

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF JACKSON ENERGY)
COOPERATIVE TO ESTABLISH PREPAID) CASE NO.
ELECTRIC SERVICE) 2010-00210

COMMISSION STAFF'S SECOND INFORMATION REQUEST
TO JACKSON ENERGY COOPERATIVE

Pursuant to 807 KAR 5:001, Jackson Energy Cooperative ("Jackson Energy") is to file jointly with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before August 25, 2010. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Jackson Energy shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

Jackson Energy fails or refuses to furnish all or part of the requested information, Jackson Energy shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to Jackson Energy's response to Item 4 of Commission Staff's First Information Request ("Staff's First Request").

a. Given that it is based entirely on the wages and benefits for a clerical employee, explain why the Commission should approve a transaction fee for automated transactions which do not require the use of an employee.

b. Explain whether Jackson Energy will have the system capability to not apply the transaction fee to fully automated transactions, similar to its ability to omit transaction fees for assistance vouchers as stated in its response to Item 11 of Staff's First Request.

c. Explain why Jackson Energy estimates that most customers will use a customer representative instead of the automated response system.

2. Refer to the response to Item 12 of Staff's First Request and to the revised tariff in Exhibit D to Jackson Energy's responses to Staff's First Request. This response states that the prepay program would not be applicable to customers utilizing Levelized Billing. The revised tariff in Exhibit D states that the prepay rider is available to any and

all rate schedules used by Jackson Energy. Explain whether Jackson Energy believes that the tariff should reflect the exclusion for customers on Levelized Billing.

3. Refer to the response to Item 13 of Staff's First Request. This response states that the \$100,000 Jackson Energy received from the American Reinvestment and Recovery Act are not to be repaid and that Exhibit A shows software costs have been removed from the calculation of the monthly program fee. Exhibit A shows software costs of \$49,000. Explain how customers will benefit from the remaining \$51,000 received by Jackson Energy to implement the prepaid program.

4. Refer to Section B, Annual Expenses, in Exhibit A to the response to Staff's First Request. Explain why the interest rate is increased to 5 percent from the 4 percent used in the Application at Exhibit I, in the Testimony of James R. Adkins.

5. Refer to Exhibits B and C to the response to Staff's First Request.

a. In the first sentence under the "Certificate of Deposit" section, explain whether Jackson Energy intended to refer to the Public Service Commission rather than the Energy Regulatory Commission.

b. In the first sentence under the "Certificate of Deposit" section, explain whether Jackson Energy intended to refer to 807 KAR 5:006 rather than 807 KAR 50:006.

6. Refer to Exhibit D to the response to Staff's First Request, page 3 of 3.

a. Item B in the section Other, states that "Members will continue to receive monthly information much like the statement received by post pay members." Explain how the statements provided to prepay customers will be differentiated from

bills issued to post-pay customers to guard against prepay customers mistakenly believing they are receiving a bill from Jackson Energy.

b. Item D in that same section states that members will be billed for damaged equipment "as set forth in the rules and regulations." Specify the rules and regulations referred to in this item.



Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED: AUG 11 2010

cc: Parties of Record

Clayton O Oswald
Taylor, Keller & Oswald, PLLC
1306 West Fifth Street, Suite 100
Post Office Box 3440
London, KY 40743-3440