

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
AUG 01 2013
PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF JACKSON PURCHASE)
ENERGY CORPORATION FOR APPROVAL) CASE NO.
OF FLOW THROUGH RATES PURSUANT TO) 2013-00068
KRS 278.455)

JACKSON PURCHASE ENERGY CORPORATION'S
RESPONSE TO COMMISSION STAFF'S THIRD REQUEST
FOR INFORMATION DATED JULY 22, 2013

COMES Jackson Purchase Energy Corporation (hereinafter "JPEC"), through the undersigned counsel, and submits herein its responses to information requested in Commission Staff's First Request for Information to the Commission's date July 22, 2013.

1. In Case No. 2012-00535, Big Rivers Electric Corporation ("Big Rivers") witness John Wolfram filed rebuttal testimony on June 24, 2013 which included Exhibit Yockey-2.3. That exhibit provided revised proposed rates for Big Rivers. For all Jackson Purchase exhibits that would be affected, provide revised versions reflecting Big Rivers' revised proposed rates in both hard copy and Excel spreadsheet format.

Response: Please find copies of the requested information attached hereto collectively as Exhibit "A".

Respectfully submitted,

DENTON & KEULER, LLP

P.O. BOX 929

PADUCAH KY 42002-0929

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By: 

Melissa D. Yates

ATTORNEYS FOR JACKSON PURCHASE
ENERGY CORPORATION

I hereby certify that the foregoing
has been served by Federal Express
an original and six (6) copies of the
foregoing to:

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

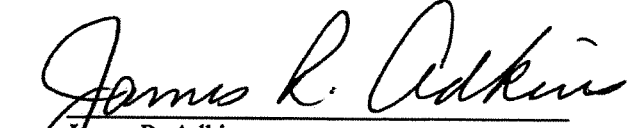
on this 31st day of July, 2013.

By: 

Melissa D. Yates

VERIFICATION

The undersigned, JAMES R. ADKINS, states under oath that he is the Rate Consultant for Jackson Purchase Energy Corporation and that the information set forth in Jackson Purchase Energy Corporation's Response to the information requested in the Commission Staff's Third Request for Information dated July 22, 2013, is true and correct to the best of his information and belief.


James R. Adkins,
Utility Rate Consultant
Jim Adkins Consulting on behalf of
Jackson Purchase Energy Corporation


STATE OF KENTUCKY

COUNTY OF JESSAMINE

The foregoing was signed, acknowledged, and sworn to before me by James R. Adkins this 29 day of July, 2013.

My commission expires: June 6, 2017

Notary ID: 489485


Notary Public, State of Kentucky at Large

(seal)

CURRENT WHOLESALE RATES

RURALS

	Billed Demand NCP kW	Billed Energy kWh	Demand Revenue	Energy Revenue
January	125,348	60,783,300	\$ 1,215,500	\$ 1,807,452
February	113,183	51,999,650	\$ 1,097,536	\$ 1,546,262
March	90,800	44,367,140	\$ 880,488	\$ 1,319,301
April	102,606	42,919,630	\$ 994,970	\$ 1,276,258
May	127,096	56,014,780	\$ 1,232,450	\$ 1,665,655
June	158,128	61,818,677	\$ 1,533,367	\$ 1,838,240
July	154,043	77,753,367	\$ 1,493,755	\$ 2,312,074
August	150,783	65,934,520	\$ 1,462,143	\$ 1,960,629
September	130,745	49,580,620	\$ 1,267,834	\$ 1,474,329
October	87,541	44,418,842	\$ 848,885	\$ 1,320,839
November	108,853	50,927,300	\$ 1,055,548	\$ 1,514,374
December	113,704	57,089,450	\$ 1,102,588	\$ 1,697,612
Total	1,462,830	663,607,276	\$ 14,185,063	\$ 19,733,026
				\$ 33,918,088

