



Date Received: July 25, 2011  
IURC 30-Day Filing No: 2881  
Indiana Utility Regulatory Commission

## Jackson County Rural Electric Membership Corporation

P.O. Box K  
Brownstown, IN 47220-0311  
(812) 358-4458 Telephone  
(800) 288-4458 Toll Free  
(812) 358-5719 Fax

July 25, 2011

Indiana Utility Regulatory Commission  
Electricity Division  
101 West Washington Street  
Suite 1500 East  
Indianapolis, IN 46204-3407

### Process through the IURC 30-Day Filing Procedure

#### RE: Filing for a change in a fuel adjustment factor

Dear Mr. Borum:

On June 10, 2011, we learned of a credit refund to Jackson County REMC from Hoosier Energy REC, Inc. due to a correction of the power cost tracker amounts for the period between January 1, 2011 and June 30, 2011. (See enclosed Hoosier Energy Summary Corrected Tracker Rates Exhibit A) As directed by Jackson County REMC's board of directors, I am filing a purchased power fuel cost adjustment credit to be applied over a three-month period. In addition, Jackson County REMC would like to extend an additional \$265,922.58 voluntary credit into the calculation of the fuel cost adjustment credit amount. The enclosed Worksheet "A" provides the information used to calculate the fuel cost adjustment credit amount per kWh.

On July 1, 2011, Hoosier Energy started billing a wholesale power cost tracker of \$0.003140 per kWh to Jackson County REMC, as shown on the enclosed Hoosier Energy Summary Corrected Tracker Rates Exhibit A, calculates to a line loss justified fuel cost adjustment of \$0.003308 per kWh. Based on the calculated power cost tracker credit, the additional voluntary credit amount, and the projected metered kWh sales for the three-month period starting August 1, 2011, the fuel cost adjustment credit amount will be \$(0.006213) per kWh to be applied to the billing months of September, October, and November of 2011. (See Worksheet "A")



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As listed on Appendix "FC", the final fuel cost charge will include the line loss justified fuel cost adjustment of \$0.003308 and the calculated fuel cost credit of \$(0.006213). Accordingly, Jackson County REMC would like to set its purchased power fuel cost adjustment to \$(0.002236) per kWh effective starting with August 1, 2011 usage that will be billed in September 2011 for approval.

Yours truly,

A handwritten signature in black ink that reads "Mark A. McKinney".

Mark A. McKinney  
Project Manager  
[mmckinney@jacksonremc.com](mailto:mmckinney@jacksonremc.com)

Enclosures: Verified Application and Affidavit for Change in Fuel Cost Adjustment  
Hoosier Energy Summary Corrected Tracker Rates Exhibit A  
Worksheet "A"  
Appendix "FC" Fuel Cost Charge Report  
Verified Statement of Customer Notifications:  
- News Letter Cover Letter  
- Legal Notice

cc: Office of the Utility Consumer Counselor (OUCC)

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED APPLICATION AND AFFIDAVIT ) CAUSE NO. \_\_\_\_\_  
FOR CHANGE IN FUEL COST ADJUSTMENT )

TO THE INDIANA UTILITY REGULATORY COMMISSION:

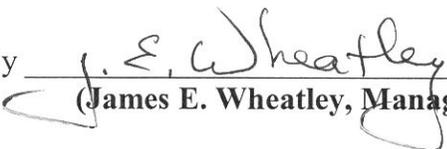
**Jackson County Rural Electric Membership Corporation** (hereinafter called

“Applicant”) respectfully represents and shows unto this Commission:

1. Applicant is distributing electric utility organized and existing under the laws of the State of Indiana, and has its principal office at **Brownstown**, Indiana. It is engaged in rendering electric utility service in the State of Indiana, and owns, operates, manages, and controls, among other things, equipment within the State of Indiana used for the transmission, delivery and furnishing of such service to the public. Applicant is subject to the jurisdiction of this Commission in the manner and to the extent provided by the Indiana Regulatory Commission Act and other laws of the State of Indiana.
2. The name and address of Applicant’s attorney in this matter is **Andrew H. Wright**, **31 Public Square, Salem**, Indiana. Said attorney is duly authorized to accept service papers in this cause on behalf of Applicant.
3. This application is filed, pursuant to provisions of the Indiana Utility Regulatory Commission Act, IC 1971, 8-1-2-42 (b) for the purpose of securing authorization for an approval of the change in the fuel cost adjustment charges of Applicant.
4. Applicant’s fuel charges for purchased electricity during the past month warrant the altered fuel cost adjustment multiplier as shown in the proposed Appendix “FC” attached hereto and made a part hereof the same as if incorporated herein.

