



# JACKSON ENERGY COOPERATIVE

115 Jackson Energy Lane  
McKee, Kentucky 40447  
Telephone (606) 364-1000 • Fax (606) 364-1007

RECEIVED  
DEC 06 2010  
PUBLIC SERVICE  
COMMISSION

December 2, 2010

Jeff Derouen, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P O Box 615  
Frankfort KY 40602-0615

Dear Mr. Derouen:

Enclosed please find an original and four copies of Jackson Energy Cooperative's Prepay Electric Service tariff as required by the Commission in its Order dated November 30, 2010 in Case No. 2010-00210. Please return a stamped copy for our records. Thank you for your help in this matter.

Respectfully,

Donald R. Schaefer  
President & CEO

Enclosures

FOR ENTIRE SERVICE AREA  
P.S.C. NO. 5  
Original Sheet No. 26

JACKSON ENERGY COOPERATIVE CORPORATION  
PREPAY ELECTRIC SERVICE

Standard Rider

This Prepay Electric Service is a rider to any and all rate schedules used by the Cooperative.

Availability

Available to all consumers receiving electric service.

Type of Service

Prepay Electric Service.

Rates:

Monthly Program Fee	\$5.00
Transaction Fee	\$1.25

Minimum Monthly Charge

The minimum monthly charge for this rider is the program fee of \$5.00.

Terms & Conditions

This program is a voluntary program available to members of the Cooperative. Consumers receiving service under this tariff are required to enter into a contract for a minimum of one (1) year. Subject consumer will also receive instructions from the Cooperative orally and in written form on all aspects of this program and the in-house display that will be installed. Subject consumers will also sign a form that states that they have been properly instructed and fully understand this program prior to the installation of these in-house displays.

ISSUED BY AUTHORITY OF AN ORDER OF THE PUBLIC SERVICE COMMISSION OF  
KENTUCKY IN CASE NO. 2010-00210 DATED November 30, 2010.

Date of Issue: December 2, 2010 Date Effective: January 10, 2011

Issued By: Donald R. Schaufu President & CEO .

JACKSON ENERGY COOPERATIVE CORPORATION  
PREPAY ELECTRIC SERVICE

Contracts/Agreements

Each member choosing the prepay option will be subject to all other applicable rules and regulations which apply to members using a tariff without the prepay rider. A member will be required to pay the membership fee and be entitled to all member benefits as other members. The membership agreement will include a statement providing the prepay option and will require a checkbox and signature. The membership agreement is for a minimum of 12 months, and the prepay agreement will follow this plan. However, if after a few months the member discovers the prepay option is not convenient for their lifestyle, then the member may revert to a tariff without the rider. At this point the member will be subject to conditions of the tariff without the rider, such as making a deposit with the cooperative. The member will also be asked to return any equipment that was issued to them as a participant of prepay (i.e. the in-home display).

Charges and Assessments

- (A) Non-energy charges such as the customer charge will be pro-rated daily. For example if the customer charge is \$15.00 then 30 days equals \$.50 per day. Each day at a time specific, \$.50 will be deducted from the total balance of the account.
- (B) The fuel adjustment and the environmental surcharge will be credited or debited to the account based upon the purchase. The dollar amount will be the allocation for the month of the purchase.
- (C) At the time the account is activated with the prepay option, the initial purchase is recommended to be a minimum of \$100.00. Purchases beyond the point of activation may be in any increment of the members choosing and could be \$20.00 or less.
- (D) When a member converts from post pay to prepay and that member has a deposit on file with the cooperative, the deposit will not be refunded but converted into a credit on the account going forward. This is of course if the deposit is not needed to meet the original purpose of the deposit.
- (E) After a member has been disconnected for non pay and chooses the prepay option for reconnect, they will be offered a plan whereas future purchases will be split 70/30 until the old debt is retired. 70% will be applied to new purchases while 30% will be applied towards retirement of the previous balance. For this plan a \$350.00 previous account balance will be the maximum.

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Member Benefits

No deposit or late fees. The fact that you prepay for electric power means that there is no requirement for the member to pay a deposit with Jackson Energy. Considering that many deposits are running \$500.00 and more, this allows the member the benefit of having more spendable assets. The same holds true for the late fee. A typical member who pays the late fee will save \$78.00 annually. Also there is no disconnect/reconnect charges.

Other

- A) Refunds and credits: When a member decides to leave the program and they have a credit to their account they will have two options.) make some agreement with the new owner/tenant as to the balance, or 2) request a refund from Jackson Energy and have power disconnected.
- B) Members will continue to receive monthly information much like the statement received by post pay members.
- C) Should a member choose this plan and after a few months decide to discontinue, that member needs only to return the equipment issued them and meet the requirements of a non prepay member and Jackson Energy will continue to serve them under a new agreement.
- D) Payment for damaged equipment. The member will be billed for damaged equipment such as the meter, collar or the in-home display when such damage occurs as a result of neglect by the member. This will be in accordance as set forth in the rules and regulations.

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