

JACKSON ENERGY COOPERATIVE

PSC CASE 2006-00482  
FILING FOR PASS-THROUGH OF EAST  
KENTUCKY POWER COOPERATIVE, INC.  
WHOLESALE RATE ADJUSTMENT  
IN PSC CASE NO. 2006-00472

FILED 1/29/07



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

RECEIVED

JAN 29 2007

PUBLIC SERVICE  
COMMISSION

January 29, 2007

Ms. Elizabeth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602

Re: Jackson Energy Pass-Through of East Kentucky Power Cooperative, Inc.  
Wholesale Rate Adjustment- PSC Case No. 2006-00482

Dear Ms. O'Donnell:

Jackson Energy Cooperative, ("Jackson Energy") hereby submits to the Public Service Commission (the "Commission"), its Proposed Tariffs and other information required by 807 KAR 5:007 in regard to the pass-through of any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc., ("EKPC") in PSC Case No. 2006-00472. This filing includes the following:

1. Jackson Energy's Proposed Tariffs are attached as Exhibit I.
2. The name and filing address of the filing cooperative is:  
Jackson Energy Cooperative  
115 Jackson Energy Lane  
McKee, KY 40447
3. In accordance with the provisions of KRS 278.455(2), Jackson Energy hereby states that the effects of the increase in rates from its wholesale supplier, EKPC, is being passed through to its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.
4. A comparison of the current and proposed rates of Jackson Energy is attached as Exhibit II.

Ms. Elizabeth O'Donnell  
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5. Attached as Exhibit III is a billing analysis which shows the existing and proposed rates for each rate class. EKPC's proposed rate increase to Jackson Energy was developed by allocating the proposed wholesale increase on a proportional basis to each major group of customer classes. The proposed increase for EKPC's "B" and "C" industrial classes, and its large load special contracts, was applied to the demand charge for those customers. The remainder of the proposed increase was applied to the energy charge for the "E" customer class. Jackson Energy, in turn, followed the same process by first increasing the demand charges for its industrial "B" and "C" rates, as applicable, and then allocating the remaining dollar increase to all remaining classes and increasing the energy charges for those rate schedules. In each instance, the retail rates for a particular class have been developed in a manner that is consistent with the method proposed by EKPC. The proposed rate design structure at retail does not change the rate design currently in effect and is consistent with the rate design methodology used at wholesale.

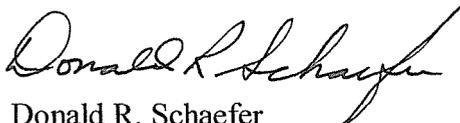
6. A copy of this filing has been filed with the Office of Rate Intervention, Office of the Attorney General, and is attached as Exhibit IV.

7. Notice of the proposed rate change has been given, not more than thirty (30) days prior to January 29, 2007, by publication in a newspaper of general circulation in the affected area of Jackson Energy. A copy of this notice is attached as Exhibit V.

Jackson Energy hereby requests that the Commission accept this filing and allow the pass-through to its retail rates of the wholesale rate adjustment granted to EKPC as of the effective date of such adjustment.

Respectfully submitted,

JACKSON ENERGY COOPERATIVE



Donald R. Schaefer  
President and CEO

FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 7  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 7

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 01  
SPECIAL DUAL FUEL TARIFF

Applicable

This tariff is applicable to all consumers with dual fuel heat pumps throughout the service territory of the Cooperative. The dual fuel energy rate is applicable during the months of October through April.

Availability

Available to the consumers of the Cooperative located on its lines for dual fuel heating applications. The electric power and energy furnished under this tariff shall be separately metered for each point of delivery. Other electric power and energy furnished or sold will be billed using the normal rate schedule for the appropriate rate class.

Rate – Monthly

Customer Charge	\$1.95
Energy Charge per kWh For the months of October through April	\$0.07334 (I)

Terms and Conditions

This tariff is subject to the Cooperative's standard terms and conditions of service. The consumer agrees to remain on this tariff for a minimum period of three years.

Terms of Payment

Payment is due within ten (10) days from the date of the bill.

Date of Issue: January 29, 2007

Date Effective: April 1, 2007

Issued By: \_\_\_\_\_ President & CEO

FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 1  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 1

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 10  
RESIDENTIAL FARM AND NON-FARM SERVICE

Availability

Available to the consumers of the Cooperative located on its lines for general residential and farm and home uses including lighting, incidental appliances, refrigeration, cooking, heating and power for motors up to and including ten horsepower.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$8.25
All kWh	\$0.07355 per kWh (I)

Minimum Charges

The minimum monthly charge under the above rate shall be \$8.25 or the amount provided in the contract for service, whichever shall be higher.

Type of Service

Single-phase, 120/240 volt.

Terms of Payment

Payment is due within 10 days from the date of the bill.

Date of Issue January 29, 2007

Date Effective: April 1, 2007.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 3  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 3

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 11  
RESIDENTIAL FARM AND NON-FARM SERVICE – OFF PEAK  
RETAIL MARKETING RATE

Availability

Available to the consumers of the Cooperative eligible for the Schedule 10, Residential, Farm and Non-Farm Service tariff. The electric power and energy furnished under this tariff shall be separately metered for each point of delivery. Other power and energy furnished or sold, will be billed under Schedule 10, Residential Farm and Non-Farm Service. The current use of this marketing rate is for Electric Thermal Storage units.

Rate

All kWh Per Month \$0.04413 per kWh (I)

Schedule of Hours

This rate is only applicable for the below listed off-peak hours:

Months

October through April	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.
May through September	10:00 p.m. to 10:00 a.m.

Terms and Conditions

This tariff is subject to the Cooperative's standard terms and conditions of service. The retail rate applies only to programs which are expressly approved by the Commonwealth of Kentucky Public Service Commission to be offered under the Marketing Rate of East Kentucky Power's Wholesale Power Rate Schedule A. Under this rate, a separate contract will be executed between the Cooperative and the Consumer. A sample copy of which is filed as part of this tariff.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
7<sup>th</sup> (Revised) Sheet No. 9  
Cancelling P.S.C. No. 4  
6<sup>th</sup> (Revised) Sheet No. 9

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 20  
COMMERCIAL, SMALL POWER, AND THREE-PHASE FARM SERVICE

Availability

Available to commercial, small power and three-phase loads for electric service including lighting, incidental appliances, cooking, refrigerators, air conditioning, heating and motors all subject to the established rules and regulations of the Corporation covering this service. Service under this schedule is limited to consumers whose load requirements do not exceed 50 kW. Service under this schedule is not available to seasonal customers unless otherwise provided for.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$10.00
All kWh per month	\$0.07314 per kWh (I)

Minimum Monthly Charge

The minimum monthly charge under the above rate shall be \$10.00 or the amount provided in the contract for service, whichever shall be higher.

