OFFICIAL NOTICE

Jackson Energy Cooperative, with its principal office at McKee Kentucky and with its address at 115 Jackson Energy Lane, McKee, Kentucky 40447, has filed with the Kentucky Public Service Commission in Case No. 2013-00219 an application to adjust its retail rates and charges. The need for this adjustment is due to an increase in Jackson Energy's expenses in the areas of wholesale power costs, interest, depreciation, and general operating expenses.

Jackson Energy is proposing to increase its rates over a three consecutive year period. Additionally, Jackson Energy is proposing to solely increase its customer charges and not to increase any demand or energy rates.

The rates contained in this notice are the rates proposed by Jackson Energy Cooperative but that the Kentucky Public Service Commission may order rates to be charged that differ from these proposed rates contained in this notice.

Any corporation, association, or person may within thirty (30) days after the initial publication or mailing of notice of the proposed rate changes, submit a written request to intervene to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602 that establishes the grounds for the request including the status and interest of the party, and states that intervention may be granted beyond the thirty (30) day period for good cause shown.

Written comments regarding the proposed rates may be submitted to the Public Service Commission by mail or through the Public Service Commission's Web site at http://psc. ky. gov/.

Any person may examine the rate application and any other documents the utility has filed with the Public Service Commission at the offices of Jackson Energy listed below and on the utility's Web site at www.jacksonenergy.com

Jackson Energy Cooperative 115 Jackson Energy Lane McKee, Kentucky 40447 606-364-1000

Rate Class

35 ft Aluminum Pole

40 ft Aluminum Pole

Power Installed Foundation

35 ft Aluminum Pole for Cobra Head

40 ft Aluminum Pole for Cobra Head

Rate 10

This filing and any other related documents can be found on the Public Service Commission's Web site at http://psc.ky.gov/.

The amount of the change requested in both dollar amounts and percentage change for customer classification to which the proposed change will apply is presented below:

Year 1

Increase Dollar

Year 2

Percent Increase Dollar

Year 3

Percent Increase Dollar

Percent

1.7%

2.5%

0.1%

0.4%

0.3%

0.9%

0.1%

1.7%

Rate 10							
Residential, Farm and Non-Farm Service	\$ 1,118,150	1.7%	\$ 1,118,150	1.7%	\$ 1,118,1	50	1
Rate 20 Commercial, Small Power, and Three-Phase Farm Service	\$ 165,184	2.6%	\$ 165,184	2.5%	\$ 165,184	4	
Rate 40 Large Power More than 50 kW but less than 275 kW	\$ 4,710	0.1%	\$ 4,710	0.1%	\$ 4,710	į	C
Rate 46 Large Power - 500 kW and Over	\$ 4,965	0.4%	\$ 4,965	0.4%	\$ 4,965		(
Rate 47 Large Power Rate 500 kW to 4,999 kW	\$ 7,447	0.3%	\$ 7,447	0.3%	\$ 7,447		(
Rate 50 Schools, Churches and Community Halls	\$ 24,752	0.9%	\$ 24,752	0.9%	\$ 24,752		С
Rate 52 All Electric Schools	\$ 1,196	0.1%	\$ 1,196	0.1%	\$ 1,196		C
Rate OL							1
Outdoor Lighting	\$ 43,596	1.7%	\$ 43,596	1.7%	\$ 43,596		1
The present and proposed rate structure of Jackson Energy Cooperati							
Rate Class Rate 10 - Residential, Farm and Non-Farm Service	Present		Year 1	Year 2		Year 3	
Customer charge Rate 20 - Commercial, Small Power, and Three-Phase Farm Service	\$ 10.44		\$ 12.44	\$ 14.44		\$ 16.44	
Customer charge Rate 40 - Large Power more than 50 kW but less than 275 kW	\$ 27.47		\$31.47	\$ 35.47		\$ 39.47	
Customer charge	\$ 49.45		\$ 51.95	\$ 54.45		\$ 56.95	
Rate 46 - Large Power Rate - 500 kW and Over Customer Charge	\$ 1,079.86		\$ 1,286.73	\$ 1,493.6	50	\$ 1,700.47	7
Rate 47 - Large Power Rate - 500 kW to 4,999 kW Customer charge	\$ 1,079.86		\$ 1,286.73	\$ 1,493.6	50	\$ 1,700.47	7
Rate 48 - Large Power Rate 5,000 kW and Larger Customer charge	\$ 1,202.46		\$ 1,409.33	\$ 1,616.2	20	\$ 1,823.07	7
Rate 50 - Schools, Churches and Community Halls Customer Charge	\$ 16.49		\$ 18.49	\$ 20.49		\$ 22.49	
Rate 52 - All Electric Schools Customer charge	\$ 43.96		\$ 47.96	\$ 51.96		\$ 55.96	
Street Lighting & Security Lights							
Street Lighing 400 Watt Mercury Vapor Cobra Head Light CH1	\$ 15.15		\$ 15.45	\$ 15.75		\$ 16.05	
200 Watt HPS 22,000 Lumens Cobra Head Light HP3	\$ 16.25		\$ 16.55	\$ 16.85		\$ 17.15	
250 Watt HPS 27,500 Lumens Cobra Head Light CH2	\$ 12.82		\$ 13.12	\$ 13.42		\$ 13.72	
400 Watt HPS 50,000 Lumens Cobra Head Light CH3	\$ 12.77		\$ 13.07	\$ 13.37		\$ 13.67	
Residential & Commercial Standard Lighing:	Ψ 12.77		Ψ13.07	Ψ 13.57		Ψ 15.07	
175 Watt Mercury Vapor Security Light MVL	\$ 9.15		\$ 9.30	\$ 9.45		\$ 9.60	
400 Watt Mercury Vapor Flood Light DF1	\$ 17.38		\$ 17.68	\$ 17.98		\$ 18.28	
1,000 Watt Mercury Vapor Flood Light DF2	\$34.26		\$35.16	\$ 36.06		\$36.96	
100 Watt HPS 9,500 Lumens Security Light HP1	\$ 9.15		\$ 9.30	\$ 9.45		\$ 9.60	
250 Watt HPS 27,500 Lumens Flood Light DF3	\$ 14.35		\$ 14.65	\$ 14.95		\$ 15.25	
400 Watt HPS 50,000 Lumens Flood Light	\$ 17.00		\$ 17.30	\$ 17.60		\$ 17.90	
Specialty Lighing:	ф 1 C 5 1		ф 1 C O 1	ф 1 7 11		ф 1 7 7 41	
175 Watt Mercury Vapor Acorn Light ACL	\$ 16.51		\$ 16.81	\$ 17.11		\$ 17.41	
100 Watt HPS 9,500 Lumens Acorn Light ACH	\$ 11.34		\$ 11.64	\$ 11.94		\$ 12.24	
100 Watt HPS 9,500 Lumens Colonial Light CPH	\$ 7.61		\$ 7.76	\$ 7.91		\$ 8.06	
175 Watt Mercury Vapor Colonial Light	\$ 9.01		\$ 9.16	\$ 9.31		\$ 9.46	
400 Watt HPS 50,000 Lumens Interstate Light	\$ 20.32		\$ 20.92	\$ 21.52		\$ 22.12	
70 Watt HPS 4000 Lumens	\$ 11.30		\$ 11.60	\$ 11.90		\$ 12.20	
Poles shall be furnished by the cooperaive at the following rates:							
15 ft Aluminum Pole	\$ 4.68		\$ 4.83	\$ 4.98		\$ 5.13	
30 ft Wood Pole	\$ 3.84		\$ 3.99	\$ 4.24		\$ 4.49	
30 ft Aluminum Pole for Cobra Head	\$ 22.62		\$ 23.22	\$ 23.82		\$ 24.42	
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\$ 27.74

