

Blue Grass Energy Cooperative Corporation

Nicholasville District Office PO Box 990 1201 Lexington Road Nicholasville, Kentucky 40340-0990 Phone: (859) 885-4191 Fax: (859) 885-2854

January 3, 2008

JAN - 7 2008 PUBLIC SERVICE

COMMISSION

Beth A. O'Donnell, Executive DirectorKentucky Public Service Commission211 Sower Blvd.P.O. Box 615Frankfort, Kentucky 40602

Dear Ms. O'Donnell:

CASE NO: 7008-000 11

This is to advise, in accordance with the Commission's Administrative Regulation 807 KAR 5:001, Section 11(2), that on or about April 1, 2008, Blue Grass Energy Cooperative Corporation intends to file an application for an increase in its retail rates based on a historical test year ending December 31, 2007.

If there are any questions concerning this matter, please contact me at your convenience.

Respectfully submitted, rl,

Dan Brewer, President & CEO

copy to:

Attorney General Utility Intervention and Rate Division 1024 Capital Center Drive Frankfort, Kentucky 40601