Current Rates

Demand	Energy
\$ 9.697	\$ 0.029736

CURRENT WHOLESALE RATES

INDUSTRIALS

Billed Demand NCP	Billed Energy kWh	Demand Revenue	Energy Revenue
1,901	380,000	\$ 19,961	\$ 9,313
1,879	289,855	\$ 19,730	\$ 7,104
1,890	253,080	\$ 19,845	\$ 6,202
1,879	587,460	\$ 19,730	\$ 14,397
2,063	581,250	\$ 21,662	\$ 14,245
1,912	315,450	\$ 20,076	\$ 7,731
1,901	194,800	\$ 19,961	\$ 4,774
2,041	425,270	\$ 21,431	\$ 10,423
2,020	531,540	\$ 21,210	\$ 13,027
1,912	579,650	\$ 20,076	\$ 14,206
1,912	518,140	\$ 20,076	\$ 12,699
1,890	599,810	\$ 19,845	\$ 14,700
23,200	5,256,305	\$ 243,600	\$ 128,822
			\$ 372,422

Demand	Energy
\$ 10.50	\$ 0.024508

PROPOSED WHOLESALE RATES

RURALS

	Billed Demand CP	Billed Energy kWh	Demand Revenue	Energy Revenue
January	125,348	60,783,300	2,062,476	1,823,499
February	113,183	51,999,650	1,862,313	1,559,990
March	90,800	44,367,140	1,494,023	1,331,014
April	102,606	42,919,630	1,688,279	1,287,589
May	127,096	56,014,780	2,091,238	1,680,443
June	158,128	61,818,677	2,601,838	1,854,560
July	154,043	77,753,367	2,534,624	2,332,601
August	150,783	65,934,520	2,480,983	1,978,036
September	130,745	49,580,620	2,151,278	1,487,419
October	87,541	44,418,842	1,440,400	1,332,565
November	108,853	50,927,300	1,791,067	1,527,819
December	113,704	57,089,450	1,870,886	1,712,684
	1,462,830	663,607,276	\$ 24,069,405	\$ 19,908,218
				\$ 43,977,623

PROPOSED WHOLESALE RATES

INDUSTRIALS

	Billed Demand NCP	Billed Energy kWh	Demand Revenue	Energy Revenue
	1,901	380,000	\$ 22,736	\$ 11,400
	1,879	289,855	\$ 22,473	\$ 8,696
	1,890	253,080	\$ 22,604	\$ 7,592
	1,879	587,460	\$ 22,473	\$ 17,624
	2,063	581,250	\$ 24,673	\$ 17,438
	1,912	315,450	\$ 22,868	\$ 9,464
	1,901	194,800	\$ 22,736	\$ 5,844
	2,041	425,270	\$ 24,410	\$ 12,758
	2,020	531,540	\$ 24,159	\$ 15,946
	1,912	579,650	\$ 22,868	\$ 17,390
	1,912	518,140	\$ 22,868	\$ 15,544
	1,890	599,810	\$ 22,604	\$ 17,994
	23,200	5,256,305	\$ 277,472	\$ 157,689
				\$ 435,161

Proposed Rates	Demand	Energy
	\$ 16.454	\$ 0.030000

Increase in Power Costs \$ 10,059,535

Percent Increase in Power Costs

	Demand	Energy
	\$ 11.96	\$ 0.030000

Total \$ 62,740
\$ 10,122,274
29.52%

DETERMINATION OF THE PERCENTAGE INCREASE IN RETAIL RATES

INCREASE WHOLESAL POWER COSTS

Summary	Present Rates	Proposed Rates	Increase	
			Amount	Percent
Rurals	\$ 33,918,088	\$ 43,977,623	\$ 10,059,535	29.66%
Industrials	\$ 372,422	\$ 435,161	\$ 62,740	16.85%
Total	\$ 34,290,510	\$ 44,412,784	\$ 10,122,274	29.52%

INCREASE IN RETAIL RATES

Wholesale Power Increase	\$ 10,122,274
Divided by Normalized Revenue	\$ 51,700,884
Percentage Increase in Base Retail Rates	19.579%