\$ 22.24

\$31.04

\$ 54.30

\$ 7.74

The effect of the proposed rates on the average monthly bill by rate class along with average usage are listed below:

	Cı	irrent Year	AA 10 10 10 10 10 10 10 10 10 10 10 10 10		Year 2				Year 3		
Rate Class	Average	Dollar Amount of Average	Increase Dollar		Dollar Amount of Average	Increase Dollar	D 4	Dollar Amount of Average	Increase Dollar	D4	Dollar Amount of Average
Rate Class Rate 10	kWh Usage	Usage	Donar	Percent	Usage	Donar	Percent	Usage	Dollar	Percent	Usage
Residential, Farm											
and Non-Farm Service Rate 20	1,080	\$ 116.84	\$ 2.00	1.7%	\$ 118.84	\$ 2.00	1.7%	\$ 120.84	\$ 2.00	1.7%	\$ 122.84
Commercial, Small Power	· &										
Three-Phase Farm Service		\$ 155.00	\$ 4.00	2.6%	\$ 159.00	\$ 4.00	2.5%	\$ 163.00	\$ 4.00	2.5%	\$167.00
Rate 40	1,110	ψ 155.00	φ 1.00	2.070	Φ155.00	φ 1.00	2.570	Φ 103.00	ψ 1.00	2.570	φ10,.00
Large Power More than 50) kW										
but less than 275 kW	40.987	\$3,589.55	\$ 2.50	0.1%	\$3,592.05	\$ 2.50	0.1%	\$ 3,594.55	\$ 2.50	0.1%	\$3,597.05
Rate 46	4.	V 8			11 4			1 (2)			.h #1
Large Power -											
500 kW and Over	874,687	\$ 58,491.97	\$ 206.87	0.4%	\$ 58,698.84	\$ 206.87	0.4%	\$ 58,905.71	\$ 206.87	0.4%	\$ 59,112.58
Rate 47											
Large Power Rate											
500 kW to 4,999 kW	1,102,358	\$73,969.62	\$ 206.87	0.3%	\$ 74,176.49	\$ 206.87	0.3%	\$ 74,383.36	\$ 206.87	0.3%	\$ 74,590.23
Rate 50											
Schools, Churches											
and Community Halls	2,122	\$ 217.68	\$ 2.00	0.9%	\$ 219.68	\$ 2.00	0.9%	\$ 221.68	\$ 2.00	0.9%	\$ 223.68
Rate 52											
All Electric Schools	36,829	\$ 2,949.75	\$4.00	0.1%	\$ 2,953.75	\$ 4.00	0.1%	\$ 2,957.75	\$ 4.00	0.1%	\$ 2,961.75
Rate OL		1000 37.7% (2000 100	erdoblos albanel I		10723-11 DAVIDOUNA						
Outdoor Lighting	77	\$9.86	\$ 0.17	1.7%	\$ 10.03	\$ 0.17	1.7%	\$ 10.19	\$ 0.17	1.7%	\$10.36

\$ 28.34

\$ 22.84

\$31.94

\$ 55.80

\$ 7.89

\$ 28.94

\$ 23.44

\$32.84

\$ 57.30

\$ 8.14

\$ 29.54

\$ 24.04

\$33.74

\$ 58.80

\$ 8.39