Type of Service

Single-phase power service is limited to motors not in excess of ten horsepower. Motors having a rated capacity in excess of ten horsepower must be three-phase. In those cases where additional investment is required for three-phase service, it will be rendered only after the following conditions are met: the customer will give satisfactory assurance by means of a written agreement as to the character, amount, and duration of the business offered, and make such guarantees or deposits as may be required under the Cooperative's policies.

Terms of Payment

Payment is due within 10 days from the date of the bill.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 15  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 15

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 33  
WATER PUMPING SERVICE

Availability

Available for water pumping service in areas served by the Cooperative. The customer shall have the option of service under this schedule or any other standard rate schedule. The customer, having selected one schedule, will continue to be billed under such schedule for not less than 12 consecutive months unless there should be a material and permanent change in the customer's use of service.

Conditions

The service hereunder is conditioned upon the consumer at all times operating pumping loads at hours other than those when the Cooperative's coincident peak occurs, except in case of emergencies. Service hours and other operating problems to be agreed upon by contract.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$15.25
All kWh Per Month	\$0.06100 per kWh (I)

Minimum Monthly Charge

The minimum monthly charge shall be the minimum charge specified in the contract, or the minimum monthly customer charge, or \$1.20 per KVA of installed transformer capacity, or \$37.00, whichever amount shall be the greatest.

Fuel Cost Adjustment Charge

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 19  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 19

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 40  
LARGE POWER MORE THAN 50 KW BUT LESS THAN 274 KW

Availability

Available to consumers, served by the Cooperative located on or near its three-phase lines.

Conditions

A contract shall be executed by the consumer for service under this schedule. Service under this schedule will be for loads that average 50 kW or more over a 12 month period but does not exceed 274 kW.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$17.90
Demand Charge Per Month	\$ 4.84
All kWh per month	\$0.05724 per kWh (I)

Determination of Billing Demand

The billing demand shall be the maximum kilowatt load used by the consumer for any period of fifteen consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

Power Factor

The consumer agrees to maintain unity power factor as nearly as practicable. The Cooperative reserves the right to measure such power factor at the time of the maximum demand to determine if the power factor is less than 90%. Power factor penalty formula will be as follows:

$$\text{Power factor penalty} = \frac{(\text{maximum kW demand} \times 90\% \text{ pf})}{\text{actual power factor}} - (\text{maximum kW demand}) \times \$/\text{kW}$$

Minimum Monthly Charge

The minimum monthly charge shall be the minimum monthly charge specified in the contract. The minimum monthly charge will be calculated @ 60% of the contract kW.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
7<sup>th</sup> (Revised) Sheet No. 21  
Cancelling P.S.C. No. 4  
6<sup>th</sup> (Revised) Sheet No. 21

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 43  
LARGE POWER RATE – OVER 275 KW

Applicable

In all territory served by the Cooperative.

Availability

Available to all public buildings, commercial and industrial consumers whose kilowatt demand will exceed and/or average 275 kW over a 12 month period.

Conditions

A contract shall be executed by the consumer for service under this schedule.

Character of Service

The electric service furnished under this schedule will be 60 cycle, alternating current and at available nominal voltage.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$31.82
Demand Charge Per Month	\$ 4.84
<u>Energy Charge</u>	
All kWh per month	\$0.05376 per kWh (I)

Determination of Billing Demand

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjustment for power factor as provided below.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 23  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 23

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 46  
LARGE POWER RATE – 500 KW AND OVER

Applicable

In all territory served by the Cooperative.

Availability

Available to all public buildings, commercial and industrial consumers whose kilowatt demand shall exceed 500 kW and/or average 500 kW or more over a 12 month period.

Conditions

An agreement for Purchase of Power shall be executed by the consumer for service under this schedule.

Character of Service

The electric service furnished under this schedule will be 60 cycle, alternating current and at available nominal voltage.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$960.00
Demand Charge Per Month	\$ 7.29 per kW (I)
Energy Charge	\$0.03550 per kWh

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 26  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 26

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 47  
LARGE POWER RATE – 500 KW TO 4,999 KW

Applicable

In all territory served by the Cooperative.

Availability

Available to all public buildings, commercial and industrial consumers whose kilowatt demand shall exceed 500 kW but not greater than 4,999 kW.

Conditions

An contract shall be executed by the consumer for service under this schedule.

Character of Service

The electric service furnished under this schedule will be 60 cycle, alternating current and at available nominal voltage.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$ 960.00
Demand Charge Per kW of Contract Demand	\$ 7.29 (I)
Demand Charge Per kW for Billing Demand in Excess of Contract Demand	\$ 9.72 (I)
Energy Charge per kWh	\$0.03754

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 26  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 26

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 48  
LARGE POWER RATE – 5,000 KW AND ABOVE

Applicable

In all territory served by the Cooperative.

Availability

Available to all public buildings, commercial and industrial consumers whose kilowatt demand shall exceed 500 kW and greater.

Conditions

An contract shall be executed by the consumer for service under this schedule.

Character of Service

The electric service furnished under this schedule will be 60 cycle, alternating current and at available nominal voltage.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$1,069.00
Demand Charge Per kW of Contract Demand	\$ 7.29 (I)
Demand Charge Per kW for Billing Demand in Excess of Contract Demand	\$ 9.72 (I)
Energy Charge per kWh	\$ 0.03014

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
7<sup>th</sup> (Revised) Sheet No. 35  
Canceling P.S.C. No. 4  
6<sup>th</sup> (Revised) Sheet No. 35

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 50  
SCHOOLS, COMMUNITY HALLS AND COMMUNITY PARKS

Availability

Available to schools, community buildings, and parks for all uses subject to the established rules and regulations for the Cooperative covering this class of service.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$ 9.75
All kWh per Month	\$0.07665 per kWh (I)

Minimum Charges

The minimum monthly charge under the above rate shall be the amount provided in the contract for service.

Type of Service

Single-phase at 120/240 voltage. In case three-phase service is required, Schedule 30, Schedule 40, or Schedule 43 shall apply. (Exception – Community buildings and parks which have in their objectives and purposes to serve the common good and recreation of the entire community. Under this exception service may be three-phase and voltage may be other than 120/240.)

