

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF JACKSON)
ENERGY COOPERATIVE FROM) CASE NO. 2002-00444
NOVEMBER 1, 2000 TO OCTOBER 31,)
2002)

O R D E R

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission on December 11, 2002 established this case to review and evaluate the operation of the fuel adjustment clause (FAC) of Jackson Energy Cooperative (Jackson Energy) for the 2 years ended October 31, 2002.

As part of this review, the Commission ordered Jackson Energy to submit certain information and an affidavit attesting to its compliance with Administrative Regulation 807 KAR 5:056. Jackson Energy has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. Jackson Energy has complied in all material respects with the provisions of Administrative Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. (EKPC), the wholesale supplier of Jackson Energy, has been authorized to transfer (roll-in) a 2.31 mills per KWH increase in the base fuel cost to its base rates.¹

3. Jackson Energy should be authorized to transfer (roll-in) a 2.46 mills per KWH increase in its base fuel costs to its base to reflect, as adjusted for line loss, the transfer of a 2.31 mills per KWH increase in EKPC s base rates. This transfer can best be accomplished by an energy adder to each KWH sold.

4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Jackson Energy through the FAC for the period November 1, 2000 to October 31, 2002 are approved.

2. Jackson Energy is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled in by EKPC from its FAC to its base rates.

3. The rates in Appendix A are approved for service rendered by Jackson Energy on and after May 1, 2003, the effective date of EKPC s change in rates.

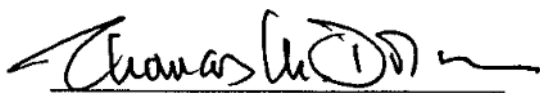
4. Within 30 days of the date of this Order, Jackson Energy shall file with the Commission revised tariff sheets setting out the rates approved herein.

¹ Case No. 2000-00432, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2000 to October 31, 2002.

Done at Frankfort, Kentucky, this 23rd day of April, 2003.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. (T) H.", written over a horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00444 DATED April 23, 2003

The following rates and charges are prescribed for the customers in the area served by Jackson Energy Cooperative. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

SCHEDULE 1
SPECIAL DUAL FUEL TARIFF

Energy Charge per kWh for the Months of October through April \$.06445

SCHEDULE 10
RESIDENTIAL SERVICE

Energy Charge per kWh \$.06463

SCHEDULE 11
RESIDENTIAL, FARM AND NON-FARM SERVICE-OFF PEAK MARKETING RATE

All kWh per Month per kWh \$.03878

SCHEDULE 12
RESIDENTIAL SERVICE (TIME OF DAY)

On-Peak Energy per kWh \$.08335
Off-Peak Energy per kWh \$.04580

SCHEDULE 20
COMMERCIAL, SMALL POWER AND THREE-PHASE SERVICE

All kWh per Month per kWh \$.06422

SCHEDULE 21
COMMERCIAL, SMALL POWER AND THREE-PHASE SERVICE (TIME OF DAY)

On-Peak Energy \$.08580

Off-Peak Energy \$.04002

SCHEDULE 22
COMMERCIAL, SMALL POWER AND THREE-PHASE SERVICE
OFF-PEAK RETAIL MARKETING RATE

All kWh per Month per kWh \$.03868

SCHEDULE 30
LARGE POWER SERVICE LESS THAN 50 KW

All kWh per Month per kWh \$.05756

SCHEDULE 33
WATER PUMPING SERVICE

All kWh per Month per kWh \$.05211

SCHEDULE 34
WATER PUMPING SERVICE (TIME OF DAY)

On-Peak Energy \$.06469

Off-Peak Energy \$.04065

SCHEDULE 40
LARGE POWER MORE THAN 50 KW LESS THAN 274KW

All kWh per Month per kWh \$.04835

SCHEDULE 43
LARGE POWER MORE THAN 274 KW LESS THAN 499KW

All kWh per Month per kWh \$.04487

SCHEDULE 46
LARGE POWER-500 KW AND OVER

All kWh per Month per kWh \$.03057

SCHEDULE 47
LARGE POWER-500 KW to 4,999 KW

All kWh per Month per kWh \$.03261

SCHEDULE 48
LARGE POWER-5,000 KW AND ABOVE

All kWh per Month per kWh \$.02521

SCHEDULE 50
SCHOOLS AND COMMUNITY HALLS

All kWh per Month per kWh \$.06776

SCHEDULE 56
ALL ELECTRIC SCHOOLS (AES)

All kWh per Month per kWh \$.05446

SCHEDULE 60
CHURCHES

All kWh per Month per kWh \$.06741

SCHEDULE 65
STREET LIGHTING SERVICE

Rate per light per month as follows:

22,000 Lumen Sodium Vapor Light	\$ 13.12
5,800 Lumen Sodium Vapor Light	\$ 8.99

SCHEDULE 01
OUTDOOR LIGHTING SERVICE

Rate per light per month as follows:

100 Watt Sodium Vapor Security Light	\$ 7.05
175 Watt Mercury Vapor Light Security Light	\$ 7.05
400 Watt Mercury Vapor Flood Light	\$ 13.08
1,000 Watt Mercury Vapor Flood Light	\$ 24.75
175 Watt Mercury Vapor Acorn Light	\$ 13.60
175 Watt Mercury Vapor Colonial Light	\$ 6.93
400 Watt Mercury Vapor Cobra Head Light	\$ 11.09
400 Watt Mercury Vapor Interstate Light	\$ 15.69
4,000 Lumen Sodium Colonial	\$ 9.74
27,500 Lumen Sodium Floodlight	\$ 11.42
50,000 Lumen Sodium Floodlight	\$ 12.70
27,500 Lumen Sodium Cobra Head	\$ 10.16