DEVELOPMENT OF THE PROPOSED RATES

<u>Schedule</u>		<u>Present Rates</u>	<u>Percent Increase</u>	<u>Proposed Rates</u>	
<u>R-Residential</u>					
	Facilities Charge	\$ 9.48	19.579%	\$ 11.34	
	Energy Charge	\$ 0.076728	19.579%	\$ 0.091751	
<u>C-1 Small Commercial-1Ph</u>					
	Facilities Charge	\$ 10.53	19.579%	\$ 12.59	
	Energy Charge	\$ 0.077791	19.579%	\$ 0.093022	
<u>C-3 Small Commercial-3Ph</u>					
	Facilities Charge	\$ 18.96	19.579%	\$ 22.67	
	Energy Charge	\$ 0.073863	19.579%	\$ 0.088325	
<u>D C&I less than 3000 kW</u>					
	Facilities Charge	\$ 36.86	19.579%	\$ 44.08	
	Demand Charge	\$ 6.85	19.579%	\$ 8.19	
	Energy Charge				
	1st 200 kWh/kW	\$ 0.047357	19.579%	\$ 0.056629	
	Next 200 kWh/kW	\$ 0.039669	19.579%	\$ 0.047436	
	Next 200 kWh/kW	\$ 0.035762	19.579%	\$ 0.042764	
	Over 600 kWh/kW	\$ 0.031971	19.579%	\$ 0.038231	
<u>IE Large C&I Existing</u>					
	Facilities Charge	\$ 315.93	19.579%	\$ 377.79	
	Demand Charge				
	1st 3000 kW	\$ 36,331.90	19.579%	\$ 43,445.32	
	Additional kW	\$ 12.11	19.579%	\$ 14.48	
	Energy Charge	\$ 0.029026	19.579%	\$ 0.034709	
<u>L Large C&I 3000-5000 kW</u>					
	Service Charge	\$ 315.93	19.579%	\$ 377.79	
	Demand Charge	\$ 11.90	19.579%	\$ 14.23	
	Energy Charge	\$ 0.029026	19.579%	\$ 0.034709	
<u>Lights</u>	<u>Watts</u>				
	175	MV	\$ 8.70	19.579%	\$ 10.40
	400	MV	\$ 13.46	19.579%	\$ 16.10
	100	HPS	\$ 8.36	19.579%	\$ 10.00
	250	HPS	\$ 11.61	19.579%	\$ 13.88
	250	HPS-Flood	\$ 12.19	19.579%	\$ 14.58
	175	Metal	\$ 14.15	19.579%	\$ 16.92
	150	Metal	\$ 13.71	19.579%	\$ 16.39
	400	Metal	\$ 20.61	19.579%	\$ 24.65
	1,000	Metal-Flood	\$ 30.53	19.579%	\$ 36.51

JACKSON PURCHASE ENERGY CORPORATION
CASE NO. 2013-00068
TEST YEAR ENDING DECEMBER 31, 2012

Exhibit D
Page 1 of 1
Testimony of J. Adkins

Rate Class	Normalized Revenue	Percent of Total	Proposed Revenue	Percent of Total	Increase Amount	Percent
Schedule R Residential	\$32,825,315	63.49%	\$39,253,562	63.49%	\$6,428,247	63.50%
Schedule C-1 Small Commercial Single Phase	2,534,134	4.90%	3,030,253	4.90%	\$496,119	4.90%
Schedule C-3 Small Commercial Three Phase	878,609	1.70%	\$1,050,626	1.70%	\$172,016	1.70%
Schedule D Commercial and Industrial Demand Less than 3,000 KW	13,024,922	25.19%	15,574,319	25.19%	\$2,549,397	25.18%
Schedule I-E Large Commercial and Industrial - Existing	1,377,958	2.67%	1,647,747	2.67%	\$269,790	2.67%
Schedule L Large Commercial and Industrial - 3,000-5,000 KW	\$ -	0.00%	\$ -	0.00%	\$ -	0%
Schedule OL - Outdoor Lighting	1,059,947	2.05%	1,267,452	2.05%	\$207,504	2.05%
Total	\$51,700,884	100%	\$61,823,958	100.00%	\$10,123,074	100.00%

