

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. 2008-00531
NOVEMBER 1, 2006 THROUGH)
OCTOBER 31, 2008)

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 23, 2009, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Jackson Energy Cooperative ("Jackson") for the two-year period ended October 31, 2008.

As part of this review, the Commission ordered Jackson to submit certain information and an affidavit attesting to its adherence with 807 KAR 5:056. Jackson 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 person advised the Commission of his or her intention to attend.

In Case No. 2008-00409,¹ the Commission authorized a \$59.5 million rate increase for East Kentucky Power Cooperative, Inc. ("East Kentucky"), Jackson's power supplier. On April 3, 2009, Jackson filed its revised tariffs reflecting the rate increase

¹ Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc. (Ky. PSC Mar. 31, 2009).

authorized by the Commission's March 31, 2009 Order in Case No. 2008-00418.² Jackson subsequently filed a revised tariff, at Commission Staff's request, which reflected the effect of the proposed FAC roll-in upon its approved base rates.

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

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

2. East Kentucky, the wholesale supplier of Jackson, has been authorized to transfer (roll-in) a 10.15 mills per kWh increase in the base fuel cost to its base rates.³

3. Jackson should be authorized to transfer (roll-in) a 10.75 mills per kWh increase in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 10.15 mills per kWh increase in East Kentucky's current base rates. This transfer can best be accomplished by an energy adder to each kWh sold.

4. The rates and charges in the Appendix to this Order 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 through the FAC for the period from November 1, 2006 to October 31, 2008 are approved.

² Case No. 2008-00418, Application of Jackson Energy Cooperative Corporation to Pass-Through An Increase of Its Wholesale Power Supplier Pursuant to KRS 278.455(2) (Ky. PSC Mar. 31, 2009).

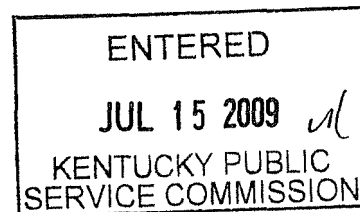
³ Case No. 2008-00519, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2006 to October 31, 2008 (Ky PSC July 15, 2009).

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

3. The rates in the Appendix to this Order are approved for service rendered by Jackson on and after August 1, 2009, the effective date of East Kentucky's change in rates.

4. Within 20 days of the date of this Order, Jackson shall file with the Commission revised tariff sheets setting out the rates approved herein.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00531 DATED JUL 15 2009

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 the Commission prior to the effective date of this Order.

SCHEDULE 10
RESIDENTIAL SERVICE

Energy Charge per kWh \$.10156

SCHEDULE 11
RESIDENTIAL SERVICE
OFF-PEAK RETAIL MARKETING RATE

All kWh per Month per kWh \$.06094

SCHEDULE 20
COMMERCIAL SERVICE - LESS THAN 50 KW

All kWh per Month per kWh \$.09154

SCHEDULE 22
COMMERCIAL SERVICE
OFF-PEAK RETAIL MARKETING RATE

All kWh per Month per kWh \$.05492

SCHEDULE 40
LARGE POWER - 50 KW AND OVER

All kWh per Month per kWh \$.07001

SCHEDULE 46
LARGE POWER - 500 KW AND OVER

All kWh per Month per kWh \$.05576

SCHEDULE 47
LARGE POWER - 500 kW AND OVER

All kWh per Month per kWh \$.05676

SCHEDULE 48
LARGE POWER - 5,000 kW AND OVER

All kWh per Month per kWh \$.05036

SCHEDULE 50
SCHOOLS, CHURCHES, COMMUNITY HALLS, AND COMMUNITY PARKS

All kWh per Month per kWh \$.09804

SCHEDULE 52
ALL ELECTRIC SCHOOLS (A.E.S.)

All kWh per Month per kWh \$.08267

SCHEDULE 01
OUTDOOR LIGHTING SERVICE

Rate per light per month as follows:

400 Watt Mercury Vapor Cobra Head Light	\$ 15.63
22,000 Lumen Sodium Cobra Head Light	\$ 16.25
27,500 Lumen Sodium Cobra Head	\$ 12.94
175 Watt Mercury Vapor Light Security Light	\$ 9.30
400 Watt Mercury Vapor Flood Light	\$ 17.79
1,000 Watt Mercury Vapor Flood Light	\$ 35.51
100 Watt Sodium Vapor Security Light	\$ 9.30
27,500 Lumen Sodium Floodlight	\$ 14.42
50,000 Lumen Sodium Floodlight	\$ 17.44
175 Watt Mercury Vapor Acorn Light	\$ 16.41
100 Watt Sodium Vapor Acorn Light	\$ 11.21
100 Watt Sodium Vapor Colonial Light	\$ 7.61
175 Watt Mercury Vapor Colonial Light	\$ 9.17
400 Watt Mercury Vapor Interstate Light	\$ 20.62
4,000 Lumen Sodium Colonial Light	\$ 11.04

Sharon K Carson
Finance & Accounting Manager
Jackson Energy Cooperative
115 Jackson Energy Lane
McKee, KY 40447