

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF BLUE GRASS)
RURAL ELECTRIC COOPERATIVE CORPORATION) CASE NO. 94-465
FROM NOVEMBER 1, 1992 TO OCTOBER 31,)
1994)

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 14, 1994 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 two years ended October 31, 1994.

As 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:

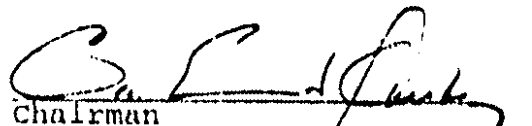
1. Blue Grass has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

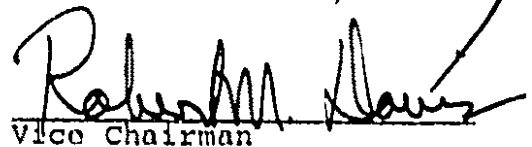
2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Blue Grass, has been authorized to retain its present base fuel cost of 12.71 mills per KWH; therefore, no change is required to Blue Grass's base fuel cost.¹

IT IS THEREFORE ORDERED that the charges and credits applied by Blue Grass through the FAC for the period of November 1, 1992 through October 31, 1994 be and they hereby are approved.

Done at Frankfort, Kentucky, this 11th day of April, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

¹ Case No. 94-459, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 1992 to October 31, 1994, Order dated April 5, 1995.