

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)
COMPANY FOR AUTHORIZATION OF) CASE NO.
CHANGES IN SERVICE TERRITORY WITH) 2006-00021
BLUE GRASS ENERGY)

O R D E R

On January 13, 2006, Kentucky Utilities Company ("Kentucky Utilities") filed an application for approval of an agreement with Blue Grass Energy Cooperative Corporation ("Blue Grass Energy") to change the electric territorial boundary at the Brannon Crossing Shopping Center in Jessamine County, Kentucky.

The proposed changes will realign the electric boundary with property lines. Kentucky Utilities filed an agreement signed by Blue Grass Energy and Kentucky Utilities describing the boundary changes. Territorial and detail maps reflecting the boundary changes were filed and signed by Blue Grass Energy and Kentucky Utilities and no existing customer will be reassigned to a different electric supplier as a result of the proposed territorial boundary changes.

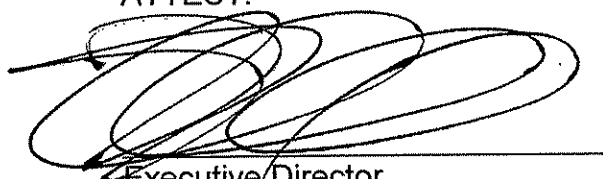
Based on the application and being advised, the Commission finds that the proposed boundary changes will prevent wasteful duplication of facilities, avoid unnecessary encumbering of the landscape, minimize disputes between Blue Grass Energy and Kentucky Utilities, and provide adequate and reasonable service to all affected areas.

IT IS THEREFORE ORDERED that the boundary changes as agreed upon by Blue Grass Energy and Kentucky Utilities at the Brannon Crossing Shopping Center in Jessamine County, Kentucky are approved.

Done at Frankfort, Kentucky, this 8th day of March, 2006.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Executive Director