Fuel Adjustment Clause

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

Energy Emergency Control Program

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981 in Administrative Case No. 240 and as approved the Commission Order of March 31, 1981.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
6<sup>th</sup> (Revised) Sheet No. 36  
Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 36

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 52  
ALL ELECTRIC SCHOOLS (A.E.S.)

Applicable

In all territory served by Seller.

Availability

Available to all public or non-profit private schools whose total energy requirements, including but not limited to, heating, air-conditioning, lighting and water heating is supplied by electricity furnished by the Cooperative.

Character of Service

The electric service furnished under this rate schedule will be 60 cycle, alternating current, either single or three phase service.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$ 40.00
All kWh per Month	\$0.06335 per kWh (I)

Minimum Charges

The minimum annual charge will be the minimum as specified in the contract.

Terms of Contract

Service under this rate schedule will be furnished as stated in the contract for a term of not less than five (5) years.

Special Terms and Conditions

Consumer shall furnish the Cooperative information necessary to permit the Cooperative to determine and install the necessary transformer capacity to adequately serve the load under maximum operating conditions.

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FOR ENTIRE SERVICE AREA  
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3<sup>rd</sup> (Revised) Sheet No. 35A  
Canceling P.S.C. No. 4  
2<sup>nd</sup> (Revised) Sheet No. 35A

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 60  
CHURCHES

Availability

Available to churches uses subject to the established rules and regulations for the Cooperative covering this class of service.

Rate

Customer Charge Per Month – Includes No kWh Usage	\$ 9.65
All kWh per month	\$0.07630 per kWh (I)

Minimum Charges

The minimum monthly charge under the above rate shall be the amount provided in the contract for service.

Type of Service

Single-phase at 120/240 voltage. In case three-phase service is required, Schedule 30, Schedule 40, or Schedule 43 shall apply.

Fuel Adjustment Clause

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

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This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981 in Administrative Case No. 240 and as approved by the Commission Order of March 31, 1981.

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FOR ENTIRE SERVICE AREA  
P.S.C. NO. 4  
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Cancelling P.S.C. No. 4  
5<sup>th</sup> (Revised) Sheet No. 40

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE 65  
STREET LIGHTING SERVICE

Availability

This rate schedule is available for the street lighting services shown herein, in any community in which the Cooperative has an electric franchise. Service is subject to the provisions herein and the provisions of the Cooperative's standard contract for street lighting service. Should the service not meet these standard provisions, then the Cooperative reserves the right to revise the charges listed hereinafter so as to include any additional or unusual cost involved.

Rate Per Light Per Month

Sodium Vapor Light	22,000 Lumens	87 kWh	\$13.89 Per Month (I)
	5,800 Lumens	30 kWh	\$ 9.26 Per Month (I)

Conditions of Service

1. Duration: Service shall be from dusk to dawn, automatically controlled, approximately 4,000 hours per year.
2. Ornamental Overhead System: The Cooperative will, upon request, furnish under the Ornamental Overhead Rate, ornamental poles of the Cooperative's choosing, together with overhead wiring. The Consumer will pay Ornamental Overhead Rate.
3. Other than Conventional Overhead Systems: Should the Consumer require, either initially or upon replacement, a system or equipment other than that described in (2) above, for lamp sizes as provided herein, (this constituting a conventional overhead system) the Consumer may make a non refundable contribution to the Cooperative equal to the difference in the installed cost between the system or equipment so required and the cost of a conventional overhead system as herein before defined. In a similar manner the Consumer will pay the difference in the cost of operation and maintaining such a system or equipment and the cost of operation and maintaining a conventional Overhead System.

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FOR ENTIRE SERVICE AREA  
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Canceling P.S.C. No. 4  
2<sup>nd</sup> (Revised) Sheet No. 96

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE OL  
OUTDOOR LIGHTING SERVICE

Underground Service

If the consumer requests underground service then the consumer shall pay the monthly rate plus any additional charges as determined by the Cooperative. In addition the consumer shall furnish all ditching, back filling and repaving/seedling/sodding as necessary to comply with the Cooperative's specifications. Upon termination of this service the Cooperative shall not be required to remove underground wiring or conduits.

Fuel Adjustment Clause

All rates are applicable to the fuel adjustment clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This fuel clause is subject to all other applicable provisions as set forth in 807 KAR 5:056.

Energy Emergency Control Program

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981 in Administrative Case No. 240 and as approved by the Commission Order of March 31, 1981.

**Rate Per Light Per Month**

100 Watt Sodium Vapor	Security Light	\$ 7.68 per lamp per month (I)
175 Watt Mercury Vapor	Security Light	\$ 7.68 per lamp per month (I)
400 Watt Mercury Vapor	Flood Light	\$14.47 per lamp per month (I)
1,000 Watt Mercury Vapor	Flood Light	\$28.09 per lamp per month (I)

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FOR ENTIRE SERVICE AREA  
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Canceling P.S.C. No. 4  
2<sup>nd</sup> (Revised) Sheet No. 97

JACKSON ENERGY COOPERATIVE CORPORATION  
SCHEDULE OL (Continued)  
OUTDOOR LIGHTING SERVICE

175 Watt Mercury Vapor	Alcorn Light	\$14.24 per lamp per month (I)
175 Watt Mercury Vapor	Colonial Light	\$ 7.57 per lamp per month (I)
400 Watt Mercury Vapor	Cobra Head Light	\$12.48 per lamp per month (I)
400 Watt Mercury Vapor	Interstate Light	\$17.08 per lamp per month (I)
4,000 Lumen Sodium	Colonial	\$ 9.92 per lamp per month (I)
27,500 Lumen Sodium	Floodlight	\$12.20 per lamp per month (I)
50,000 Lumen Sodium	Floodlight	\$14.11 per lamp per month (I)
27,500 Lumen Sodium	Cobra Head	\$10.84 per lamp per month (I)

Multiple Light Service (10 or more luminaries)

Energy charge is \$0.034159 per rated kwhr per month. Monthly rated kwhr is determined by:

$(4,100 \text{ hours per year} \times \text{manufacturer's suggested wattage}/1,000)/12$

Monthly Facilities Charge shall be 1.9 percent of the total investment for facilities.

