

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE	)	
APPLICATION OF THE FUEL	)	
ADJUSTMENT CLAUSE OF BLUE	)	
GRASS ENERGY COOPERATIVE	)	CASE NO. 2000-501
CORPORATION FROM NOVEMBER 1,	)	
1998 TO OCTOBER 31, 2000	)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 12, 2000 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Blue Grass Energy Cooperative Corporation ("Blue Grass") for the two years ended October 31, 2000.

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.

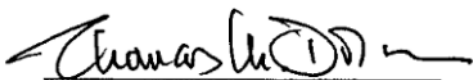
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Blue Grass has properly calculated and applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Blue Grass through the FAC for the period November 1, 1998 to October 31, 2000 are approved.

Done at Frankfort, Kentucky, this 15<sup>th</sup> day of March, 2001.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas M. Dixon", written over a horizontal line.

Executive Director