COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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)	CASE NO. 2009-00291
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ORDER

Pursuant to 807 KAR 5:056, the Commission, on August 20, 2009, 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 six-month period that ended April 30, 2009.

As part of this review, Blue Grass complied with the Commission's Order to submit certain information concerning its compliance with 807 KAR 5:056. 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 no evidence that Blue Grass has improperly calculated or 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, 2008 through April 30, 2009 are approved.

By the Commission

ENTERED QUANTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

Daniel W Brewer President & CEO Blue Grass Energy Cooperative Corp. P. O. Box 990 1201 Lexington Road Nicholasville, KY 40340-0990

J. Donald Smothers Vice President, Financial Services Blue Grass Energy Cooperative Corp. P. O. Box 990 1201 Lexington Road Nicholasville, KY 40340-0990