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May 10, 2006

Hon. Ralph K. Combs
Combs & Hoffman
100 United Drive, Suite 5B
Versailles, KY 40383

RE: Blue Grass Energy Cooperative Corporation
Case No. 2006-00167
Motion for Confidential Treatment

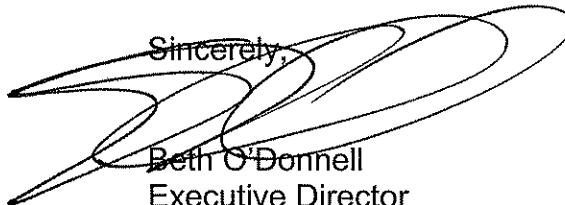
Dear Mr. Combs:

The Commission has received the motion filed May 4, 2006, on behalf of Blue Grass Energy to protect as confidential certain information in the original application. A review of the information has determined that the designated dollar amounts and percentages, including the percentages within the text under "Payment Terms" and "Bluegrass RECC Mgt & Fee" are entitled to the protection requested on the grounds relied upon in the motion, and they will be withheld from public inspection. However, the remainder of the text does not meet the criteria for confidentiality. Therefore, that portion of your petition is denied.

The information denied confidentiality shall be withheld from public inspection for 20 days from the date of this letter to allow you to seek any further remedy available to you.

If the information granted confidentiality becomes publicly available or no longer warrants confidential treatment, you are required by 807 KAR 5:001, Section 7(9)(a), to inform the Commission so that the information may be placed in the public record.

Sincerely,



Beth O'Donnell
Executive Director

cc: Parties of Record