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AUG 02 2010

**PUBLIC SERVICE
COMMISSION****NOTICE**

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TRANSMITTAL COVER SHEET

July 30, 2010

Name: Mr. Jeff Derouen	Fax Number: 502-564-3460
Company: Kentucky Public Service Commission	From: Vickey Martin
Re: Jackson Purchase Energy Corporation, PSC Case No. 2009-00451	

Number of pages, including cover: 5

COMMENTS/SPECIAL INSTRUCTIONS

Please note original and 10 copies to follow, via Federal Express.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF JACKSON PURCHASE)
ENERGY CORPORATION TO AMEND)
TARIFFS)

CASE NO. 2009-00451

JACKSON PURCHASE ENERGY CORPORATION'S RESPONSE
TO REQUESTS OF COMMISSION STAFF

At the Informal Conference held via telephone on July 28, 2010, Commission Staff made the following requests of Jackson Purchase Energy Corporation ("JPEC"). This will serve as JPEC's response to the same.

1. Provide a calculation in support of the costs charged for the light fixture to be used in JPEC's proposed OL tariff.


RESPONSE: See Exhibit "A" attached hereto.

2. Provide a revised copy of tariff sheet #20.

RESPONSE: A revised copy is attached hereto as Exhibit "B".

Respectfully submitted,

DENTON & KEULER
P. O. BOX 929
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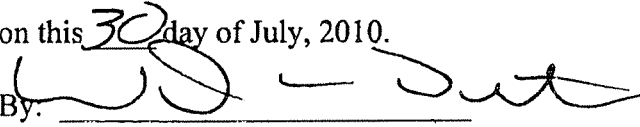
By: 
W. David Denton
Melissa D. Yates

ATTORNEYS FOR JACKSON PURCHASE
ENERGY CORPORATION

I hereby certify that the foregoing has
been served via facsimile 502-564-3460
and sending the original and 10 copies
via Federal Express to:

MR JEFF DEROUEN
EXECUTIVE DIRECTOR
KENTUCKY PUBLIC SERVICE COMMISSION
211 SOWER BLVD.
FRANKFORT KY 40602

on this 30 day of July, 2010.

By: 

W. David Denton
Melissa D. Yates

127111

Calculation of Outdoor Lighting Rate for Proposed 150 Watt Metal Halide

EXISTING MENU					
<u>Watts</u>	<u>Lamp Type</u>	<u>Standard Fixture Lumens</u>	<u>Monthly kWh</u>	<u>Rate per Unit</u>	<u>Actual kW</u>
175	MV	7,000	70	\$7.51	0.200
400	MV	21,000	145	\$11.22	0.440
100	HPS	9,600	40	\$7.51	0.115
250	HPS	28,500	95	\$10.00	0.287
250	HPS - Flood	28,500	95	\$10.56	0.295
175	Metal	12,800	72	\$12.67	0.213
400	Metal	32,000	163	\$17.82	0.458
1000	Metal - Flood	107,800	367	\$25.04	1.080
PROPOSED OFFERING					
150	Metal	13,000	63	\$12.34	0.185

Cost Based Approach:

Cost of Light:

Fixture	\$ 64.00
Bulb	11.00
Attachments (2 @ \$8.00 each)	16.00
Pole	150.00
Wire	35.00
Installation Labor	630.00
Total Estimated Installed Cost	\$ 906.00

Annual Depreciation Rate for Lights

Equates to 28.81 years or 346 months

Annual Depreciation Charge for Light	3.47%
	\$ 31.44

Estimated Annual Maintenance charge for Lights:

Estimated labor for trip (2 line crew, 1 hour @ \$47.40 per hour - including benefits)	\$ 94.80
Estimated maintenance material	11.00
Total Estimated Maintenance (per trip)	\$ 105.80
Estimated Annual trips (1 trip every four years)	0.25
Estimated Annual Maint Charge for Lights	\$ 26.45

Estimated Annual Energy Cost:

Demand charge (assume on peak 3 months) (0.185 x 3 x \$7.37)	\$ 4.09
Energy Charge (assume 63 monthly kWh x 12 x .0204)	17.63
Estimated Annual Energy Cost	\$ 21.72

Estimated Annual Customer Service, & G&A Expense

\$ 6.00

Annual Cost of Capital (Cost x Rate of Return in 2007-00116) (6.89%)

\$ 62.42

Total Annual Costs

\$ 148.03

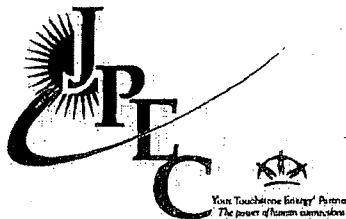
Total Monthly Costs

\$ 12.34

JPEC

Case No. 2009-00451

EXHIBIT A



Jackson Purchase Energy Corp.
 FOR Entire Territory Served
 Community, Town or City

P.S.C. KY NO. 6

SHEET NO. 20

CANCELLING P.S.C. KY NO. 5

SHEET NO. 20

RATES AND CHARGES
SCHEDULE I-E – LARGE COMMERCIAL AND INDUSTRIAL – EXISTING

of each thirty (30) minute period the integrated kilowatt demand during the preceding thirty (30) minutes. Demand charges will be adjusted to correct for power factor lower than ninety percent (90%) when JPEC deems necessary. The monthly billing demand shall be adjusted when necessary in accordance with the following formula:

$$\text{Monthly Billing Demand (kW)} = \frac{\text{Maximum Actual Measured Demand (kW)} \times 90\%}{\text{Power Factor (\%)}}$$

Delivery Point

Unless otherwise specified in the service agreement, the delivery point shall be the connection between conductors furnished and installed by JPEC and the conductors furnished and installed by the Member. All wiring, pole lines, and other equipment (except metering equipment) located on the load side of the delivery point shall be owned and maintained by the Member.

Facilities Charge

JPEC will provide investment in facilities up to \$11.00 per kW times the estimated or known average twelve (12) month billing demand. A monthly facilities charge, determined at time of execution of agreement between parties, shall be applied to any investment in excess of the base amount.

Terms and Conditions

Service will be furnished under JPEC's Rules and Regulations applicable hereto.

Compensating starting equipment may be required for all motors rated fifteen (15) horsepower or greater, and for smaller motors when specified by JPEC because of power line characteristics.

DATE OF ISSUE August 15, 2009
 Month / Date / Year

DATE EFFECTIVE June 25, 2008
 Month / Date / Year

ISSUED BY *G. Kelly Nuckols*
 G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

EXHIBIT B