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MAR 21 2007

PUBLIC SERVICE
COMMISSION

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March 14, 2007

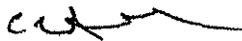
Ms. Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort KY 40602

RE: PSC Case No. 2006-00482

Dear Ms. O'Donnell:

Please find enclosed for filing with the Public Service Commission in the above-referenced case, an original and five (5) copies of the Responses of Jackson Energy Cooperative Corporation, to the Commission Staff's First Data Requests dated March 12, 2007.

Sincerely,



Clayton O. Oswald

COO/rlc
enc: as stated

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JACKSON ENERGY)	
COOPERATIVE TO PASS-THROUGH AN)	CASE NO.
INCREASE OF ITS WHOLESALE POWER)	2006-00482
SUPPLIER PURSUANT TO KRS 278.455(2))	

**RESPONSES TO COMMISSION STAFF'S FIRST DATA REQUEST
TO JACKSON ENERGY COOPERATIVE
DATED MARCH 12, 2007**

JACKSON ENERGY COOPERATIVE

PSC CASE NO. 2006-00482

COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07

Jackson Energy Cooperative ("Jackson") hereby submits responses to the Commission Staff's First Data Request dated March 12, 2007. Each response with its associated supportive reference materials is individually tabbed.

JACKSON ENERGY COOPERATIVE
PSC CASE NO. 2006-00482
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07
REQUEST 1

RESPONSIBLE PERSON: William A. Bosta

COMPANY: Jackson Energy Cooperative

Request 1. Refer to the Application, Exhibits II and III.

Request 1a. Provide all workpapers, calculations, assumptions, and other documentation used to determine the proposed rates and the billing analysis.

Response 1a. Attached is information from EKPC's Exhibit I, Pages 3-5, which shows the present and proposed rates and revenues by wholesale customer class for service to Jackson.

As indicated in Mr. Bosta's testimony, the demand charges for retail industrial rates mirror EKPC's proposed rates for Schedules B and C, as applicable.

The increase applicable to all other classes was based on taking the total increase to the member system, subtracting the retail industrial class increase and then dividing that amount by the kWh for all other classes. This resulted in a per unit (cents/kWh) energy cost increase that was applied to all other classes. The only exceptions are Electric Thermal Storage (ETS) Rate Schedules 11 and 22, which were designed based on a charge of 60 percent of the energy rate of the related rate class.

See the response to Request 1b for the calculations to determine the proposed rates.

Request 1b. Provide in electronic format the Excel spreadsheets used to determine the proposed rates and billing analysis, with all formulas intact.

Response 1b. Based on discussion with the Commission Staff on March 19, 2007, attached are two (2) copies of the requested information on CD-ROM.

Demand E
 Efficiency 0.957689 R
 Heat Rate 3016.9
 Mibu \$ /Mibu
 Mibu Energy \$ /Mibu

BILL-KWY 508,649
 Mibu-Demand 4384.11
 Mibu-Energy 2322651.7

Dem. Revs. 2,543,600
 Energy Revenue 6,784,794
 Total Revenue 9,328,394
 9,554,161 778,224

Load Center - Normalized

Meter#	LC =	2373	2855	4605	Revenue
COOP	944	2373	2855	4605	Revenue
21	12	48	228	24	886,692
23	12	144	439,596	24	439,596
27	12	108	447,336	24	447,336
3	36	36	891,668	48	891,668
30	12	12	413,076	24	413,076
34	12	120	426,336	12	426,336
37	180	96	855,880	96	855,880
49	72	12	813,860	12	813,860
51	144	48	689,112	48	689,112
52	24	36	474,120	36	474,120
54	108	312	1,197,228	48	1,197,228
56	36	36	325,248	12	325,248
57	36	132	517,548	12	517,548
58	12	84	268,296	12	268,296
59	84	84	410,676	0	410,676
61	72	84	1,162,952	84	1,162,952
64	48	228	10,219,764	468	10,219,764
36	540	2364	426,000	468	426,000
			7,500	468	7,500
			5 Metering Point only		
			140,461,551	185,836,874	216,081,997
			554,033,251	554,033,251	554,033,251
			510,669,030	43,364,220	

Grand Total Revenue by Member System

COOP	E	B	C	Inland Container	Inland Steam	Gain/In	IGP	ASC	Load Center	Metering Only	Metering	Proposed Total	Present	Rate Adj
21	41,970,429	3,346,394	0	0	0	0	4,061,065	886,692	39,000	0	46,242,519	42,526,334	3,716,181	
23	20,177,360	232,807	805,915	0	0	0	0	439,596	19,500	0	25,735,642	24,028,185	1,707,457	
27	19,437,170	1,242,282	806,711	0	0	0	0	447,336	18,000	0	21,945,509	20,221,967	1,723,542	
3	42,012,168	1,161,082	1,784,826	0	0	0	0	991,668	49,500	0	46,020,253	42,364,668	3,655,585	
30	13,398,968	6,629,269	0	0	0	0	0	413,076	19,500	1,900	20,459,344	18,871,430	1,587,914	
34	20,735,790	0	2,517,318	0	0	0	0	426,336	18,000	0	23,697,444	21,777,590	1,919,854	
37	44,354,295	6,953,056	0	0	0	33,842,557	0	955,880	34,500	0	86,141,167	79,952,694	7,188,473	
49	20,561,204	1,961,589	117,223	0	0	0	0	689,112	30,000	3,000	21,325,317	19,645,505	1,679,812	
51	26,628,149	0	0	0	0	0	0	474,120	27,000	0	34,611,402	31,936,350	2,675,052	
52	20,429,813	2,072,016	7,295,238	0	0	0	5,602,582	1,197,228	18,000	1,500	51,043,371	47,484,250	3,559,121	
54	49,482,581	3,494,417	0	7,889,734	9,332,394	0	0	325,248	49,500	1,500	56,237,242	51,840,182	4,457,060	
56	12,731,750	0	0	0	0	0	0	517,548	15,000	0	13,071,888	12,034,882	1,037,006	
57	24,105,073	0	0	0	0	0	0	268,296	22,500	0	24,645,121	22,673,225	1,971,896	
58	12,446,242	0	0	0	0	0	0	0	12,000	0	12,726,538	11,716,472	1,010,067	
59	344,503	0	0	0	0	0	0	0	0	0	344,503	314,496	30,005	
61	11,813,118	0	659,535	0	0	0	0	410,676	19,500	0	12,902,629	11,890,068	1,012,561	
64	46,624,862	8,988,673	0	0	0	0	0	1,162,952	46,500	7,500	56,623,033	52,350,640	4,432,394	
	427,253,489	32,617,902	17,474,663	7,889,734	9,332,394	33,842,557	9,663,647	10,219,764	426,000	7,500	554,033,251	510,669,030	43,364,220	
											554,033,251	554,033,251		

Jackson Energy Cooperative
Billing Analysis
for the 12 months ended September 30, 2006