5. Such altered fuel cost adjustment multiplier is calculated in accordance with the fuel cost adjustment clause formula previously filed with and approved by this Commission.
6. The cost data supporting the increase (or decrease) is shown on Exhibit "A" attached hereto and made a part hereof the same as incorporated herein.
7. The books and records of Applicant supporting such data and calculation are available for inspection and review by the Public Counselor and this Commission. WHEREFORE, Applicant respectfully prays that the Indiana Utility Regulatory Commission of Indiana accept this application for filing and approve the requested change.
  - i) authorizing and approving the increase (or decrease) in its existing fuel cost adjustment charges based upon the costs of fuel shown by said Appendix "FC" hereto applicable to Applicant's rate schedules which Applicant has filed with or which have been approved by the Commission:
  - ii) authorizing such increase (or decrease) to be effective on all bills rendered by Applicant for electricity subsequent to the date of the Commission's approval;  
and
  - iii) making such other and further orders in the premises as the Commission may deem appropriate and proper.

Dated this **25th** day of **July 2011**

By   
(James E. Wheatley, Manager)

Andrew H. Wright

Attorney for:

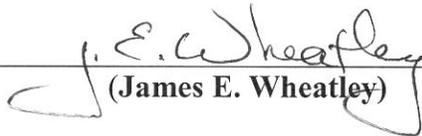
Jackson County Rural Electric Membership Corporation

STATE OF INDIANA        )

) SS:

COUNTY OF JACKSON )

James E. Wheatley, being first duly sworn deposes and says that he is Manager of Jackson County Rural Electric Membership Corporation the Applicant in the above entitled cause; that as such officer of said corporation he has executed the foregoing application and has authority so to do; that he has read said application and knows the contents thereof; and that the statements therein contained are true to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
(James E. Wheatley)

Subscribed and sworn to  
Before me, this **25th** day  
Of **July 2011**

  
(Anita S. Banister) Notary Public

My Commission Expires: April 26, 2016

Hoosier Energy  
Summary  
Corrected Tracker Rates  
Exhibit A

|                                   | <u>As Published in<br/>May Board<br/>Report</u> | <u>Corrected</u> |              |
|-----------------------------------|---|------------------|--------------|
| January 1, 2011 - March 31, 2011  | \$1.34  | (\$0.38)         | <sup>1</sup> |
| April 1, 2011 - May 31, 2011      | \$2.34  | \$1.05           | <sup>1</sup> |
| June 2011                         | \$2.34  | \$1.05           | <sup>2</sup> |
| July 1, 2011 - September 30, 2011 | \$4.18  | \$3.14           | <sup>2</sup> |

<sup>1</sup> The difference between the actual and corrected tracker rates for January through May will be reflected as a credit on the Members' June bills. A summary of credits by member system is included as Exhibit B.

<sup>2</sup> Represents the corrected tracker rates to be billed for the month of June and the period July 1, 2011 - September 30, 2011, respectively.

Worksheet "A"  
 7/25/2011

Fuel Cost Adjustment Credit Calculation

Metered Fuel Cost Adjustment Calculations (PCA)

| Consumption Month / Billed Month | Metered kWh Billed | As Billed PCA per kWh (\$) | Metered PCA Collected per As Billed PCA (\$) | Corrected PCA per kWh (\$) | Calculated Metered PCA Collected per Corrected PCA (\$) | PCA Difference (Billed - Corrected) (\$) |
|----------------------------------|--------------------|----------------------------|--|----------------------------|---|--|
| January / February               | 55,050,811         | \$ 0.001412                | \$ 77,731.75                                 | \$ (0.000401)              | \$ (22,075.38)  | \$ (99,807.12)                           |
| February / March                 | 37,208,882         | 0.001412                   | 52,538.94                                    | (0.000401)                 | (14,920.76)   | (67,459.70)                              |
| March / April                    | 33,423,463         | 0.001412                   | 47,193.93                                    | (0.000401)                 | (13,402.81)   | (60,596.74)                              |
| April / May                      | 28,092,675         | 0.002465                   | 69,248.44                                    | 0.001106                   | 31,070.50   | (38,177.95)                              |
| May / June (Unadjusted)          | 34,697,683         | 0.002465                   | 85,529.79                                    | 0.001106                   | 38,375.64   | (47,154.15)                              |
| June / * July                    | 37,921,567         | 0.002465                   | 93,476.66                                    | 0.001106                   | 41,941.25   | (51,535.41)                              |
| <b>Total:</b>                    | <b>226,395,081</b> |                            | <b>\$ 425,719.51</b>                         |                            | <b>\$ 60,988.44</b>                                     | <b>\$ (364,731.07)</b>                   |

Total PCA Credit Impact: \$ (364,731.07)  
 Additional REMC Voluntary Credit: \$ (265,922.58)  
**Total Credit Refund: \$ (630,653.65)**

\*Projected Metered kWh Billed

| Year                       | Metered July kWh Billed |
|----------------------------|-------------------------|
| 2007                       | 36,987,574              |
| 2008                       | 35,129,024              |
| 2009                       | 37,617,054              |
| 2010                       | 41,952,615              |
| <b>4-Year Average kWh:</b> | <b>37,921,567</b>       |

