COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE CONNISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE) COMMISSION OF THE APPLICATION OF THE) FUEL ADJUSTMENT CLAUSE OF BLUE GRASS) CASE NO. 90-368-A RURAL ELECTRIC COOPERATIVE) CORPORATION FROM NOVEMBER 1, 1990 TO) APRIL 30, 1991)

ORDER

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on July 2, 1991 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Blue Grass Rural Electric Cooperative Corporation ("Blue Grass") for the 6 months ended April 30, 1991.

As a part of this review, the Commission ordered Blue Grass to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Blue Grass has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Blue Grass has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056. IT IS THEREFORE ORDERED that the charges and credits applied by Blue Grass through its FAC for the period November 1, 1990 to April 30, 1991 be and they hereby are approved.

Done at Frankfort, Kentucky, this 30th day of September, 1991.

PUBLIC SERVICE COMMISSION

Chairman

Commissioner

ATTEST:

Machen

Executive Director