

HOWARD DOWNING
ATTORNEY AT LAW
109 South First Street
Nicholasville, Kentucky 40356
(859)885-4619 fax (859)885-1127
March 20, 2007

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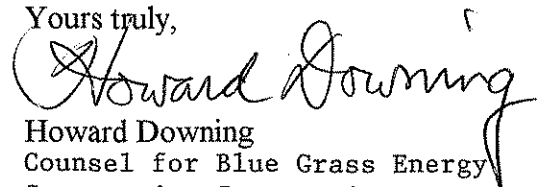
Ms. Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Re: PSC Case No. 2006-00475

Dear Ms. O'Donnell:

Please find enclosed for filing with the Public Service Commission in the above referenced case an original and five (5) copies of the Responses of Blue Grass Energy Cooperative Corporation, to the Commission Staff's First Data Requests date March 12, 2007.

Yours truly,


Howard Downing
Counsel for Blue Grass Energy
Cooperative Corporation

Enclosure
HD/pb

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BLUE GRASS ENERGY)	
COOPERATIVE CORPORATION TO)	CASE NO.
PASS-THROUGH AN INCREASE OF ITS)	2006-00475
WHOLESALE POWER SUPPLIER PURSUANT)	
TO KRS 278.455(2))	

**RESPONSES TO COMMISSION STAFF'S FIRST DATA REQUEST
TO BLUE GRASS ENERGY COOPERATIVE CORPORATION
DATED MARCH 12, 2007**

BLUE GRASS ENERGY COOPERATIVE CORPORATION

PSC CASE NO. 2006-00475

COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07

Blue Grass Energy Cooperative Corporation ("Blue Grass") hereby submits responses to the Commission Staff's First Data Request dated March 12, 2007. Each response with its associated supportive reference materials is individually tabbed.

BLUE GRASS ENERGY COOPERATIVE CORPORATION

PSC CASE NO. 2006-00475

FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07

REQUEST 1

RESPONSIBLE PERSON: William A. Bosta

COMPANY: Blue Grass Energy Cooperative Corporation

Request 1. Refer to the Application, Exhibits II and III.

Request 1a. Provide all workpapers, calculations, assumptions, and other documentation used to determine the proposed rates and the billing analysis.

Response 1a. Attached is information from EKPC's Exhibit I, Pages 3-5, which shows the present and proposed rates and revenues by wholesale customer class for service to Blue Grass.

As indicated in Mr. Bosta's testimony, the demand charges for retail industrial rates mirror EKPC's proposed rates for Schedules B and C, as applicable.

The increase applicable to all other classes was based on taking the total increase to the member system, subtracting the retail industrial class increase and then dividing that amount by the kWh for all other classes. This resulted in a per unit (cents/kWh) energy cost increase that was applied to all other classes. The only exceptions are Electric Thermal Storage (ETS) Rate GS-2, Schedule R2, and Rate 1/ETS, which were designed based on a charge of 60 percent of the energy rate of the related rate class.

See the response to Request 1b for the calculations to determine the proposed rates.

Request 1b. Provide in electronic format the Excel spreadsheets used to determine the proposed rates and billing analysis, with all formulas intact.

Response 1b. Based on discussion with the Commission Staff on March 19, 2007, attached are two (2) copies of the requested information on CD-ROM.

