COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

AN EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF BLUE GRASS ENERGY COOPERATIVE CORPORATION FROM NOVEMBER 1, 2010 THROUGH APRIL 30, 2011

CASE NO. 2011-00252

ORDER

Pursuant to 807 KAR 5:056, Section 1(11), IT IS HEREBY ORDERED that:

1. A public hearing shall be held on October 18, 2011 at 10:00 a.m., Eastern Daylight Time, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, to examine the application of the Fuel Adjustment Clause of Blue Grass Energy Cooperative Corporation ("Blue Grass") from November 1, 2010 through April 30, 2011. If no interested party files written notice of its intent to attend this hearing with the Commission by October 14, 2011, this public hearing shall be cancelled and the matter shall be considered submitted for decision based on the evidence in the record.

2. Blue Grass shall file with the Commission, no later than 21 days from the date of this Order, an affidavit attesting to its compliance or noncompliance with the requirements of 807 KAR 5:056.

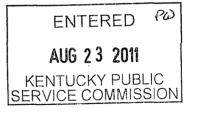
3. All documents that Blue Grass filed with the Commission pursuant to 807 KAR 5:056, Section 1 (7) and (9), during the period under review are incorporated by reference into the record of this proceeding.

4. Blue Grass shall publish the following notice no less than seven days or more than 21 days prior to the public hearing in a newspaper of general circulation in its service areas or in a trade publication or newsletter going to all customers. Blue Grass shall also file an Affidavit of Publication of Hearing Notice with the Commission no later than October 14, 2011.

> A public hearing will be held on Tuesday, October 18, 2011, at 10:00 a.m., Eastern Daylight Time, at the offices of the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky, to examine the application of the Fuel Adjustment Clause of Blue Grass Energy Cooperative Corporation for the period November 1, 2010 through April 30, 2011. Individuals interested in attending this hearing shall notify the Public Service Commission in writing of their intent to attend no later than October 14, 2011. If no notices of intent to attend are received by that date, this hearing will be cancelled and the matter shall be considered submitted for decision based on the evidence in the record. Written notice of intent to attend this hearing should be sent to: Executive Director, Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

5. The official record of the proceeding shall be by video only.

By the Commission



ATTES Execu

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