	Present Revenue Total	Proposed Revenue Total	\$ Increase	% Increase
Schedule 1 Dual Fuel	21,761	22,772	1,011	4.64%
Schedule 10 Res, Farm & Non-Farm	58,593,933	61,164,284	2,570,352	4.39%
Sch 11 - Res, Farm, Non-Farm Retail Mkt Rate (ETS)	498,461	520,919	22,457	4.51%
Sch 20 Comm, Sm Power & 3-Phase Farm	3,880,472	4,048,489	168,016	4.33%
Sch 22 Comm, Sm Power & 3-Phase Farm Ret Mkt (ETS)	11,056	11,514	458	4.14%
Sch 30 Large Power Svce <50 kW	1,416,681	1,471,342	54,661	3.86%
Sch 33 Water Pumping Service	143,895	152,079	8,184	5.69%
Sch 40 Lg Power 50 kW - 274 kW	4,922,622	5,157,105	234,483	4.76%
Sch 43 Lg Power >275 kW	2,808,771	2,952,432	143,660	5.11%
Sch 46 - Large Power - 500 kW and Over	2,556,565	2,733,712	177,147	6.93%
Sch 47 - Large Power 500 kW - 4,999 kW	1,777,865	1,896,577	118,711	6.68%
Sch 50 - Schools, Churches & Comm Halls	417,809	436,183	18,374	4.40%
Sch 52 - All Electric Schools	587,821	619,596	31,775	5.41%
Sch 60 - Schools, Churches & Community Halls	712,928	742,102	29,175	4.09%
Street Lighting and Security Lights	2,021,212	2,098,313	77,101	3.81%
	80,371,852	84,027,417	3,655,565	4.55%

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 1
Dual Fuel
Rate 1

E-Based kWh	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues				
Customer Charge	261	\$1.95	\$509	261	\$1.95	\$509	-	0.00%		
Energy charge per kWh	255,009	255,009	\$0.06938	17,693	255,009	\$0.07334	18,703	1,011	5.71%	1,011
Total from base rates			<u>18,201</u>			<u>19,212</u>	1,011	5.55%		
Fuel adjustment			2,141			2,141	-	0.00%		
Environmental surcharge			<u>1,418</u>			<u>1,418</u>	-	0.00%		
Total revenues			<u>\$21,761</u>			<u>\$22,772</u>	1,011	4.64%		
Average Bill			\$83.38			\$87.25	3.87	4.64%		

Schedule 10
Residential, Farm and Non-Farm Service
Rate 10

E-Based kWh	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues				
Customer Charge	559,002	\$8.25	\$4,611,767	559,002	\$8.25	\$4,611,767	-	0.00%		
Energy charge per kWh	645,005,288	645,005,288	\$0.06956	44,866,568	645,005,288	\$0.07355	47,436,919	2,570,352	5.73%	2,570,352
Renewable Resource Adder			5,539			5,539	-	0.00%		
Total from base rates			<u>49,483,873</u>			<u>52,054,224</u>	2,570,352	5.19%		
Fuel adjustment			5,508,854			5,508,854	-	0.00%		
Environmental surcharge			<u>3,603,206</u>			<u>3,603,206</u>	-	0.00%		
Total revenues			<u>\$58,593,933</u>			<u>\$61,164,284</u>	2,570,352	4.39%		
Average Bill			\$104.82			\$109.42	4.60	4.39%		

Schedule 11 (ETS)
Residential, Farm and Non-Farm Service - Of Peak Retail Marketing Rate
Rate 11

E-Based kWh	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues				
Customer Charge	10,681		\$0	10,681	\$0.00	\$0				
Energy Charge	9,408,205	9,408,205	\$0.04174	392,698	9,408,205	\$0.04413	415,156	22,457	5.72%	22,457
Total Baseload Charges			\$392,698				(392,698)	-100.00%		
Fuel Adjustment			78,429			78,429	-	0.00%		
Environmental Surcharge			<u>27,334</u>			<u>27,334</u>	-	0.00%		
Total Revenues			<u>\$498,461</u>			<u>\$520,919</u>	22,457	4.51%		
Average Bill			\$ 46.67			\$ 48.77	2.10	4.51%		

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 20
Commercial, Small Power & Three-Phase Farm Service
Rate 20

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy	
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues					
Customer Charge		35,555	\$10.00	\$355,550	35,555	\$10.00	\$355,550	-	0.00%		
Energy charge per kWh	42,162,069	42,162,069	\$0.06915	2,915,507	42,162,069	\$0.07314	3,093,523	168,016	5.76%		168,016
Total from base rates				<u>3,271,057</u>			<u>3,439,073</u>	<u>168,016</u>	<u>5.14%</u>		
Fuel adjustment				362,975			362,975	-	0.00%		
Environmental surcharge				<u>246,440</u>			<u>246,440</u>	-	0.00%		
Total revenues				<u>\$3,880,472</u>			<u>\$4,048,489</u>	<u>168,016</u>	<u>4.33%</u>		
Average Bill			\$ 109.14			\$ 113.87		4.73	4.33%		

Schedule 22 (ETS)
Commercial, Small Power & three-Phase Farm Service - Off Peak Retail Marketing Rate
Rate 22

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy	
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues					
Customer Charge		157	\$0	\$0	157	\$0.00	\$0				
Energy charge per kWh	204,247	204,247	\$0.04164	6,505	204,247	\$0.04388	8,963	458	5.38%		458
Total from base rates				<u>6,505</u>			<u>8,963</u>	<u>458</u>	<u>5.38%</u>		
Fuel adjustment				1,847			1,847	-	0.00%		
Environmental surcharge				<u>704</u>			<u>704</u>	-	0.00%		
Total revenues				<u>\$11,056</u>			<u>\$11,514</u>	<u>458</u>	<u>4.14%</u>		
Average Bill			\$ 70.42			\$ 73.34		2.92	4.14%		

Schedule 30
Large Power Service Less than 50 KW
Rate 30

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy	
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues					
Customer Charge		2,851	\$21.75	\$62,009	2,851	\$21.75	\$62,009	-	0.00%		
Demand Charge		55,302	\$5.22	289,679	55,302	\$5.22	\$289,678.79	-	0.00%		
Energy Charge	13,793,112	13,793,112	\$0.06249	861,932	13,793,112	\$0.06645	918,593	54,661	6.34%		54,661
Total Baseload Charges				<u>\$1,212,620</u>			<u>\$1,267,281</u>	<u>54,661</u>	<u>4.51%</u>		
Fuel adjustment				115,084			115,084	-	0.00%		
Environmental surcharge				<u>88,977</u>			<u>88,977</u>	-	0.00%		
Total Revenues				<u>\$1,416,681</u>			<u>\$1,471,342</u>	<u>54,661</u>	<u>3.86%</u>		
Average Bill			\$ 498.91			\$ 516.08		19.17	3.86%		

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 33
Water Pumping Service
Rate 33

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized				
		Rate	Revenues		Rate	Revenues				
Customer Charge	72	\$15.25	\$1,098	72	\$15.25	\$1,098	-	0.00%		
Energy Charge	2,065,094	2,065,094	\$0.05704	117,793	2,065,094	\$0.06100	125,977	8,184	6.95%	8,184
Total BaseLoad Charges			<u>\$118,891</u>				<u>(118,891)</u>	<u>-100.00%</u>		
Fuel adjustment			16,328			16,328	-	0.00%		
Environmental surcharge			8,677			8,677	-	0.00%		
Total Revenues			<u>\$143,895</u>			<u>\$152,079</u>	<u>8,184</u>	<u>5.69%</u>		
Average Bill			\$ 1,998.55			\$ 2,112.21	113.66	5.69%		

