



JACKSON ENERGY
COOPERATIVE

115 Jackson Energy Lane
McKee, Kentucky 40447
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PUBLIC SERVICE
COMMISSION

December 13, 2016

Talina R. Mathews, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P O Box 615
Frankfort, Kentucky 40602-0615

Dear Ms. Mathews:

Enclosed please find an original and eight copies of Jackson Energy Cooperative's response to the Commission Staff's second request for information dated November 30, 2016 in Case No. 2016-00335. The response includes the name of the witness responsible for responding to the questions relating to the information provided. A signed certificate of the person supervising the preparation of the response on behalf of Jackson Energy Cooperative is also included.

If you have any questions, please contact me at 606-364-9231.

Respectfully yours,

JACKSON ENERGY COOPERATIVE

Mark Keene
Manager of Finance

Enclosure

STATE OF KENTUCKY)

COUNTY OF JACKSON)

I, Mark R. Keene, state that I am the Manager of Finance, of Jackson Energy Cooperative, that I have personal knowledge of the matters set forth in this response to the Commission's request for information, and that the statements and calculations contained in each are true as I verily believe.

This 13th day of December 2016

Mark R. Keene
Mark R. Keene

SUBSCRIBED AND SWORN to before me by Mark R. Keene this
13th day of December, 2016.

Connie Reid 560644
Notary Public, KY State at Large

My Commission Expires: 7-30-20

Item #3. This item is addressed to each of the 16 Member Cooperatives.
a. Provide the accounting methodology (i.e., cash or accrual) utilized by your particular Member Cooperative.

Response: Jackson Energy utilizes the accrual accounting methodology.

b. Explain whether the accounting methodology utilized by your particular Member Cooperative could exacerbate the possible impact to cash flow and margins caused by volatility in the environmental surcharge.

Response: Jackson Energy does not believe that the accrual methodology could exacerbate the possible impact to cash flow and margins caused by volatility in the environmental surcharge.

Witness: Mark R. Keene

Item #4 This item is addressed to each of the 16 Member Cooperatives. For your particular Member Cooperative, provide the following information as it relates to the environmental surcharge calculated for EKPC's December 2015 expense month, as billed to the Member Cooperatives in February 2016 for January 2016 usage:

a. The month in which the Member Cooperative records the amount billed in February 2016 as an expense.

Response: January 2016.

b. The month in which the retail customers usage will be subject to the Member Cooperative's pass-through factor calculated from EKPC's December 2015 expense month.

Response: January 2016.

c. The month in which the Member Cooperative bills its retail customers the pass-through factor calculated from EKPC's December 2015 expense month.

Response: February 2016.

b. The month in which the Member Cooperative records as revenue the amounts billed in the month indicated in part c. above.

Response: January 2016.

Witness: Mark R. Keene