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December 19, 2007

CERTIFICATE OF SERVICE

RE: Case No. 2007-00431
Grayson R.E.C.C.

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on December 19, 2007.

A handwritten signature in black ink, appearing to read "Beth O'Donnell", written over a horizontal line.

Executive Director

BOD/tw
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GRAYSON RURAL ELECTRIC)	
COOPERATIVE CORPORATION FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE AND)	CASE NO.
NECESSITY AUTHORIZING THE)	2007-00431
CONSTRUCTION NECESSARY TO EXPAND AND)	
REMODEL ITS HEADQUARTERS BUILDING AT)	
GRAYSON, KENTUCKY)	

O R D E R

On October 2, 2007, Grayson Rural Electric Cooperative Corporation (“Grayson”) submitted its application for a Certificate of Public Convenience and Necessity (“CPCN”) to remodel and construct additions to its headquarters building in Grayson, Kentucky. A review of the application revealed it did not meet the minimum filing requirements and a notice of the filing deficiency was issued. Grayson subsequently submitted an amendment to its application on October 24, 2007. The Commission determined that the amendment satisfied the minimum filing requirements, and the application was accepted for filing as of October 24, 2007.

The total estimated cost of the proposed project is \$688,000 and will be financed with general funds. Grayson stated that the proposed construction is needed to provide additional security to its employees, to provide additional convenience for its members, and to upgrade the infrastructure of a 70-year-old building of historical significance.

This project will be constructed in two phases. In phase 1, Grayson will modify the existing building to provide security to employees handling cash and checks while controlling general public access to other parts of the building. It will construct a remote

drive up kiosk with an underground tube system connected to the interior of the building. The estimated cost of this phase is \$180,000.

Phase 2 will consist of removing an 11' x 76' enclosed porch and constructing a 22' x 76' addition. This will add 770 square feet on three floors (including a basement). The estimated cost of this phase is \$508,000.

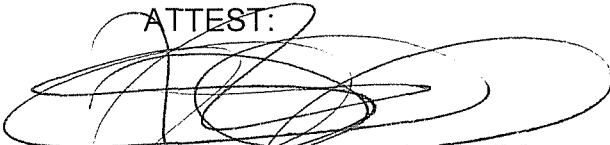
Based on the application and being otherwise sufficiently advised, the Commission finds that the proposed remodeling and the additional construction to its historical headquarters building are needed for security, for the convenience to its members, and for accommodating existing and future activities to serve its members.

IT IS THEREFORE ORDERED that Grayson is granted a CPCN to remodel and construct additions to its historical headquarters building in Grayson, Kentucky.

Done at Frankfort, Kentucky, this 19th day of December, 2007.

By the Commission

ATTEST:



Executive Director