Poles shall be furnished by the cooperative at the following rates:

15 ft Aluminum Pole	\$ 4.26 per pole per month
30 ft Wood Pole	\$ 3.50 per pole per month
30 ft Aluminum Pole for Cobra Head	\$20.58 per pole per month
35 ft Aluminum Pole	\$25.24 per pole per month
35 ft Aluminum Pole for Cobra Head	\$24.79 per pole per month
40 ft Aluminum Pole	\$28.25 per pole per month
40 ft Aluminum Pole for Cobra Head	\$49.41 per pole per month
Power Installed Foundation	\$ 7.04 per pole per month

Date of Issue: January 29, 2007 Date Effective: April 1, 2007  
Issued By: \_\_\_\_\_ President & CEO

**EXHIBIT II**  
**Page 1 of 2**

The present and proposed rates structures of Jackson Energy Cooperative are listed below:

<u>Schedule</u>	<u>Rate Class</u>	<u>Present</u>	<u>Proposed</u>
10	Residential, Farm and Non-Farm Service		
	Customer Charge	\$8.25/Mo	\$8.25/Mo
	Energy Charge	\$0.06956/kWh	\$0.07355/kWh
11	Residential, Farm and Non-Farm Service – Off Peak		
	Energy Charge	\$0.04174/kWh	\$0.04413
01	Special Dual Fuel Tariff		
	Customer Charge	\$1.95/Mo	\$1.95/Mo
	Energy Charge	\$0.06938/kWh	\$0.07334/kWh
20	Commercial, Small Power & Three-Phase Farm Service		
	Customer Charge	\$10.00/Mo	\$10.00/Mo
	Energy Charge	\$0.06915/kWh	\$0.07314/kWh
30	Large Power Service Less Than 50 kW		
	Customer Charge	\$21.75/Mo	\$21.75/Mo
	Demand Charge	\$5.22/kW	\$5.22/kW
	Energy Charge	\$0.06249/kWh	\$0.06645/kWh
33	Water Pumping Service		
	Customer Charge	\$15.25/Mo	\$15.25/Mo
	Energy Charge	\$0.05704/kWh	\$0.06100/kWh
40	Large Power More than 50 kW but Less Than 274 kW		
	Customer Charge	\$17.90/Mo	\$17.90/Mo
	Demand Charge	\$4.84/kW	\$4.84/kW
	Energy Charge	\$0.05328/kWh	\$0.05724/kWh
43	Large Power Rate – Over 275 kW		
	Customer Charge	\$31.82/Mo	\$31.82/Mo
	Demand Charge	\$4.84/kW	\$4.84/kW
	Energy Charge	\$0.04980/kWh	\$0.05376/kWh
46	Large Power Rate – 500 kW or More (12-Mo Period)		
	Customer Charge	\$960.00/Mo	\$960.00/Mo
	Demand Charge	\$5.39/kW	\$7.29/kW
	Energy Charge	\$0.03550/kWh	\$0.03550/kWh
47	Large Power Rate – 500 kW to 4,999 kW		
	Customer Charge	\$960.00/Mo	\$960.00/Mo
	Contract Demand Charge	\$5.39/kW	\$7.29/kW
	Demand Charge in Excess of Contract Demand	\$7.82/kW	\$9.72/kW
	Energy Charge	\$0.03754/kWh	\$0.03754/kWh
48	Large Power Rate 5,000 kW and Above		
	Customer Charge	\$1,069.00/Mo	\$1,069.00/Mo
	Contract Demand Charge	\$5.39/kW	\$7.29/kW
	Demand Charge in Excess of Contract Demand	\$7.82/kW	\$9.72/kW
	Energy Charge	\$0.03014/kWh	\$0.03014/kWh
50	Schools, Community Halls and Community Parks		
	Customer Charge	\$9.75/Mo	\$9.75/Mo
	Energy Charge	\$0.07269/kWh	\$0.07665/kWh
60	Churches		
	Customer Charge	\$9.65/Mo	\$9.65/Mo
	Energy Charge	\$0.07234/kWh	\$0.07630/kWh
52	All Electric Schools		
	Customer Charge	\$40.00/Mo	\$40.00/Mo
	Energy Charge	\$0.05939/kWh	\$0.06335/kWh

**EXHIBIT II**  
**Page 2 of 2**

OL	Outdoor Lighting Service		
	100 Watt Sodium Vapor Security Light	\$7.40/Mo	\$7.68/Mo
	175 Watt Mercury Vapor Security Light	\$7.40/Mo	\$7.68/Mo
	400 Watt Mercury Vapor Flood Light	\$13.85/Mo	\$14.47/Mo
	1,000 Watt Mercury Vapor Flood Light	\$26.60/Mo	\$28.09/Mo
	175 Watt Mercury Vapor Acorn Light	\$13.95/Mo	\$14.24/Mo
	175 Watt Mercury Vapor Colonial Light	\$7.28/Mo	\$7.57/Mo
	400 Watt Mercury Vapor Cobra Head Light	\$11.86/Mo	\$12.48/Mo
	400 Watt Mercury Vapor Interstate Light	\$16.46/Mo	\$17.08/Mo
	4,000 Lumen Sodium Colonial	\$9.84/Mo	\$9.92/Mo
	27,500 Lumen Sodium Floodlight	\$11.85/Mo	\$12.20/Mo
	50,000 Lumen Sodium Floodlight	\$13.48/Mo	\$11.11/Mo
	27,500 Lumen Sodium Cobra Head	\$10.49/Mo	\$10.84/Mo
65	Street Lighting Service		
	Sodium Vapor Light 22,000 Lumens	\$13.55/Mo	\$13.89/Mo
	Sodium Vapor Light 5,800 Lumens	\$9.14/Mo	\$9.26/Mo
22	Commercial, Small Power and 3-Phase Farm Service – Off Peak Retail Marketing Rate		
	Energy Charge	\$0.04164/kWh	\$0.04388/kWh

Jackson Energy Cooperative  
Billing Analysis  
for the 12 months ended September 30, 2006

	Present Revenue Total	Proposed Revenue Total	\$ Increase	% Increase
Schedule 1 Dual Fuel	21,761	22,772	1,011	4.64%
Schedule 10 Res, Farm & Non-Farm	58,593,933	61,164,284	2,570,352	4.39%
Sch 11 - Res, Farm, Non-Farm Retail Mkt Rate (ETS)	498,461	520,919	22,457	4.51%
Sch 20 Comm, Sm Power & 3-Phase Farm	3,880,472	4,048,489	168,016	4.33%
Sch 22 Comm, Sm Power & 3-Phase Farm Ret Mkt (ETS)	11,056	11,514	458	4.14%
Sch 30 Large Power Svcce <50 kW	1,416,681	1,471,342	54,661	3.86%
Sch 33 Water Pumping Service	143,895	152,079	8,184	5.69%
Sch 40 Lg Power 50 kW - 274 kW	4,922,622	5,157,105	234,483	4.76%
Sch 43 Lg Power >275 kW	2,808,771	2,952,432	143,660	5.11%
Sch 46 - Large Power - 500 kW and Over	2,556,565	2,733,712	177,147	6.93%
Sch 47 - Large Power 500 kW - 4,999 kW	1,777,865	1,896,577	118,711	6.68%
Sch 50 - Schools, Churches & Comm Halls	417,809	436,183	18,374	4.40%
Sch 52 - All Electric Schools	587,821	619,596	31,775	5.41%
Sch 60 - Schools, Churches & Community Halls	712,928	742,102	29,175	4.09%
Street Lighting and Security Lights	2,021,212	2,098,313	77,101	3.81%
	80,371,852	84,027,417	3,655,565	4.55%

