

Jackson Energy Cooperative Corporation

ENVIRONMENTAL SURCHARGE

Standard Rider

The Environmental Surcharge is a rider to any and all rate schedules used by the Cooperative.

Rate

$$CES(m) = ES(m)$$

Where CES(m) = Current Month Environmental Surcharge Factor
ES(m) = Current Month Environmental Surcharge Calculation

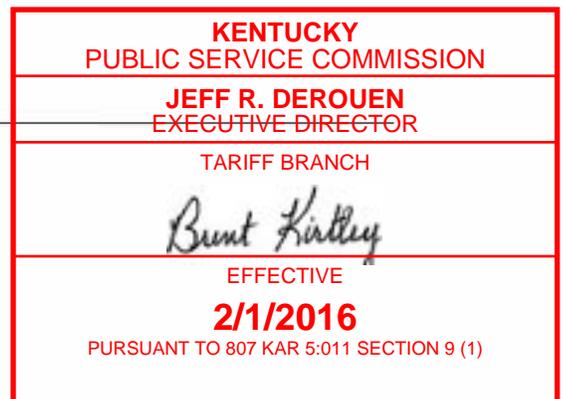
$$ES(m) = [((WESF) \times (\text{Average of 12-months ended revenues from sales to Member System, Excluding environmental surcharge})) + (\text{Over})/(\text{Under Recovery})] \text{ divided by } [\text{Average of 12-months Ending Retail Revenue (excluding environmental surcharge)}] = \text{_____}\%$$

Where WESF = Wholesale Environmental Surcharge Factor for Current Expense Month
(Over)/Under Recovery =

6-month cumulative (over)/under recovery as defined by amount billed by EKPC to Member System minus the amount billed by Member System to retail customer. 6-months cumulative over or under recoveries are reviewed and approved by the Commission during a six-month and two-year reviews. Over or under recoveries shall be amortized over a six-month period.

BILLING:

The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.



DATE OF ISSUE December 30, 2015

DATE EFFECTIVE February 1, 2016

ISSUED BY Carol Wigert
President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00021 Dated November 5, 2010.