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PUBLIC SERVICE  
COMMISSION

**RESOLUTION OF BOARD OF DIRECTORS  
OF  
JACKSON PURCHASE ENERGY CORPORATION**

**COMES NOW**, JACKSON PURCHASE ENERGY CORPORATION (“JPEC”), by and through its Board of Directors, and hereby adopts the following resolution at its meeting held on April 24, 2008.

**WHEREAS** a rate application was filed for Jackson Purchase Energy Corporation proposing an increase in base electric rates so that revenue will increase to \$3,554,064, said case being styled In the Matter of General Adjustment of Electric Rates of Jackson Purchase Energy Corporation, having a Case Number of 2007-00116 (hereinafter the “Rate Case”); and

**WHEREAS**, JPEC personnel and representatives of the Office of Attorney General, the sole intervenor in the Rate Case, met on April 22, 2008, to discuss the potential settlement of this matter; and

**WHEREAS**, through negotiation, the parties were able to agree on a rate increase of \$3,380,983, said number being Ninety-Five and 1/10 of a percent (95.1%) of the originally requested amount, and which amount will result in a minimum TIER of 2.0, thereby enabling JPEC to continue to meet the costs of obligations such as mortgage loan, labor, employee benefits, operating and maintenance materials, interest, and depreciation, among others.

**NOW, THEREFORE**, the following resolutions are adopted by the Board of Directors of Jackson Purchase Energy Corporation:

**RESOLVED** that the Board of Directors hereby authorizes and directs the President and CEO, G. Kelly Nuckols, to negotiate and enter into a settlement of the Rate Case with the OAG as described herein and directs management to file said settlement with the Public Service Commission for Approval.

CERTIFICATE

I, WAYNE ELLIOT, Secretary-Treasurer of Jackson Purchase Energy Corporation, do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors of the Jackson Purchase Energy Corporation, held on the 24<sup>th</sup> day of April, at which meeting a quorum was present.

  
Secretary-Treasurer