Schedule 40
Large Power More than 50 kW But Less Than 275 kW
Rate 40

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized				
		Rate	Revenues		Rate	Revenues				
Customer Charge	1,833	\$17.90	\$32,811	1,833	\$17.90	\$32,811	-	0.00%		
Demand Charge	194,421	\$4.84	940,998	194,421	\$4.84	\$940,997.99	-	0.00%		
Energy Charge	59,169,201	59,169,201	\$0.05328	3,152,535	59,169,201	\$0.05724	3,387,018	234,483	7.44%	234,483
Total BaseLoad Charges			<u>\$4,126,344</u>				<u>(4,126,344)</u>	<u>-100.00%</u>		
Fuel adjustment			493,713			493,713	-	0.00%		
Environmental surcharge			302,565			302,565	-	0.00%		
Total Revenues			<u>\$4,922,622</u>			<u>\$5,157,105</u>	<u>234,483</u>	<u>4.76%</u>		
Average Bill			\$ 2,685.55			\$ 2,813.46	127.92	4.76%		

Schedule 43
Large Power Rate - Over 275 kW
Rate 43

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized				
		Rate	Revenues		Rate	Revenues				
Customer Charge	246	\$31.82	\$7,828	246	\$31.82	\$7,828	-	0.00%		
Demand Charge	108,154	\$4.84	\$523,465.36	108,154	\$4.84	523,465	-	0.00%		
Energy Charge	36,251,100	36,251,100	\$0.04980	1,805,305	36,251,100	\$0.05376	1,948,965	143,660	7.96%	143,660
Total BaseLoad Charges			<u>\$2,336,598</u>			<u>\$2,480,258</u>	<u>143,660</u>	<u>6.15%</u>		
Fuel adjustment			302,300			302,300	-	0.00%		
Environmental surcharge			169,874			169,874	-	0.00%		
Total Revenues			<u>\$2,808,771</u>			<u>\$2,952,432</u>	<u>143,660</u>	<u>5.11%</u>		
Average Bill			\$ 11,417.77			\$ 12,001.75	583.98	5.11%		

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 46
Large Power Rate - 500 kW and Over
Rate 46

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues				
Customer Charge	36	\$960.00	\$34,560	36	\$960.00	\$34,560	-	0.00%		
Demand Charge	93,235	\$5.39	502,538	93,235	\$7.29	679,686	177,147	35.26%	177,147	
Energy Charge	42,568,800	\$0.03550	1,511,192	42,568,800	\$0.03550	1,511,192	-	0.00%		
Total BaseLoad Charges			<u>\$2,048,291</u>							
Fuel adjustment			352,474			352,474	-	0.00%		
Environmental surcharge			155,800			155,800	-	0.00%		
Total Revenues			<u>\$2,556,565</u>			<u>\$2,733,712</u>	177,147	6.93%		
Average Bill		\$	71,016.68		\$	75,936.44	4,920.75	6.93%		

Schedule 47
Large Power Rate 500 kW to 4,999 kW
Rate 47

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues				
Customer Charge	44	\$960.00	\$42,240	44	\$960.00	\$42,240	-	0.00%		
Demand	50,200	\$5.39	270,578	50,200	\$7.29	365,958	95,380	35.26%	95,380	
Excess Demand	12,280	\$7.82	96,027	12,280	\$9.72	119,358	23,331	24.30%	23,331	
Energy Charge	27,563,700	\$0.03754	1,034,741	27,563,700	\$0.03754	1,034,741	-	0.00%		
Total BaseLoad Charges			<u>\$1,443,566</u>			<u>\$1,562,297</u>				
Fuel adjustment			226,516			226,516	-	0.00%		
Environmental surcharge			107,763			107,763	-	0.00%		
Total Revenues			<u>\$1,777,865</u>			<u>\$1,896,577</u>	118,711	6.68%		
Average Bill		\$	40,406.03		\$	43,104.02	2,697.98	6.68%		

Schedule 50
Schools, Churches & Community Halls
Rate 50

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues				
Customer Charge	1,847	\$9.75	\$18,008	1,847	\$9.75	\$18,008	-	0.00%		
Energy Charge	4,636,550	4,636,550	\$0.07269	337,031	4,636,550	\$0.07665	355,405	18,374	5.45%	18,374
Total BaseLoad Charges			<u>\$355,039</u>				<u>(355,039)</u>	<u>-100.00%</u>		
Fuel adjustment			38,108			39,108	-	0.00%		
Environmental surcharge			23,661			23,661	-	0.00%		
Total Revenues			<u>\$417,809</u>			<u>\$436,183</u>	18,374	4.40%		
Average Bill		\$	226.21		\$	230.15	3.95	4.40%		

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2008

Schedule 52
All Electric Schools
Rate 52

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized				
		Rate	Revenues		Rate	Revenues				
Customer Charge	232	\$40.00	\$9,280	232	\$40.00	\$9,280	-	0.00%		
Energy Charge	8,018,143	8,018,143	\$0.05939	476,198	8,018,143	\$0.06335	507,973	31,775	6.67%	31,775
Total Baseload Charges			<u>\$485,478</u>					<u>(485,478)</u>	<u>-100.00%</u>	
Fuel adjustment			65,796			65,796	-	0.00%		
Environmental surcharge			<u>36,547</u>			<u>36,547</u>	-	0.00%		
Total Revenues			<u>\$587,821</u>			<u>\$619,596</u>	<u>31,775</u>	<u>5.41%</u>		
Average Bill		\$	2,533.71		\$	2,670.67	136.96	5.41%		

Schedule 60
Schools, Churches & Community Halls
Rate 60

	Existing			Proposed			\$ Increase	% Increase	Demand	Energy
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized				
		Rate	Revenues		Rate	Revenues				
Customer Charge	6,973	\$9.65	\$67,289	6,973	\$9.65	\$67,289	-	0.00%		
Energy Charge	7,361,930	7,361,930	\$0.07234	532,562	7,361,930	\$0.07630	561,737	29,175	5.48%	29,175
Total Baseload Charges			<u>\$599,851</u>					<u>(599,851)</u>	<u>-100.00%</u>	
Fuel adjustment			67,297			67,297	-	0.00%		
Environmental surcharge			<u>45,780</u>			<u>45,780</u>	-	0.00%		
Total Revenues			<u>\$712,928</u>			<u>\$742,102</u>	<u>29,175</u>	<u>4.09%</u>		
Average Bill		\$	102.24		\$	106.43	4.19	4.09%		
Jackson Lighting	19,455,575									77,101
	<u>847,765,523</u>									<u>295,856</u>
										3,655,565 Rev Req
										3,359,707 Less Dmd
										0.00386292 per kWh
										3,359,707
										3,655,565
										0.00

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Street Lighting and Security Lights
Outdoor Lighting

