energy requests a deviation such that it is not required to re-publish its notice. To do so would result in significant expense that, as a cooperative, would be borne by Jackson Energy's customers. In sum, Jackson Energy's customers have not been harmed by the incorrect notice, and to publicly remedy the notice would result in financial harm to its customers.

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For the foregoing reason, Jackson Energy hereby respectfully requests an order permitting deviation from the notice requirements of 807 KAR 5:001, Section 16, such that the notice already published by Jackson Energy be deemed acceptable.

Submitted this 29th day of August 2013.

Clayton O. Oswald

Taylor, Keller & Oswald P.O. Box 3440 1306 W. 5th St., Suite 100 London, KY 40743-3440 (606) 878-8844 Fax: (606) 878-8850 E-mail: coswald@tkolegal.com Attorney for Jackson Energy Cooperative

## COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of Adjustment of Rates of Jackson Energy Cooperative Case No. 2013-00219

# AFFIDAVIT IN SUPPORT OF MOTION FOR DEVIATION

After first being duly sworn, the affiant, Roger Truett, states as follows:

1. I, Roger Truett, am an employee of Jackson Energy and I am knowledgeable about Jackson Energy's retail electric rates and tariffs and the number of consumers that may be subject to any individual rate.

2. I have researched the number of customers of Jackson Energy that are utilizing the rate for the 35 ft Aluminum Pole for Cobra Head and I have determined that there are currently no customers utilizing that rate.

3. In addition, I have determined that Jackson Energy has never had a customer that has used the rate for 35ft Aluminum Pole for Cobra Head since that rate has been in existence.

This concludes my testimony.

Roger Truett Jackson Energy Cooperative

Subscribed and sworn to before me by Roger Truett on this 29<sup>th</sup> day of August 2013.

Notary Public My Comm. Expires:

Affiant, James R. Adkins, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.

James R. adkins

James R. Adkins

Subscribed and sworn to before me by the affiant, James R. Adkins, this 20<sup>th</sup> day of August 2013.

Jaher # 411515

Notary Public, Kentucky State at Large

My Commission Expires 1/19/2014