**EXHIBIT III**  
**Page 2 of 7**

Jackson Energy Cooperative Corporation  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 1  
Dual Fuel  
Rate 1

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	261	\$1.95	\$509	261	\$1.95	\$509	-	0.00%
Energy charge per kWh	255,009	\$0.06938	17,693	255,009	\$0.07334	18,703	1,011	5.71%
Total from base rates			<u>18,201</u>			<u>19,212</u>	1,011	5.55%
Fuel adjustment			2,141			2,141	-	0.00%
Environmental surcharge			<u>1,418</u>			<u>1,418</u>	-	0.00%
Total revenues			<u>\$21,761</u>			<u>\$22,772</u>	1,011	4.64%
Average Bill			\$83.38			\$87.25	3.87	4.64%

Schedule 10  
Residential, Farm and Non-Farm Service  
Rate 10

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	559,002	\$8.25	\$4,611,767	559,002	\$8.25	\$4,611,767	-	0.00%
Energy charge per kWh	645,005,288	\$0.06956	44,866,568	645,005,288	\$0.07355	47,436,919	2,570,352	5.73%
Renewable Resource Adder			5,539			5,539	-	0.00%
Total from base rates			<u>49,483,873</u>			<u>52,054,224</u>	2,570,352	5.19%
Fuel adjustment			5,506,854			5,506,854	-	0.00%
Environmental surcharge			<u>3,603,206</u>			<u>3,603,206</u>	-	0.00%
Total revenues			<u>\$58,593,933</u>			<u>\$61,164,284</u>	2,570,352	4.39%
Average Bill			\$104.82			\$109.42	4.60	4.39%

Schedule 11 (ETS)  
Residential, Farm and Non-Farm Service - Of Peak Retail Marketing Rate  
Rate 11

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	10,681		\$0	10,681	\$0.00	\$0		
Energy Charge	9,408,205	\$0.04174	<u>392,698</u>	9,408,205	\$0.04413	<u>415,156</u>	22,457	5.72%
Total Baseload Charges			\$392,698				(392,698)	-100.00%
Fuel Adjustment			78,429			78,429	-	0.00%
Environmental Surcharge			<u>27,334</u>			<u>27,334</u>	-	0.00%
Total Revenues			<u>\$498,461</u>			<u>\$520,919</u>	22,457	4.51%
Average Bill			\$ 46.67			\$ 48.77	2.10	4.51%

Jackson Energy Cooperative Corporation  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 20  
Commercial, Small Power & Three-Phase Farm Service  
Rate 20

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	35,555	\$10.00	\$355,550	35,555	\$10.00	\$355,550	-	0.00%
Energy charge per kWh	42,162,069	\$0.06915	2,915,507	42,162,069	\$0.07314	3,083,523	168,016	5.76%
Total from base rates			<u>3,271,057</u>			<u>3,439,073</u>	<u>168,016</u>	<u>5.14%</u>
Fuel adjustment			362,975			362,975	-	0.00%
Environmental surcharge			246,440			246,440	-	0.00%
Total revenues			<u>\$3,880,472</u>			<u>\$4,048,489</u>	<u>168,016</u>	<u>4.33%</u>
Average Bill			\$ 109.14			\$ 113.87	4.73	4.33%

Schedule 22 (ETS)  
Commercial, Small Power & three-Phase Farm Service - Off Peak Retail Marketing Rate  
Rate 22

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	157		\$0	157	\$0.00	\$0		
Energy charge per kWh	204,247	\$0.04164	8,505	204,247	\$0.04388	8,963	458	5.38%
Total from base rates			<u>8,505</u>			<u>8,963</u>	<u>458</u>	<u>5.38%</u>
Fuel adjustment			1,847			1,847	-	0.00%
Environmental surcharge			704			704	-	0.00%
Total revenues			<u>\$11,056</u>			<u>\$11,514</u>	<u>458</u>	<u>4.14%</u>
Average Bill			\$ 70.42			\$ 73.34	2.92	4.14%

Schedule 30  
Large Power Service Less than 50 kW  
Rate 30

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	2,851	\$21.75	\$62,009	2,851	\$21.75	\$62,009	-	0.00%
Demand Charge	55,302	\$5.22	288,679	55,302	\$5.22	\$288,678.79	-	0.00%
Energy Charge	13,793,112	\$0.06249	861,932	13,793,112	\$0.06645	916,593	54,661	6.34%
Total Baseload Charges			<u>\$1,212,620</u>			<u>\$1,267,281</u>	<u>54,661</u>	<u>4.51%</u>
Fuel adjustment			115,084			115,084	-	0.00%
Environmental surcharge			88,977			88,977	-	0.00%
Total Revenues			<u>\$1,416,681</u>			<u>\$1,471,342</u>	<u>54,661</u>	<u>3.86%</u>
Average Bill			\$ 496.91			\$ 516.08	19.17	3.86%

Jackson Energy Cooperative Corporation  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 33  
Water Pumping Service  
Rate 33

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	72	\$15.25	\$1,098	72	\$15.25	\$1,098	-	0.00%
Energy Charge	2,065,094	\$0.05704	117,793	2,065,094	\$0.06100	125,977	8,184	6.95%
Total Baseload Charges			<u>\$118,891</u>				<u>(118,891)</u>	<u>-100.00%</u>
Fuel adjustment			16,328			16,328	-	0.00%
Environmental surcharge			<u>8,677</u>			<u>8,677</u>	-	0.00%
Total Revenues			<u>\$143,895</u>			<u>\$152,079</u>	<u>8,184</u>	<u>5.69%</u>
Average Bill			\$ 1,998.55			\$ 2,112.21	113.66	5.69%