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Total kWh	Annualized Revenues	Billing Determinants	Total kWh	Annualized Revenues		
65 Sodium Vapor - 5,800 Lumens - Street Light	115	3,450	1,051	115	3,450	\$9.26	\$	1.30%
Sodium Vapor - 22,000 Lumens - Street Light	271	23,577	3,672	271	23,577	\$13.89	\$	2.54%
Sodium Vapor - 9,500 Lumens, 100W - Security Light	54,839	3,838,730	405,809	54,839	3,838,730	\$7.68	\$	3.75%
Mercury Vapor - 7,000 Lumens, 175W - Security Light	184,116	12,888,120	1,362,458	184,116	12,888,120	\$7.68	\$	3.75%
Mercury Vapor - 400W - Flood Light	5,013	782,028	69,430	5,013	782,028	\$14.47	\$	4.46%
Mercury Vapor - 1,000W - Flood Light	2,978	1,119,728	79,215	2,978	1,119,728	\$28.09	\$	5.60%
Mercury Vapor - 175W - Alcorn Head Light	302	21,744	4,213	302	21,744	\$14.24	\$	2.05%
Mercury Vapor - 175W - Colonial Light	302	121,680	1,287	302	121,680	\$4.26	\$	3.92%
Mercury Vapor - 175W - Colonial Post Yard Light and Pole (\$13.95+\$4.26)	1,690	121,680	12,303	1,690	121,680	\$7.57	\$	482.21
Mercury Vapor - 400W - Copra Head Light	1,690	141,960	7,199	1,690	141,960	\$4.26	\$	5.21%
Mercury Vapor - 400W - Interstate Light	36	5,616	583	36	5,616	\$17.08	\$	3.76%
Sodium Vapor - 4,000 Lumens - Colonial	1,412	28,240	13,894	1,412	28,240	\$9.92	\$	0.81%
Sodium Vapor - 27,500 Lumens - Flood Light	915	80,520	10,843	915	80,520	\$12.20	\$	2.94%
Sodium Vapor - 50,000 Lumens - Flood Light	1,690	268,710	22,781	1,690	268,710	\$14.11	\$	4.67%
Sodium Vapor - 27,500 Lumens - Cobra Head	1,494	131,472	15,672	1,494	131,472	\$10.84	\$	3.32%
	257,773	19,455,575	\$ 2,021,212	257,773	19,455,575	\$ 77,100.89	\$	3.81%

(ES and FAC for Lighting Rates included with primary rate class billed to each customer.)

	Average Invoice	Current Rate	Annualized Revenues	Proposed Rate	Annualized Revenues	\$ Increase	% Increase
Sodium Vapor - 5,800 Lumens - Street Light	9.14	9.14	1,051	\$9.26	1,065	\$0.12	1.30%
Sodium Vapor - 22,000 Lumens - Street Light	13.55	13.55	3,672	\$13.89	3,765	\$0.34	2.54%
Sodium Vapor - 9,500 Lumens, 100W - Security Light	7.40	7.40	405,809	\$7.68	421,021	\$0.28	3.75%
Mercury Vapor - 7,000 Lumens, 175W - Security Light	13.85	13.85	69,430	\$14.47	72,529	\$0.62	4.46%
Mercury Vapor - 400W - Flood Light	26.60	26.60	79,215	\$28.09	83,652	\$1.49	5.60%
Mercury Vapor - 1,000W - Flood Light	13.95	13.95	4,213	\$14.24	4,299	\$0.29	2.05%
Mercury Vapor - 175W - Alcorn Head Light	4.26	4.26	1,287	\$4.26	1,287	\$	0.00%
Mercury Vapor - 175W - Colonial Light	7.28	7.28	12,303	\$7.57	12,785	\$0.29	3.92%
Mercury Vapor - 175W - Colonial Post Yard Light and Pole (\$13.95+\$4.26)	4.26	4.26	1,287	\$4.26	1,287	\$	0.00%
Mercury Vapor - 400W - Copra Head Light	11.86	11.86	7,199	\$12.48	7,199	\$0.62	5.21%
Mercury Vapor - 400W - Interstate Light	16.46	16.46	583	\$17.08	615	\$0.62	3.76%
Sodium Vapor - 4,000 Lumens - Colonial	9.84	9.84	13,894	\$9.92	14,006	\$0.08	0.81%
Sodium Vapor - 27,500 Lumens - Flood Light	11.85	11.85	10,843	\$12.20	11,162	\$0.35	2.94%
Sodium Vapor - 50,000 Lumens - Flood Light	13.48	13.48	22,781	\$14.11	23,846	\$0.63	4.67%
Sodium Vapor - 27,500 Lumens - Cobra Head	10.49	10.49	15,672	\$10.84	16,193	\$0.35	3.32%
	7.84	7.84	2,021,212	\$ 77,100.89	2,098,313	\$ 77,100.89	3.81%

JACKSON ENERGY COOPERATIVE
PSC CASE NO. 2006-00482
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07
REQUEST 2

RESPONSIBLE PERSON: William A. Bosta

COMPANY: Jackson Energy Cooperative

Request 2. KRS 278.455(2) provides that a distribution cooperative may change its rates to reflect a change in the rate of its wholesale supplier if the effects of an increase or decrease are allocated to each class and within each tariff on a proportional basis that will result in no change in the rate design currently in effect. 807 KAR 5:007, Section 2(2), provides that the distribution cooperative shall file an analysis demonstrating that the rate change does not change the rate design currently in effect and the revenue change has been allocated to each class and within each tariff on a proportional basis. In the cover letter to its Application, Jackson states:

In each instance, the retail rates for a particular class have been developed in a manner that is consistent with the method proposed by EKPC. The proposed rate design structure at retail does not change the rate design currently in effect and is consistent with the rate design methodology used at wholesale.

Request 2a. For each retail Rate Schedule listed in Exhibit II of the Application, identify the corresponding wholesale Rate Schedule of East Kentucky Power Cooperative, Inc.

Response 2a. Please see the attached information.

Request 2b. Would Jackson agree that KRS 278.455(2) and 807 KAR5:007, Section 2(2), require that increases or decreases in rates from the wholesale supplier must be allocated to each retail class and within each retail tariff on a proportional basis? Explain the response.

Response 2b. Yes. EKPC and each Member System understands these requirements and have developed proposed rates that meet the intent of KRS 278.455(2) and 807 KAR5:007. As explained in Mr. Bosta's testimony, EKPC began the rate design process at wholesale by allocating the proposed rate increase to each rate class on a proportional basis. The proportional increase to each rate class was then applied to the most appropriate rate mechanism for each rate class.

The proposed increase at retail is strictly a pass-through of EKPC's increased wholesale costs and each Member System must recover the dollar increase from new wholesale rates. As a result, EKPC and each Member System recognized that it was important to implement retail rates that mirror the change at wholesale, while meeting the proportionality and rate design requirements.

EKPC and its Member Systems understand that a "pure" proportional increase at retail, as discussed in Item 3 herein, would result in increases at retail to customer, demand and energy charges. However, EKPC and its Member Systems came to the conclusion that, for example, an increase in the customer charge at retail made no sense because the wholesale increase had no relationship to customer cost. EKPC has not proposed an increase in its substation charges or metering point charges in this proceeding. Consequently, EKPC and its Member Systems could not justify increasing the retail customer charge when the wholesale increase has no relationship to that cost.

Therefore, EKPC believes that its proposed wholesale increase using a proportional basis, coupled with the use of the wholesale rate design methodology at retail, is a reasonable approach to meeting the intent of the requirements.

Request 2c. Would Jackson agree that KRS 278.455(2) and 807 KAR 5:007, Section 2(2), require that the retail rate change does not change the retail rate design currently in effect? Explain the response.

Response 2c. Yes. EKPC and its Member Systems understand the requirements set forth in KRS 278.455(2) and 807 KAR 5:007 and believe that the proposed rates do not alter the existing rate design structure at retail.

As indicated in the response to Item 2b, the rate design used for the pass-through increase at retail was intended to meet these requirements, while also maintaining the existing wholesale/retail rate design relationship and recognizing cost causation principles.