**Schedule R
Residential**

Billing Components	Billing Determinants	Actual		Proposed	
		Rate	Revenues	Case No. 2013-00068	
				Rates	Revenues
Facilities Charge	310,272	\$ 9.48	\$2,941,379	\$ 11.34	\$3,518,484
Energy charge per kWh	389,478,887	\$ 0.076728	<u>\$29,883,936</u>	\$ 0.091751	<u>\$35,735,077</u>
Total from base rates			<u>\$32,825,315</u>		<u>\$39,253,562</u>
Proposed increase:					
Amount					\$6,428,247
Percent					19.58%
Average monthly bill			\$ 105.80		
Increase in monthly bill			\$ 20.72		
Percent increase			19.58%		

**Schedule C-1
Small Commercial Single Phase**

Billing Components	Billing Determinants	Actual		Proposed	
		Rate	Revenues	Case No. 2013-00068 Rates	Revenues
Facilities Charge	28,571	\$ 10.53	\$300,853	\$ 12.59	\$359,709
Energy charge per kWh	28,708,734	\$ 0.077791	<u>\$2,233,281</u>	\$ 0.093022	<u>\$2,670,544</u>
Total from base rates			<u>2,534,134</u>		<u>3,030,253</u>
Proposed increase:					
Amount					\$496,119
Percent					19.58%
Average monthly bill			\$ 88.70		
Increase in monthly bill			\$ 17.36		
Percent increase			19.58%		

**Schedule C-3
Small Commercial Three Phase**

Billing Components	Billing Determinants	Actual		Proposed	
		Rate	Revenues	Case No. 2013-00068	
				Rates	Revenues
Facilities Charge	4,847	\$ 18.96	91,899	\$22.67	\$109,881
Energy charge per kWh	10,650,939	\$ 0.073863	<u>786,710</u>	\$ 0.088325	<u>\$940,744</u>
Total from base rates			<u>878,609</u>		<u>1,050,626</u>
Proposed increase:					
Amount					\$172,016
Percent					19.58%
Average monthly bill			\$ 181.27		
Increase in monthly bill			\$ 35.49		
Percent increase			19.58%		

Schedule D
Commercial and Industrial Demand Less than 3,000 KW

Billing Components	Billing Determinants	Actual		Proposed	
		Rate	Revenues	Case No. 2013-00068	
				Rates	Revenues
Facilities Charge:	7,732	\$ 36.86	285,002	\$ 44.08	\$340,827
Demand Charge:	679,504	\$ 6.85	4,654,602	\$ 8.19	\$5,565,138
Energy Charge:					
First 200 KWH per KW	107,825,836	\$ 0.047357	5,106,308	\$ 0.056629	\$6,106,069
Next 200 KWH per KW	61,968,291	\$ 0.039669	2,458,220	\$ 0.047436	\$2,939,528
Next 200 KWH per KW	13,648,884	\$ 0.035762	488,111	\$ 0.042764	\$583,681
Over 600kWh per KW	1,022,117	\$ 0.031971	32,678	\$ 0.038231	\$39,077
Total from base rates			<u>13,024,922</u>		<u>\$15,574,319</u>
Amount					\$2,549,397
Percent					19.57%
Average monthly bill			\$ 1,684.55		
Increase in monthly bill			\$ 329.72		
Percent increase			19.57%		

**Schedule I-E
Large Commercial and Industrial - Existing**

Billing Components	Billing Determinants	Actual		Proposed	
		Rate	Revenues	Case No. 2013-00068 Rates	Revenues
Facilities Charge	24	\$315.93	\$ 7,582	\$ 377.79	\$ 9,067
Demand Charge					
First 3,000 kW	72,664	\$ 36,331.90	\$ 871,966	\$ 43,445.32	\$ 1,042,688
All kW greater than 3,000 kW per kW	664	\$ 12.11	\$ 8,041	\$ 14.48	\$ 9,615
Energy Charge per kWh	16,894,120	\$ 0.029026	\$ 490,369	\$ 0.034709	\$ 586,378
Total from base rates			<u>1,377,958</u>		<u>1,647,747</u>
Amount					\$269,790
Percent					19.58%
Average monthly bill			\$ 57,414.90		
Increase in monthly bill			\$ 11,241.24		
Percent increase			19.58%		