Schedule 40  
Large Power More than 50 kW But Less Than 275 kW  
Rate 40

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	1,833	\$17.90	\$32,811	1,833	\$17.90	\$32,811	-	0.00%
Demand Charge	194,421	\$4.84	940,998	194,421	\$4.84	\$940,997.99	-	0.00%
Energy Charge	59,169,201	\$0.05328	3,152,535	59,169,201	\$0.05724	3,387,018	234,483	7.44%
Total Baseload Charges			<u>\$4,126,344</u>				<u>(4,126,344)</u>	<u>-100.00%</u>
Fuel adjustment			493,713			493,713	-	0.00%
Environmental surcharge			<u>302,565</u>			<u>302,565</u>	-	0.00%
Total Revenues			<u>\$4,922,622</u>			<u>\$5,157,105</u>	<u>234,483</u>	<u>4.76%</u>
Average Bill			\$ 2,685.55			\$ 2,813.48	127.92	4.76%

Schedule 43  
Large Power Rate - Over 275 kW  
Rate 43

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	246	\$31.82	\$7,828	246	\$31.82	\$7,828	-	0.00%
Demand Charge	108,154	\$4.84	\$523,465.36	108,154	\$4.84	523,465	-	0.00%
Energy Charge	36,251,100	\$0.04980	1,805,305	36,251,100	\$0.05376	1,948,965	143,660	7.96%
Total Baseload Charges			<u>\$2,336,598</u>			<u>\$2,480,258</u>	<u>143,660</u>	<u>6.15%</u>
Fuel adjustment			302,300			302,300	-	0.00%
Environmental surcharge			<u>169,874</u>			<u>169,874</u>	-	0.00%
Total Revenues			<u>\$2,808,771</u>			<u>\$2,952,432</u>	<u>143,660</u>	<u>5.11%</u>
Average Bill			\$ 11,417.77			\$ 12,001.75	583.98	5.11%

Jackson Energy Cooperative Corporation  
 Billing Analysis  
 for the 12 months ended September 30, 2006

Schedule 46  
 Large Power Rate - 500 kW and Over  
 Rate 46

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	36	\$960.00	\$34,560	36	\$960.00	\$34,560	-	0.00%
Demand Charge	93,235	\$5.39	502,538	93,235	\$7.29	679,686	177,147	35.25%
Energy Charge	42,568,800	\$0.03550	1,511,192	42,568,800	\$0.03550	1,511,192	-	0.00%
Total Baseload Charges			<u>\$2,048,291</u>			<u></u>		
Fuel adjustment			352,474			352,474	-	0.00%
Environmental surcharge			<u>155,800</u>			<u>155,800</u>	-	0.00%
Total Revenues			<u>\$2,556,565</u>			<u>\$2,733,712</u>	177,147	6.93%
Average Bill			\$ 71,015.68			\$ 75,936.44	4,920.75	6.93%

Schedule 47  
 Large Power Rate 500 kW to 4,999 kW  
 Rate 47

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	44	\$960.00	\$42,240	44	\$960.00	\$42,240	-	0.00%
Demand	50,200	\$5.39	270,578	50,200	\$7.29	365,958	95,380	35.25%
Excess Demand	12,280	\$7.82	96,027	12,280	\$9.72	119,358	23,331	24.30%
Energy Charge	27,563,700	\$0.03754	1,034,741	27,563,700	\$0.03754	1,034,741	-	0.00%
Total Baseload Charges			<u>\$1,443,586</u>			<u>\$1,562,297</u>		
Fuel adjustment			226,516			226,516	-	0.00%
Environmental surcharge			<u>107,763</u>			<u>107,763</u>	-	0.00%
Total Revenues			<u>\$1,777,865</u>			<u>\$1,896,577</u>	118,711	6.68%
Average Bill			\$ 40,406.03			\$ 43,104.02	2,697.98	6.68%

Schedule 50  
 Schools, Churches & Community Halls  
 Rate 50

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	1,847	\$9.75	\$18,008	1,847	\$9.75	\$18,008	-	0.00%
Energy Charge	4,636,550	\$0.07269	337,031	4,636,550	\$0.07665	355,405	18,374	5.45%
Total Baseload Charges			<u>\$355,039</u>			<u></u>	<u>(355,039)</u>	<u>-100.00%</u>
el adjustment			39,108			39,108	-	0.00%
Environmental surcharge			<u>23,661</u>			<u>23,661</u>	-	0.00%
Total Revenues			<u>\$417,809</u>			<u>\$436,183</u>	18,374	4.40%
Average Bill			\$ 226.21			\$ 236.16	9.95	4.40%

**EXHIBIT III**  
**Page 6 of 7**

Jackson Energy Cooperative Corporation  
 Billing Analysis  
 for the 12 months ended September 30, 2006

Schedule 52  
 All Electric Schools  
 Rate 52

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	232	\$40.00	\$9,280	232	\$40.00	\$9,280	-	0.00%
Energy Charge	8,018,143	\$0.05939	476,198	8,018,143	\$0.06335	507,973	31,775	6.67%
Total Baseload Charges			<u>\$485,478</u>			<u></u>	<u>(485,478)</u>	<u>-100.00%</u>
Fuel adjustment			65,796			65,796	-	0.00%
Environmental surcharge			<u>36,547</u>			<u>36,547</u>	<u>-</u>	<u>0.00%</u>
Total Revenues			<u>\$587,821</u>			<u>\$619,596</u>	<u>31,775</u>	<u>5.41%</u>
Average Bill		\$	2,533.71		\$	2,670.67	136.96	5.41%

Schedule 60  
 Schools, Churches & Community Halls  
 Rate 60

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues		
Customer Charge	6,973	\$9.65	\$67,289	6,973	\$9.65	\$67,289	-	0.00%
Energy Charge	7,361,930	\$0.07234	532,562	7,361,930	\$0.07630	561,737	29,175	5.48%
Total Baseload Charges			<u>\$599,851</u>			<u></u>	<u>(599,851)</u>	<u>-100.00%</u>
Fuel adjustment			67,297			67,297	-	0.00%
Environmental surcharge			<u>45,780</u>			<u>45,780</u>	<u>-</u>	<u>0.00%</u>
Total Revenues			<u>\$712,928</u>			<u>\$742,102</u>	<u>29,175</u>	<u>4.09%</u>
Average Bill		\$	102.24		\$	106.43	4.18	4.09%
Jackson Lighting								

Jackson Energy Cooperative Corporation  
Billing Analysis  
for the 12 months ended September 30, 2006

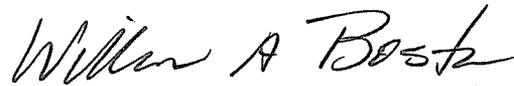
Street Lighting and Security Lights  
Outdoor Lighting