Industrial customers at retail, for example, will pay the same demand charge as the Member System pays to EKPC. This maintains the rate design relationship from wholesale to retail that has existed for a number of years. Likewise, the proposed increase in the "E" wholesale rate, which is only applied to the energy charge, is being passed through only to the energy charge at retail. This process allows the rate design relationship from wholesale to retail to remain in place.

Fundamentally, for every retail rate class, there has been no change in the rate design structure. The demand, energy, and customer components for industrial rates remains intact and the residential and commercial rate design structure remains as is through a continuation of the customer and energy charge structure. This adherence to the rate

design structure, coupled with a retention of the wholesale to retail rate design relationship, is a reasonable approach and meets the legal requirements.

The present and proposed rates structures of Jackson Energy Cooperative are listed below:

<u>Schedule</u>	<u>Rate Class</u>	<u>EKPC Sch</u>	<u>Present</u>	<u>Proposed</u>
10	Residential, Farm and Non-Farm Service	<i>E2</i>		
	Customer Charge		\$8.25/Mo	\$8.25/Mo
	Energy Charge		\$0.06956/kWh	\$0.07355/kWh
11	Residential, Farm and Non-Farm Service – Off Peak	<i>E2</i>		
	Energy Charge		\$0.04174/kWh	\$0.04413
01	Special Dual Fuel Tariff	<i>E2</i>		
	Customer Charge		\$1.95/Mo	\$1.95/Mo
	Energy Charge		\$0.06938/kWh	\$0.07334/kWh
20	Commercial, Small Power & Three-Phase Farm Service	<i>E2</i>		
	Customer Charge		\$10.00/Mo	\$10.00/Mo
	Energy Charge		\$0.06915/kWh	\$0.07314/kWh
30	Large Power Service Less Than 50 kW	<i>E2</i>		
	Customer Charge		\$21.75/Mo	\$21.75/Mo
	Demand Charge		\$5.22/kW	\$5.22/kW
	Energy Charge		\$0.06249/kWh	\$0.06645/kWh
33	Water Pumping Service	<i>E2</i>		
	Customer Charge		\$15.25/Mo	\$15.25/Mo
	Energy Charge		\$0.05704/kWh	\$0.06100/kWh
40	Large Power More than 50 kW but Less Than 274 kW	<i>E2</i>		
	Customer Charge		\$17.90/Mo	\$17.90/Mo
	Demand Charge		\$4.84/kW	\$4.84/kW
	Energy Charge		\$0.05328/kWh	\$0.05724/kWh
43	Large Power Rate – Over 275 kW	<i>E2</i>		
	Customer Charge		\$31.82/Mo	\$31.82/Mo
	Demand Charge		\$4.84/kW	\$4.84/kW
	Energy Charge		\$0.04980/kWh	\$0.05376/kWh
46	Large Power Rate – 500 kW or More (12-Mo Period)	<i>C</i>		
	Customer Charge		\$960.00/Mo	\$960.00/Mo
	Demand Charge		\$5.39/kW	\$7.29/kW
	Energy Charge		\$0.03550/kWh	\$0.03550/kWh
47	Large Power Rate – 500 kW to 4,999 kW	<i>B</i>		
	Customer Charge		\$960.00/Mo	\$960.00/Mo
	Contract Demand Charge		\$5.39/kW	\$7.29/kW
	Demand Charge in Excess of Contract Demand		\$7.82/kW	\$9.72/kW
	Energy Charge		\$0.03754/kWh	\$0.03754/kWh
48	Large Power Rate 5,000 kW and Above	<i>B</i>		
	Customer Charge		\$1,069.00/Mo	\$1,069.00/Mo
	Contract Demand Charge		\$5.39/kW	\$7.29/kW
	Demand Charge in Excess of Contract Demand		\$7.82/kW	\$9.72/kW
	Energy Charge		\$0.03014/kWh	\$0.03014/kWh
50	Schools, Community Halls and Community Parks	<i>E2</i>		
	Customer Charge		\$9.75/Mo	\$9.75/Mo
	Energy Charge		\$0.07269/kWh	\$0.07665/kWh
60	Churches	<i>E2</i>		
	Customer Charge		\$9.65/Mo	\$9.65/Mo
	Energy Charge		\$0.07234/kWh	\$0.07630/kWh
52	All Electric Schools	<i>E2</i>		
	Customer Charge		\$40.00/Mo	\$40.00/Mo
	Energy Charge		\$0.05939/kWh	\$0.06335/kWh

OL	Outdoor Lighting Service	<i>E2</i>		
	100 Watt Sodium Vapor Security Light		\$7.40/Mo	\$7.68/Mo
	175 Watt Mercury Vapor Security Light		\$7.40/Mo	\$7.68/Mo
	400 Watt Mercury Vapor Flood Light		\$13.85/Mo	\$14.47/Mo
	1,000 Watt Mercury Vapor Flood Light		\$26.60/Mo	\$28.09/Mo
	175 Watt Mercury Vapor Acorn Light		\$13.95/Mo	\$14.24/Mo
	175 Watt Mercury Vapor Colonial Light		\$7.28/Mo	\$7.57/Mo
	400 Watt Mercury Vapor Cobra Head Light		\$11.86/Mo	\$12.48/Mo
	400 Watt Mercury Vapor Interstate Light		\$16.46/Mo	\$17.08/Mo
	4,000 Lumen Sodium Colonial		\$9.84/Mo	\$9.92/Mo
	27,500 Lumen Sodium Floodlight		\$11.85/Mo	\$12.20/Mo
	50,000 Lumen Sodium Floodlight		\$13.48/Mo	\$11.11/Mo
	27,500 Lumen Sodium Cobra Head		\$10.49/Mo	\$10.84/Mo
65	Street Lighting Service	<i>E2</i>		
	Sodium Vapor Light 22,000 Lumens		\$13.55/Mo	\$13.89/Mo
	Sodium Vapor Light 5,800 Lumens		\$9.14/Mo	\$9.26/Mo
22	Commercial, Small Power and 3-Phase Farm Service –	<i>E2</i>		
	Off Peak Retail Marketing Rate			
	Energy Charge		\$0.04164/kWh	\$0.04388/kWh



**JACKSON ENERGY COOPERATIVE
PSC CASE NO. 2006-00482
FIRST DATA REQUEST RESPONSE**

**COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07
REQUEST 3**

RESPONSIBLE PERSON: William A. Bosta

COMPANY: Jackson Energy Cooperative

Request 3. Refer to Exhibit III of the Application.

Request 3a. Prepare the following comparative analyses of Jackson's present and proposed revenues:

(1) Calculate the percentage that each rate schedule or class represents of the total revenues for both the present revenues and proposed revenues. Percentages should be expressed to 2 decimal places.

(2) Calculate the percentage that each component of the base rates within each rate schedule or class represents of the total base rate revenues for both the present revenues and proposed revenues. Do not include fuel adjustment revenues, environmental surcharge revenues, or green power revenues. Percentages should be expressed to 2 decimal places.

Response 3a. (1) Please see the attached information.
(2) Please see the attached information.

Request 3b. Based upon the results of the analyses prepared in part (a) above, explain in detail how Jackson's proposed pass-through rates are in compliance with the retail rate requirements of KRS 278.455(2) and 807 KAR 5:007, Section 2(2).

