

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BLUE GRASS ENERGY)	
COOPERATIVE CORPORATION FOR APPROVAL)	
TO EXECUTE NEW PROMISSORY NOTES AND)	CASE NO.
OTHER LOAN DOCUMENTS EVIDENCING THE)	2002-00351
ASSUMPTION OF ALL LIABILITIES OF ITS)	
PREDECESSORS, BLUE GRASS ENERGY)	
COOPERATIVE CORPORATION AND HARRISON)	
COUNTY RURAL ELECTRIC COOPERATIVE)	
CORPORATION, PURSUANT TO KRS 278.300(1))	

O R D E R

On November 1, 2002, Blue Grass Energy Cooperative Corporation (Blue Grass) submitted an application to the Commission requesting authority to assume the pre-existing debt obligations of the former Blue Grass Energy Cooperative Corporation and Harrison County Rural Electric Cooperative Corporation. The Commission rejected the application due to Blue Grass s failure to meet the filing requirements established in 807 KAR 5:001. Supplemental information was filed by Blue Grass on November 1, 2002 and December 16, 2002. The December 16, 2002 filing included a request for permission to deviate from the filing requirements of 807 KAR 5:001, Section 11(2)(b).

807 KAR 5:001, Section 11(2)(b), requires the filing of all trust deeds or mortgages or the style and case number of the proceeding in which the trust deeds or mortgages were previously filed with the Commission. In its filing of December 16, 2002, Blue Grass provided the Commission additional information to address this filing requirement. However, it stated that additional information is unavailable at this time

and requested that, to the extent its filing did not meet the requirements of the regulation, it be granted a deviation.

The Commission, having reviewed the filing and being otherwise sufficiently advised, finds that the information provided by Blue Grass is sufficient for the Commission to render a decision in this case and that good cause exists to grant Blue Grass permission to deviate from the requirements of 807 KAR 5:001, Section 11(2)(b).

IT IS THEREFORE ORDERED that:

1. Blue Grass is granted permission to deviate from the filing requirements of 807 KAR 5:001, Section 11(2)(b).
2. Blue Grass s application is considered filed as of the date of this Order.

Done at Frankfort, Kentucky, this 23rd day of January, 2003.

By the Commission

ATTEST:


Executive Director