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Total kWh	Current Rate	Annualized Revenues	Billing Determinants	Total kWh		
65 Sodium Vapor - 5,800 Lumens - Street Light	115	3,450	9.14	1,051	115	3,450	\$9.26	1,065
65 Sodium Vapor - 22,000 Lumens - Street Light	271	23,577	13.55	3,672	271	23,577	\$13.89	3,765
OL Sodium Vapor - 9,500 Lumens, 100W - Security Light	54,839	3,838,730	7.40	405,909	54,839	3,838,730	\$7.68	421,021
OL Mercury Vapor - 7,000 Lumens, 175W - Security Light	184,116	12,888,120	7.40	1,362,458	184,116	12,888,120	\$7.68	1,413,533
OL Mercury Vapor - 400W - Flood Light	5,013	782,028	13.85	69,430	5,013	782,028	\$14.47	72,529
OL Mercury Vapor - 1,000W - Flood Light	2,978	1,119,728	26.60	79,215	2,978	1,119,728	\$28.09	83,652
OL Mercury Vapor - 175W - Alcorn Light	302	21,744	13.95	4,213	302	21,744	\$14.24	4,299
OL Mercury Vapor - 175W - Alcorn Head Yard Light (\$13.95+\$4.26)	302		4.26	1,287	302		\$4.26	1,287
OL Mercury Vapor - 175W - Colonial Light	1,690	121,680	7.28	12,303	1,690	121,680	\$7.57	12,785
OL Mercury Vapor - 175W - Colonial Post Yard Light and Pole (\$7.28+\$4.26)	1,690		4.26	7,199	1,690		\$4.26	7,199
OL Mercury Vapor - 400W - Copra Head Light	910	141,960	11.86	10,793	910	141,960	\$12.48	11,355
OL Mercury Vapor - 400W - Interstate Light	36	5,616	16.46	593	36	5,616	\$17.08	615
OL Sodium Vapor - 4,000 Lumens - Colonial	1,412	28,240	9.84	13,894	1,412	28,240	\$9.92	14,006
OL Sodium Vapor - 27,500 Lumens - Flood Light	915	80,520	11.85	10,843	915	80,520	\$12.20	11,162
OL Sodium Vapor - 50,000 Lumens - Flood Light	1,690	268,710	13.48	22,781	1,690	268,710	\$14.11	23,846
OL Sodium Vapor - 27,500 Lumens - Cobra Head	1,494	131,472	10.49	15,672	1,494	131,472	\$10.84	16,193
	257,773	19,455,575		\$ 2,021,212		19,455,575		2,098,313
(ES and FAC for Lighting Rates included with primary rate class billed to each customer.)				7.84				8.14
Average Invoice								
Sodium Vapor - 5,800 Lumens - Street Light			9.14				\$9.26	1.30%
Sodium Vapor - 22,000 Lumens - Street Light			13.55				\$13.89	2.54%
Sodium Vapor - 9,500 Lumens, 100W - Security Light			7.40				\$7.68	3.75%
Mercury Vapor - 7,000 Lumens, 175W - Security Light			7.40				\$7.68	3.75%
Mercury Vapor - 400W - Flood Light			13.85				\$14.47	4.46%
Mercury Vapor - 1,000W - Flood Light			26.60				\$28.09	5.60%
Mercury Vapor - 175W - Alcorn Light			13.95				\$14.24	2.05%
Mercury Vapor - 175W - Alcorn Head Yard Light (\$13.95+\$4.26)			4.26				\$4.26	0.00%
Mercury Vapor - 175W - Colonial Light			7.28				\$7.57	3.92%
Mercury Vapor - 175W - Colonial Post Yard Light and Pole (\$7.28+\$4.26)			4.26				\$4.26	0.00%
Mercury Vapor - 400W - Copra Head Light			11.86				\$12.48	5.21%
Sodium Vapor - 4,000 Lumens - Colonial			9.84				\$9.92	0.81%
Sodium Vapor - 27,500 Lumens - Flood Light			11.85				\$12.20	2.94%
Sodium Vapor - 50,000 Lumens - Flood Light			13.48				\$14.11	4.67%
Sodium Vapor - 27,500 Lumens - Cobra Head			10.49				\$10.84	3.32%

JACKSON ENERGY COOPERATIVE

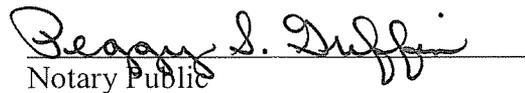
CASE NO. 2006-00482

I, William A. Bosta, hereby certify that a complete copy of the filing provided to the Kentucky Public Service Commission has been sent to the Office of Rate Intervention, Office of the Attorney General.

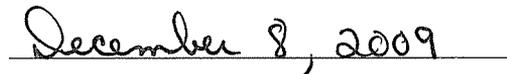


William A. Bosta  
East Kentucky Power Cooperative, Inc.

Subscribed and sworn before me on this 29th day of January, 2007.

  
Notary Public

My Commission expires



**NOTICE OF PROPOSED RATE CHANGE**

In accordance with the requirements of the Public Service Commission of the Commonwealth of Kentucky as set forth in 807 KAR 5:007, Section 3, of the Rules and Regulations of the Public Service Commission, notice is hereby given to the member consumers of Jackson Energy Cooperative of a proposed rate adjustment from East Kentucky Power. An Application for Approval of Adjustment to Rates will be filed with the Public Service Commission on January 29, 2007, Case No. 2006-00482. The rates are being revised to reflect a change in East Kentucky Power's wholesale rates pursuant to KRS 278.455(2). This adjustment will result in a general rate increase to the member-consumers of Jackson Energy Cooperative. The amount and percent of increase by rate class are listed below.