Response 3b. Maintaining the existing revenue proportion as shown in part (a) above assumes that the proportionality requirement would follow strict adherence to the existing proportion of revenues at retail, by rate mechanism component (i.e. customer, energy and demand). EKPC and the Member Systems believe that the proportionality requirement is not so narrow and that the pass-through at retail has followed the proposed wholesale rate design process in a proportional manner. At retail, for example, there is no increase in the customer charge because EKPC did not increase the metering point charge or substation charge at wholesale. Moreover, the "B" and "C" type retail industrial classes will have the same demand rate as the proposed demand rate for industrial customers at wholesale. It follows the matching concept upon which these rates were originally created.

See also the response to Item 2(b) and 2(c) herein. KRS 278.455(2) explicitly recognizes "proportional" allocation without recognizing a specific method, whether KWh, revenue, or other means of proportionality. EKPC has chosen the proportional method of applying wholesale to retail, with the intended matching concept of costs vs. revenue. The retail rates reflect this top-down approach to proportionality. Please see the attached analysis which illustrates this approach.

Jackson Energy Cooperative
Billing Analysis
for the 12 months ended September 30, 2006

	Present Revenue Total	% of Total	Proposed Revenue Total	% of Total	\$ Increase	% Increase
Schedule 1 Dual Fuel	21,761	0.03%	22,772	0.03%	1,011	4.64%
Schedule 10 Res, Farm & Non-Farm	58,593,933	72.90%	61,164,284	72.79%	2,570,352	4.39%
Sch 11 - Res, Farm, Non-Farm Retail Mkt Rate (ETS)	498,461	0.62%	520,919	0.62%	22,457	4.51%
Sch 20 Comm, Sm Power & 3-Phase Farm	3,880,472	4.83%	4,048,489	4.82%	168,016	4.33%
Sch 22 Comm, Sm Power & 3-Phase Farm Ret Mkt (ETS)	11,056	0.01%	11,514	0.01%	458	4.14%
Sch 30 Large Power Syce <50 kW	1,416,681	1.76%	1,471,342	1.75%	54,661	3.86%
Sch 33 Water Pumping Service	143,895	0.18%	152,079	0.18%	8,184	5.69%
Sch 40 Lg Power 50 kW - 274 kW	4,922,622	6.12%	5,157,105	6.14%	234,483	4.76%
Sch 43 Lg Power >275 kW	2,808,771	3.49%	2,952,432	3.51%	143,660	5.11%
Sch 46 - Large Power - 500 kW and Over	2,556,565	3.18%	2,733,712	3.25%	177,147	6.93%
Sch 47 - Large Power 500 kW - 4,999 kW	1,777,865	2.21%	1,896,577	2.26%	118,711	6.68%
Sch 50 - Schools, Churches & Comm Halls	417,809	0.52%	436,183	0.52%	18,374	4.40%
Sch 52 - All Electric Schools	587,821	0.73%	619,596	0.74%	31,775	5.41%
Sch 60 - Schools, Churches & Community Halls	712,928	0.89%	742,102	0.88%	29,175	4.09%
Street Lighting and Security Lights	2,021,212	2.51%	2,098,313	2.50%	77,101	3.81%
	80,371,852	100.00%	84,027,417	100.00%	3,655,565	4.55%

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 1
Dual Fuel
Rate 1

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	261	\$1.95	\$509	2.80%	261	\$1.95	\$509	2.65%	-	0.00%
Energy charge per kWh	255,009	\$0.06938	17,693	97.20%	255,009	\$0.07334	18,703	97.35%	1,011	5.71%
Total from base rates			<u>18,201</u>	100.00%			<u>19,212</u>	100.00%	1,011	5.55%
Fuel adjustment			2,141				2,141		-	0.00%
Environmental surcharge			<u>1,418</u>				<u>1,418</u>		-	0.00%
Total revenues			<u>\$21,761</u>				<u>\$22,772</u>		1,011	4.64%
Average Bill			\$83.38				\$87.25		3.87	4.64%

Schedule 10
Residential, Farm and Non-Farm Service
Rate 10

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	559,002	\$8.25	\$4,611,767	9.32%	559,002	\$8.25	\$4,611,767	8.86%	-	0.00%
Energy charge per kWh	645,005,288	\$0.06956	44,866,568	90.67%	645,005,288	\$0.07355	47,436,919	91.13%	2,570,352	5.73%
Renewable Resource Adder			5,539	0.01%			5,539	0.01%	-	0.00%
Total from base rates			<u>49,483,873</u>	100.00%			<u>52,054,224</u>	100.00%	2,570,352	5.19%
Fuel adjustment			5,506,854				5,506,854		-	0.00%
Environmental surcharge			<u>3,603,206</u>				<u>3,603,206</u>		-	0.00%
Total revenues			<u>\$58,593,933</u>				<u>\$61,164,284</u>		2,570,352	4.39%
Average Bill			\$104.82				\$109.42		4.60	4.39%

Schedule 11 (ETS)
Residential, Farm and Non-Farm Service - Of Peak Retail Marketing Rate
Rate 11

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	10,681		\$0	0.00%	10,681	\$0.00	\$0	0.00%		
Energy Charge	9,408,205	\$0.04174	392,698	100.00%	9,408,205	\$0.04413	415,156	100.00%	22,457	5.72%
Total Baseload Charges			<u>\$392,698</u>	100.00%			<u>\$415,155.91</u>	100.00%	22,457	5.72%
Fuel Adjustment			78,429				78,429		-	0.00%
Environmental Surcharge			<u>27,334</u>				<u>27,334</u>		-	0.00%
Total Revenues			<u>\$498,461</u>				<u>\$520,919</u>		22,457	4.51%
Average Bill			\$ 46.67				\$ 48.77		2.10	4.51%

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 20
Commercial, Small Power & Three-Phase Farm Service
Rate 20

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	35,555	\$10.00	\$355,550	10.87%	35,555	\$10.00	\$355,550	10.34%	-	0.00%
Energy charge per kWh	42,162,069	\$0.06915	2,915,507	89.13%	42,162,069	\$0.07314	3,083,523	89.66%	168,016	5.76%
Total from base rates			<u>3,271,057</u>	100.00%			<u>3,439,073</u>	100.00%	<u>168,016</u>	<u>5.14%</u>
Fuel adjustment			362,975				362,975		-	0.00%
Environmental surcharge			246,440				246,440		-	0.00%
Total revenues			<u>\$3,880,472</u>				<u>\$4,048,489</u>		<u>168,016</u>	<u>4.33%</u>
Average Bill		\$	109.14			\$	113.87		4.73	4.33%

Schedule 22 (ETS)
Commercial, Small Power & three-Phase Farm Service - Off Peak Retail Marketing Rate
Rate 22

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	157		\$0	0.00%	157	\$0.00	\$0	0.00%		
Energy charge per kWh	204,247	\$0.04164	8,505	100.00%	204,247	\$0.04388	8,963	100.00%	458	5.38%
Total from base rates			<u>8,505</u>	100.00%			<u>8,963</u>	100.00%	<u>458</u>	<u>5.38%</u>
Fuel adjustment			1,847				1,847		-	0.00%
Environmental surcharge			704				704		-	0.00%
Total revenues			<u>\$11,056</u>				<u>\$11,514</u>		<u>458</u>	<u>4.14%</u>
Average Bill		\$	70.42			\$	73.34		2.92	4.14%