Average Metered kWh Billed During PCA Credit Months

| Year                       | Metered September kWh Billed | Metered October kWh Billed | Metered November kWh Billed | 3-Month Total kWh  |
|----------------------------|------------------------------|----------------------------|-----------------------------|--------------------|
| 2007                       | 41,730,074                   | 32,976,118                 | 35,897,223                  | 110,603,415        |
| 2008                       | 37,003,767                   | 28,510,807                 | 35,693,665                  | 101,208,239        |
| 2009                       | 32,538,734                   | 29,999,341                 | 33,453,553                  | 95,991,628         |
| 2010                       | 36,297,574                   | 28,893,940                 | 33,016,997                  | 98,208,511         |
| <b>4-Year Average kWh:</b> | <b>36,892,537</b>            | <b>30,095,052</b>          | <b>34,515,360</b>           | <b>101,502,948</b> |

3-Month Estimated Total Metered kWh For Calculation: 101,502,948  
 Calculated Fuel Cost Adjustment Credit Amount per kWh: \$ (0.006213)  
 (Total Credit Refund Amount / 3-Month Estimated Total Metered kWh)

Note: Credit will be applied to the billing months of September, October, and November 2011.

APPENDIX "FC"

**FUEL COST CHARGE REPORT**  
**Non-generating Electric Utilities – Purchasing From One Supplier**  
**With Line Losses Justified**

Date: July 25, 2011

Name of Utility **Jackson County Rural Electric Membership Corporation**

Consumption Month(s) **August 2011 and September 2011**

Billing Month(s) **September 2011 and October 2011**

Supplier **Hoosier Energy REC, Inc.**

|     |  |                          |
|-----|--|--------------------------|
| (1) | Supplier's Fuel Cost Charge billed in the month of<br><u>07/01/2011 – 09/30/2011</u> | \$ 0.003140/kWh          |
| (2) | Adjustment to Base Cost of Fuel per Appendix "A"                                     | \$ 0.00/kWh              |
| (3) | Net Fuel cost to be recovered via Appendix "FC"                                      | \$ 0.003140/kWh          |
| (4) | One minus decimal fraction of line losses for last calendar year                     | 0.9491                   |
| (5) | Final Fuel Cost Charge   |                          |
|     | (a) Fuel Cost:   | \$ 0.003308/kWh          |
|     | (b) Fuel Cost credit, (Worksheet "A")  | \$ <u>(0.006213)/kWh</u> |
|     | (c) <b>Final Fuel Cost Charge</b>  | <b>\$ (0.002905)/kWh</b> |

This fuel cost charge factor must be approved by the Indiana Utility Regulatory Commission prior to the consumption period to which it will be applied.

Filing Number \_\_\_\_ - \_\_\_\_ - \_\_\_\_

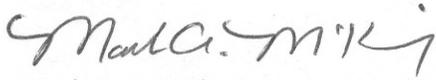
July 25, 2011

The Tribune  
1215 East Tipton Street  
Seymour, IN 47274

Gentlemen:

I am requesting the publishing of the attached legal advertisements in your newspaper. Please email me a scanned copy of the proof of publication affidavit to [mmckinney@jacksonremc.com](mailto:mmckinney@jacksonremc.com) as soon as possible, as well as a hard copy mailed, to my attention for our records.

Sincerely,



Mark A. McKinney  
[mmckinney@jacksonremc.com](mailto:mmckinney@jacksonremc.com)

Jackson County REMC  
PO Box K  
Brownstown, IN 47220  
812-358-5112 x134

**Enclosures:**

Filing of Jackson County Rural Electric Membership Corporation For Fuel Adjustment



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### LEGAL NOTICE

#### INDIANA UTILITY REGULATORY COMMISSION

#### FILING OF JACKSON COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION FOR FUEL ADJUSTMENT RATE DECREASE AND ADJUSTMENT

Notice is hereby given that on July 25, 2011, Jackson County Rural Electric Membership Corporation, an Indiana corporation with headquarters in Brownstown, Indiana, filed with the Indiana Utility Regulatory Commission (Commission) a corrected Verified Application and Affidavit for Change in Fuel Cost Adjustment to replace the withdrawn June 24, 2011 filing in pursuant to provisions of the Commission Act IC-8-1-2-42 (b) for approval of a revised schedule of rates to include a fuel cost adjustment of \$ (0.006213) per metered kilowatt hour, lowering the power cost adjustment to \$(0.002905) per kWh to be effective as of August 1, 2011 and its approval by the Commission.

JACKSON COUNTY RURAL ELECTRIC  
MEMBERSHIP CORPORATION  
BROWNSTOWN, INDIANA  
BY JOHN TRINKLE, ITS PRESIDENT

Contact information, to which an objection should be made:  
Indiana Utility Regulatory Commission  
101 W. Washington Street  
Suite 1500 East  
Indianapolis, IN 46204-3407

Office of Utility Consumer Counselor  
115 W. Washington Street  
Suite 1500 South  
Indianapolis, IN 46204-3407