	<u>Rate Class</u>	<u>Increase</u>	<u>Percent</u>
10	Residential, Farm and Non-Farm Service	\$2,570,352	4.39%
11	Residential, Farm and Non-Farm Service – Off Peak	\$22,457	4.51%
01	Special Dual Fuel Tariff	\$1,011	4.64%
20	Commercial, Small Power & Three-Phase Farm Service	\$168,016	4.33%
30	Large Power Service Less Than 50 kW	\$54,661	3.86%
33	Water Pumping Service	\$8,184	5.69%
40	Large Power More than 50 kW but Less Than 274 kW	\$234,483	4.76%
43	Large Power Rate – Over 275 kW	\$143,660	5.11%
46	Large Power Rate – 500 kW or More (12-Mo Period)	\$177,147	6.93%
47	Large Power Rate – 500 kW to 4,999 kW	\$118,711	6.68%
50	Schools, Community Halls and Community Parks	\$18,374	4.40%
60	Churches	\$29,175	4.09%
52	All Electric Schools	\$31,775	5.41%
OL	Outdoor Lighting Service	\$76,994	3.82%
65	Street Lighting Service	\$107	2.27%
22	Commercial, Small Power and 3-Phase Farm Service – Off Peak Retail Marketing Rate	\$458	4.14%

The effect of the proposed rates on the average monthly bill by rate class are listed below:

	<u>Rate Class</u>	<u>\$ Increase</u>	<u>Percent Increase</u>
10	Residential, Farm and Non-Farm Service	\$4.60	4.39%
11	Residential, Farm and Non-Farm Service – Off Peak	\$2.10	4.51%
01	Special Dual Fuel Tariff	\$3.87	4.64%
20	Commercial, Small Power & Three-Phase Farm Service	\$4.73	4.33%
30	Large Power Service Less Than 50 kW	\$19.17	3.86%
33	Water Pumping Service	\$113.66	5.69%
40	Large Power More than 50 kW but Less Than 274 kW	\$127.92	4.76%
43	Large Power Rate – Over 275 kW	\$583.98	5.11%
46	Large Power Rate – 500 kW or More (12-Mo Period)	\$4,920.75	6.93%
47	Large Power Rate – 500 kW to 4,999 kW	\$2,697.98	6.68%
50	Schools, Community Halls and Community Parks	\$9.95	4.40%
60	Churches	\$4.18	4.09%
52	All Electric Schools	\$136.96	5.41%
OL	Outdoor Lighting Service	\$0.30	3.82%
65	Street Lighting Service	\$0.28	2.27%
22	Commercial, Small Power and 3-Phase Farm Service – Off Peak Retail Marketing Rate	\$2.92	4.14%

**EXHIBIT V**  
**Page 2 of 3**

The present and proposed rates structures of Jackson Energy Cooperative are listed below:

<u>Schedule</u>	<u>Rate Class</u>	<u>Present</u>	<u>Proposed</u>
10	Residential, Farm and Non-Farm Service		
	Customer Charge / Mo	\$8.25	\$8.25
	Energy Charge / kWh	\$0.06956	\$0.07355
11	Residential, Farm and Non-Farm Service – Off Peak		
	Energy Charge / kWh	\$0.04174	\$0.04413
01	Special Dual Fuel Tariff		
	Customer Charge / Mo	\$1.95	\$1.95
	Energy Charge / kWh	\$0.06938	\$0.07334
20	Commercial, Small Power & Three-Phase Farm Service		
	Customer Charge / Mo	\$10.00	\$10.00
	Energy Charge / kWh	\$0.06915	\$0.07314
30	Large Power Service Less Than 50 kW		
	Customer Charge / Mo	\$21.75	\$21.75
	Demand Charge / kW	\$5.22	\$5.22
	Energy Charge / kWh	\$0.06249	\$0.06645
33	Water Pumping Service		
	Customer Charge / Mo	\$15.25	\$15.25
	Energy Charge / kWh	\$0.05704	\$0.06100
40	Large Power More than 50 kW but Less Than 274 kW		
	Customer Charge / Mo	\$17.90	\$17.90
	Demand Charge / kW	\$4.84	\$4.84
	Energy Charge / kWh	\$0.05328	\$0.05724
43	Large Power Rate – Over 275 kW		
	Customer Charge / Mo	\$31.82	\$31.82
	Demand Charge / kW	\$4.84	\$4.84
	Energy Charge / kWh	\$0.04980	\$0.05376
46	Large Power Rate – 500 kW or More (12-Mo Period)		
	Customer Charge / Mo	\$960.00	\$960.00
	Demand Charge / kW	\$5.39	\$7.29
	Energy Charge / kWh	\$0.03550	\$0.03550
47	Large Power Rate – 500 kW to 4,999 kW		
	Customer Charge / Mo	\$960.00	\$960.00
	Contract Demand Charge	\$5.39	\$7.29
	Demand Charge in Excess of Contract Demand	\$7.82	\$9.72
	Energy Charge / kWh	\$0.03754	\$0.03754
48	Large Power Rate 5,000 kW and Above		
	Customer Charge / Mo	\$1,069.00	\$1,069.00
	Contract Demand Charge	\$5.39	\$7.29
	Demand Charge in Excess of Contract Demand	\$7.82	\$9.72
	Energy Charge / kWh	\$0.03014	\$0.03014
50	Schools, Community Halls and Community Parks		
	Customer Charge / Mo	\$9.75	\$9.75
	Energy Charge / kWh	\$0.07269	\$0.07665
60	Churches		
	Customer Charge / Mo	\$9.65	\$9.65
	Energy Charge / kWh	\$0.07234	\$0.07630

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52	All Electric Schools		
	Customer Charge / Mo	\$40.00	\$40.00
	Energy Charge / kWh	\$0.05939	\$0.06335
OL	Outdoor Lighting Service		
	100 Watt Sodium Vapor Security Light	\$7.40	\$7.68
	175 Watt Mercury Vapor Security Light	\$7.40	\$7.68
	400 Watt Mercury Vapor Flood Light	\$13.85	\$14.47
	1,000 Watt Mercury Vapor Flood Light	\$26.60	\$28.09
	175 Watt Mercury Vapor Acorn Light	\$13.95	\$14.24
	175 Watt Mercury Vapor Colonial Light	\$7.28	\$7.57
	400 Watt Mercury Vapor Cobra Head Light	\$11.86	\$12.48
	400 Watt Mercury Vapor Interstate Light	\$16.46	\$17.08
	4,000 Lumen Sodium Colonial	\$9.84	\$9.92
	27,500 Lumen Sodium Floodlight	\$11.85	\$12.20
	50,000 Lumen Sodium Floodlight	\$13.48	\$14.11
	27,500 Lumen Sodium Cobra Head	\$10.49	\$10.84
65	Street Lighting Service		
	Sodium Vapor Light 22,000 Lumens	\$13.55	\$13.89
	Sodium Vapor Light 5,800 Lumens	\$9.14	\$9.26
22	Commercial, Small Power and 3-Phase Farm Service --		
	Off Peak Retail Marketing Rate		
	Energy Charge / kWh	\$0.04164	\$0.04388

The rates contained in this notice are the rates proposed by Jackson Energy Cooperative. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such actions may result in rates for consumers other than the rates in this notice.

Any person may examine the rate application at the main office of Jackson Energy Cooperative at the following address:

Jackson Energy Cooperative  
115 Jackson Energy Lane  
McKee, Kentucky 40447  
(606) 364-1000

Any person may also examine the rate application at the office of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.