Schedule 30
Large Power Service Less than 50 kW
Rate 30

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	2,851	\$21.75	\$62,009	5.11%	2,851	\$21.75	\$62,009	4.89%	-	0.00%
Demand Charge	65,302	\$5.22	288,679	23.81%	55,302	\$5.22	\$288,678.79	22.78%	-	0.00%
Energy Charge	13,793,112	\$0.06249	861,932	71.08%	13,793,112	\$0.06645	916,593	72.33%	54,661	6.34%
Total Baseload Charges			<u>\$1,212,620</u>	100.00%			<u>\$1,267,281</u>	100.00%	<u>54,661</u>	<u>4.51%</u>
Fuel adjustment			115,084				115,084		-	0.00%
Environmental surcharge			88,977				88,977		-	0.00%
Total Revenues			<u>\$1,416,681</u>				<u>\$1,471,342</u>		<u>54,661</u>	<u>3.86%</u>
Average Bill		\$	496.91			\$	516.08		19.17	3.86%

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Billing Analysis
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Schedule 33
Water Pumping Service
Rate 33

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	72	\$15.25	\$1,098	0.92%	72	\$15.25	\$1,098	0.86%	-	0.00%
Energy Charge	2,065,094	\$0.05704	117,793	99.08%	2,065,094	\$0.06100	125,977	99.14%	8,184	6.95%
Total Baseload Charges			<u>\$118,891</u>	100.00%			<u>\$127,075</u>	100.00%	<u>8,184</u>	<u>6.88%</u>
Fuel adjustment			16,328				16,328		-	0.00%
Environmental surcharge			8,677				8,677		-	0.00%
Total Revenues			<u>\$143,895</u>				<u>\$152,079</u>		<u>8,184</u>	<u>5.69%</u>
Average Bill			\$ 1,998.55				\$ 2,112.21		113.66	5.69%

Schedule 40
Large Power More than 50 kW But Less Than 275 kW
Rate 40

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	1,833	\$17.90	\$32,811	0.80%	1,833	\$17.90	\$ 32,811	0.75%	-	0.00%
Demand Charge	194,421	\$4.84	940,998	22.80%	194,421	\$4.84	940,998	21.58%	-	0.00%
Energy Charge	59,169,201	\$0.05328	3,152,535	76.40%	59,169,201	\$0.05724	3,387,018	77.67%	234,483	7.44%
Total Baseload Charges			<u>\$4,126,344</u>	100.00%			<u>\$4,360,827</u>	100.00%	<u>234,483</u>	<u>5.68%</u>
Fuel adjustment			493,713				493,713		-	0.00%
Environmental surcharge			302,565				302,565		-	0.00%
Total Revenues			<u>\$4,922,622</u>				<u>\$5,157,105</u>		<u>234,483</u>	<u>4.76%</u>
Average Bill			\$ 2,685.55				\$ 2,813.48		127.92	4.76%

Schedule 43
Large Power Rate - Over 275 kW
Rate 43

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	246	\$31.82	\$7,828	0.34%	246	\$31.82	\$7,828	0.32%	-	0.00%
Demand Charge	108,154	\$4.84	\$523,465.36	22.40%	108,154	\$4.84	523,465	21.11%	-	0.00%
Energy Charge	36,251,100	\$0.04980	1,805,305	77.26%	36,251,100	\$0.05376	1,948,965	78.58%	143,660	7.96%
Total Baseload Charges			<u>\$2,336,598</u>	100.00%			<u>\$2,480,258</u>	100.00%	<u>143,660</u>	<u>6.15%</u>
Fuel adjustment			302,300				302,300		-	0.00%
Environmental surcharge			169,874				169,874		-	0.00%
Total Revenues			<u>\$2,808,771</u>				<u>\$2,952,432</u>		<u>143,660</u>	<u>5.11%</u>
Average Bill			\$ 11,417.77				\$ 12,001.75		583.98	5.11%

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 46
Large Power Rate - 500 kW and Over
Rate 46

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	36	\$960.00	\$34,560	1.69%	36	\$960.00	\$34,560	1.55%	-	0.00%
Demand Charge	93,235	\$5.39	502,538	24.53%	93,235	\$7.29	679,686	30.54%	177,147	35.25%
Energy Charge	42,568,800	\$0.03550	1,511,192	73.78%	42,568,800	\$0.03550	1,511,192	67.91%	-	0.00%
Total Baseload Charges			<u>\$2,048,291</u>	100.00%			<u>\$2,225,438</u>	100.00%		
Fuel adjustment			352,474				352,474		-	0.00%
Environmental surcharge			155,800				155,800		-	0.00%
Total Revenues			<u>\$2,556,565</u>				<u>\$2,733,712</u>		177,147	6.93%
Average Bill		\$	71,015.68				\$75,936.44		4,920.75	6.93%

Schedule 47
Large Power Rate 500 kW to 4,999 kW
Rate 47

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	44	\$960.00	\$42,240	2.93%	44	\$960.00	\$42,240	2.70%	-	0.00%
Demand	50,200	\$5.39	270,578	18.74%	50,200	\$7.29	365,958	23.42%	95,380	35.25%
Excess Demand	12,280	\$7.82	96,027	6.65%	12,280	\$9.72	119,358	7.64%	23,331	24.30%
Energy Charge	27,563,700	\$0.03754	1,034,741	71.68%	27,563,700	\$0.03754	1,034,741	66.23%	-	0.00%
Total Baseload Charges			<u>\$1,443,586</u>	100.00%			<u>\$1,562,297</u>	100.00%		
Fuel adjustment			226,516				226,516		-	0.00%
Environmental surcharge			107,763				107,763		-	0.00%
Total Revenues			<u>\$1,777,865</u>				<u>\$1,896,577</u>		118,711	6.68%
Average Bill		\$	40,406.03				\$ 43,104.02		2,697.98	6.68%

Schedule 50
Schools, Churches & Community Halls
Rate 50

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	1,847	\$9.75	\$18,008	5.07%	1,847	\$9.75	\$18,008	4.82%	-	0.00%
Energy Charge	4,636,550	\$0.07269	337,031	94.93%	4,636,550	\$0.07665	355,405	95.18%	18,374	5.45%
Total Baseload Charges			<u>\$355,039</u>	100.00%			<u>\$373,413</u>	100.00%	18,374	5.18%
Fuel adjustment			39,108				39,108		-	0.00%
Environmental surcharge			23,661				23,661		-	0.00%
Total Revenues			<u>\$417,809</u>				<u>\$436,183</u>		18,374	4.40%
Average Bill		\$	226.21				\$ 236.16		9.95	4.40%

Jackson Energy Cooperative Corporation
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 52
All Electric Schools
Rate 52

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	232	\$40.00	\$9,280	1.91%	232	\$40.00	\$9,280	1.79%	-	0.00%
Energy Charge	8,018,143	\$0.05939	476,198	98.09%	8,018,143	\$0.06335	507,973	98.21%	31,775	6.67%
Total Baseload Charges			<u>\$485,478</u>	100.00%			<u>\$517,253</u>	100.00%	<u>31,775</u>	<u>6.55%</u>
Fuel adjustment			65,796				65,796		-	0.00%
Environmental surcharge			<u>36,547</u>				<u>36,547</u>		-	0.00%
Total Revenues			<u>\$587,821</u>				<u>\$619,596</u>		<u>31,775</u>	<u>5.41%</u>
Average Bill		\$	2,533.71			\$	2,670.67		136.96	5.41%