Schedule L
Large Commercial and Industrial - 3,000-5,000 KW

<u>Billing Components</u>	Number	Actual		Proposed	
		Rate	Revenues	Case No. 2013-00068 Rates	Revenues
		Service Charge	0 \$ 315.93	\$ -	\$ 377.79
Demand Charge: Per KW	0 \$ 11.90	\$ -	\$ 14.23	\$ -	
All Energy:	0 \$ 0.029026	\$ -	\$ 0.034709	\$ -	
Amount		\$ -	\$ -	\$ -	
Percent				0	
Average monthly bill					
Increase in monthly bill					
Percent increase					

Schedule OL - Outdoor Lighting

Billing Components	Billing Determinants	Actual		Proposed	
		Rate	Revenues	Case No. 2013-00068	
				Rates	Revenues
175 W MV	46,765	\$ 8.70	\$ 406,856	\$ 10.40	\$ 486,356
400 W MV	10,881	\$ 13.46	\$ 146,458	\$ 16.10	\$ 175,184
100 W HPS	27,717	\$ 8.36	\$ 231,714	\$ 10.00	\$ 277,170
250 W HPS	9,835	\$ 11.61	\$ 114,184	\$ 13.88	\$ 136,510
250 W HPS Flood	4,878	\$ 12.19	\$ 59,463	\$ 14.58	\$ 71,121
175 W Metal Halide	288	\$ 14.15	\$ 4,075	\$ 16.92	\$ 4,873
150 W Metal Halide	351	\$ 13.71	\$ 4,812	\$ 16.39	\$ 5,753
400 W Metal Halide	1,391	\$ 20.61	\$ 28,669	\$ 24.65	\$ 34,288
1000W Metal Halide	2,087	\$ 30.53	\$ 63,716	\$ 36.51	\$ 76,196
Total Outdoor Lighting	104,193		\$ 1,059,947		\$ 1,267,452
Amount					\$ 207,504
Percent					19.58%
Average monthly bill			\$ 10.17		
Increase in monthly bill			\$ 1.99		
Percent increase			19.58%		

Total

	Actual		Proposed	
			Case No. 2013-00068	
	Rate	Revenues	Rates	Revenues
Total Normalized Revenue		\$51,700,884		\$61,823,958
Amount				<u>\$10,123,074</u>
Percent				19.58%
Summary				
Increase in Retail Revenue				\$10,123,074
Increase in Purchased Power Costs				<u>10,122,274</u>
Difference				<u><u>\$800</u></u>

JACKSON PURCHASE ELECTRIC COOPERATIVE
CASE NO. 2013-00068
TEST YEAR ENDING DECEMBER 31, 2012

IMPACT OF WHOLESALE RATES FROM APPLICATION WITH REVISION IN ITEM 36 OF SECOND DATA REQUEST

Rate Class	Proposed Revenue		Difference
	Application	Revision	
<u>Schedule R</u> Residential	\$ 39,718,429	\$ 39,253,562	\$ 464,867
<u>Schedule C-1</u> Small Commercial Single Phase	3,066,262	3,030,253	36,009
<u>Schedule C-3</u> Small Commercial Three Phase	\$1,063,107	\$1,050,626	12,482
<u>Schedule D</u> Commercial and Industrial Demand Less than 3,000 KW	15,761,143	15,574,319	186,824
<u>Schedule I-E</u> Large Commercial and Industrial - Existing	1,667,319	1,647,747	19,572
<u>Schedule L</u> Large Commercial and Industrial - 3,000-5,000 KW	-	-	
<u>Schedule OL - Outdoor Lighting</u>	1,282,854	1,267,452	15,403
Total	\$62,559,114	\$61,823,958	735,156

IMPACT OF CHANGE IN WHOLESALE RATES

Wholesale Rate Schedule	Proposed Revenue		Difference
	Application	Revision	
Rurals	\$ 44,703,187	43977623.1	\$ 725,564
Industrials	445,601	435161.15	\$ 10,440
Total	45,148,788	44,412,784	\$ 736,004