Schedule 60
Schools, Churches & Community Halls
Rate 60

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Current Rate	Annualized Revenues	% of Rev Class	Billing Determinants	Proposed Rate	Annualized Revenues	% of Rate Class		
Customer Charge	6,973	\$9.65	\$67,289	11.22%	6,973	\$9.65	\$67,289	10.70%	-	0.00%
Energy Charge	7,361,930	\$0.07234	532,562	88.78%	7,361,930	\$0.07630	561,737	89.30%	29,175	5.48%
Total Baseload Charges			<u>\$599,851</u>	100.00%			<u>\$629,026</u>	100.00%	<u>29,175</u>	<u>4.86%</u>
Fuel adjustment			67,297				67,297		-	0.00%
Environmental surcharge			<u>45,780</u>				<u>45,780</u>		-	0.00%
Total Revenues			<u>\$712,928</u>				<u>\$742,102</u>		<u>29,175</u>	<u>4.09%</u>
Average Bill		\$	102.24			\$	106.43		4.18	4.09%
Jackson Lighting										

Jackson Energy Cooperative Corporation
 Billing Analysis
 for the 12 months ended September 30, 2006
 Street Lighting and Security Lights
 Outdoor Lighting

	Existing					Proposed					\$ Increase	% Increase		
	Billing Determinants	Total kWh	Current Rate	Annualized Revenues	% to Total	Billing Determinants	Total kWh	Rate	Annualized Revenues	% to Total				
65 Sodium Vapor - 5,800 Lumens - Street Light	115	3,450	9.14	1,051	0.05%	115	3,450	\$9.26	1,065	0.05%	\$	13.67	1.30%	
Sodium Vapor - 22,000 Lumens - Street Light	271	23,577	13.55	3,672	0.18%	271	23,577	\$13.89	3,765	0.18%	\$	93.43	2.54%	
OL Sodium Vapor - 9,500 Lumens, 100W - Security Light	54,839	3,838,730	7.40	405,809	20.08%	54,839	3,838,730	\$7.68	421,021	20.08%	\$	15,212.58	3.75%	
OL Mercury Vapor - 7,000 Lumens, 175W - Security Light	184,116	12,888,120	7.40	1,362,458	67.41%	184,116	12,888,120	\$7.68	1,413,533	67.37%	\$	\$1,074.59	3.75%	
OL Mercury Vapor - 400W - Flood Light	5,013	782,028	13.85	69,430	3.44%	5,013	782,028	\$14.47	72,529	3.46%	\$	3,099.11	4.46%	
OL Mercury Vapor - 1,000W - Flood Light	2,978	1,119,728	26.60	79,215	3.92%	2,978	1,119,728	\$28.09	83,652	3.98%	\$	4,437.39	5.60%	
OL Mercury Vapor - 175W - Alcorn Light	302	21,744	13.95	4,213	0.21%	302	21,744	\$14.24	4,299	0.20%	\$	86.17	2.05%	
Mercury Vapor - 175W - Alcorn Head Yard Light (\$13.95+\$4.26)	302		4.26	1,287	0.06%	302		\$4.26	1,287	0.06%	\$			
Mercury Vapor - 175W - Colonial Light	1,690	121,680	7.28	12,303	0.61%	1,690	121,680	\$7.97	12,785	0.61%	\$	482.21	3.92%	
Mercury Vapor - 175W - Colonial Post Yard Light and Pole (\$7.28+\$4.26)	1,690		4.26	7,199	0.36%	1,690		\$4.26	7,199	0.34%	\$			
Mercury Vapor - 400W - Copra Head Light	910	141,960	11.86	10,793	0.53%	910	141,960	\$12.48	11,355	0.54%	\$	562.58	5.21%	
OL Mercury Vapor - 400W - Interstate Light	36	5,616	16.46	593	0.03%	36	5,616	\$17.08	615	0.03%	\$	22.26	3.76%	
OL Sodium Vapor - 4,000 Lumens - Colonial	1,412	28,240	9.84	13,894	0.69%	1,412	28,240	\$9.92	14,006	0.67%	\$	111.91	0.81%	
OL Sodium Vapor - 27,500 Lumens - Flood Light	915	80,520	11.85	10,843	0.54%	915	80,520	\$12.20	11,162	0.53%	\$	319.09	2.94%	
OL Sodium Vapor - 50,000 Lumens - Flood Light	1,690	269,710	13.48	22,781	1.13%	1,690	269,710	\$14.11	23,846	1.14%	\$	1,064.88	4.67%	
OL Sodium Vapor - 27,500 Lumens - Cobra Head	1,494	131,472	10.49	15,672	0.78%	1,494	131,472	\$10.84	15,193	0.77%	\$	521.01	3.32%	
	257,773	19,455,575		\$ 2,021,212	1.0000		19,455,575		2,098,313	1.0000	\$	77,100.89	3.81%	
				7.84					8.14				0.30	3.81%
(ES and FAC for Lighting Rates included with primary rate class billed to each customer.)														
Average Invoice														
Sodium Vapor - 5,800 Lumens - Street Light			9.14					\$9.26				\$0.12	1.30%	
Sodium Vapor - 22,000 Lumens - Street Light			13.55					\$13.89				\$0.34	2.54%	
Sodium Vapor - 9,500 Lumens, 100W - Security Light			7.40					\$7.68				\$0.28	3.75%	
Mercury Vapor - 7,000 Lumens, 175W - Security Light			7.40					\$7.68				\$0.28	3.75%	
Mercury Vapor - 400W - Flood Light			13.85					\$14.47				\$0.62	4.46%	
Mercury Vapor - 1,000W - Flood Light			26.60					\$28.09				\$1.49	5.60%	
Mercury Vapor - 175W - Alcorn Head Yard Light (\$13.95+\$4.26)			4.26					\$4.26				\$0.00	0.00%	
Mercury Vapor - 175W - Colonial Light			7.28					\$7.97				\$0.29	3.92%	
Mercury Vapor - 175W - Colonial Post Yard Light and Pole (\$7.28+\$4.26)			4.26					\$4.26				\$0.00	0.00%	
Mercury Vapor - 400W - Copra Head Light			11.86					\$12.48				\$0.62	5.21%	
Mercury Vapor - 400W - Interstate Light			16.46					\$17.08				\$0.62	3.76%	
Sodium Vapor - 4,000 Lumens - Colonial			9.84					\$9.92				\$0.35	2.94%	
Sodium Vapor - 27,500 Lumens - Flood Light			11.85					\$12.20				\$0.63	4.67%	
Sodium Vapor - 50,000 Lumens - Flood Light			13.48					\$14.11				\$0.63	4.67%	
Sodium Vapor - 27,500 Lumens - Cobra Head			10.49					\$10.84				\$0.35	3.32%	

(ES and FAC for Lighting Rates included with primary rate class billed to each customer.)

Analysis of Wholesale to Retail Proportionality

	Wholesale		Retail			
	Existing	Proposed	Change	Existing	Proposed	Change
I Customer Charge						
Metering Point Charge	\$125/Mo.	\$125/Mo.	\$ -	\$8.25/Mo	\$8.25/Mo	\$ -
Substation at less than 3 MVA	\$944/Mo.	\$944/Mo.	\$ -	\$8.25/Mo	\$8.25/Mo	\$ -
II Demand Charge						
B&C Demand Charge (\$/kW)	\$5.39	\$7.29	\$1.90	\$5.39	\$7.29	\$1.90
			Industrial Rate (\$/kW)			

III Energy Charge

The non-industrial wholesale increase was based on the dollar amount remaining to be recovered at wholesale, divided by kWh.

The non-industrial retail increase was based on the dollar amount remaining to be recovered at retail, divided by kWh.