Billing Units - Base Rate Revenue

#	Rate E - Interr	R_GROUP	ENG-ON	ENG-OFF	COOP	CMTR-KW	KWH1	ENG-OFF	ENG-ON	Demand	Proposed Total Revenue	Present Total Revenue	Adjustment
1 21	5.22	E	470,352,552		440,516,377		1,656,669	18,053,179	13,611,081	10,258,169	41,970,429	38,527,193	3,443,237
2 23	2.07	E	222,403,423		268,167,686		894,462	5,191,692	6,431,743	5,171,757	20,177,560	18,549,826	1,627,734
3 27	0.038464	E	210,767,749		199,290,384		980,756	8,107,740	8,157,674	5,171,757	19,437,170	17,867,075	1,570,095
4 3	0.038464	E	452,696,417		443,652,956		2,085,271	10,885,115	17,419,054	10,885,115	42,012,158	38,623,314	3,388,844
5 30	6.92	E	146,154,687		139,307,277		847,941	4,672,504	4,304,316	3,992,252	13,308,262	12,229,216	1,079,046
6 34		E	230,603,822		223,059,695		952,587	5,228,270	15,711,488	4,972,504	20,735,790	18,020,790	2,715,000
7 37		E	500,365,607		465,225,238		2,051,890	9,655,391,045	14,374,529	44,354,295	40,704,360	3,649,534	2,170,608
8 49		E	223,901,680		217,477,199		1,001,814	44,378,689	6,612,155	18,719,610	26,851,234	24,426,401	2,424,833
9 51		E	278,013,694		278,013,694		1,266,875	11,335,845	8,690,676	10,908,845	26,597,009	18,757,957	7,839,052
10 52		E	222,824,915		219,464,946		972,806	44,288,961	8,761,028	18,719,610	20,429,613	18,757,957	1,671,656
11 54		E	529,715,951		521,118,813		2,491,562	10,908,845	16,101,529	16,101,529	49,462,581	45,510,426	3,952,155
12 58		E	199,856,688		195,512,640		613,735	5,949,584	4,167,670	2,020,667	12,731,750	11,694,634	1,037,116
13 57		E	263,407,107		258,259,498		1,148,221	10,531,691	7,079,668	3,943,714	24,106,023	22,133,177	1,972,846
14 58		E	194,650,874		182,562,500		607,493	4,167,670	4,098,818	3,171,113	12,446,242	11,436,176	1,010,067
15 59		E	3,706,990		4,230,920		13,638	144,568	130,727	71,160	344,503	314,468	30,035
16 61		E	128,894,703		124,373,132		576,431	9,862,668	3,862,881	3,008,370	11,513,118	10,855,426	657,692
17 64		E	505,896,894		477,390,964		2,314,259	19,459,569	14,759,427	12,080,639	46,520,652	42,800,799	3,719,853
			4,632,541,263		4,467,656,391		20,706,501	178,574,584	138,659,607	111,959,146	428,827,439	392,164,092	34,663,347

#	Rate E - Interr	R_GROUP	ENG-ON	ENG-OFF	COOP	CMTR-KW	KWH1	ENG-OFF	ENG-ON	Demand	Proposed Total Revenue	Present Total Revenue	Adjustment
1 30	5.22	E	1,118,256		72,800		1,181,266	43,013	36,502	11,152	90,707	82,014	8,693
2 51	2.07	E	364,269		4,500		1,073	14,011	14,907	2,221	31,140	27,939	3,201
3 64	0.038464	E	3,673,073		239,723		4,616,956	141,281	142,717	20,213	394,210	272,868	31,344
			5,155,598		192,700		6,292,776	198,305	194,125	33,626	426,066	362,819	43,237

#	Rate B - Interr	R_GROUP	ENG-ON	ENG-OFF	COOP	CMTR-KW	KWH1	ENG-OFF	ENG-ON	Demand	Proposed Total Revenue	Present Total Revenue	Adjustment
1 21	7.29	B	44,569,693		72,800		74,610	17,593	16,567	530,712	1,766,172	1,624,413	141,759
2 23	3.69	B	5,705,834		9,420		8,426	9,223	155,912	68,672	732,807	213,301	519,506
3 27	4.14	B	30,046,508		46,500		54,960	82,231	82,075	388,966	1,242,292	1,137,868	104,424
4 3	0.027325	B	28,546,385		51,500		55,198	35,535	791,030	373,435	1,181,002	1,086,205	104,796
5 30		B	170,264,930		239,723		1,747,591	226,682	435,036	1,747,591	6,529,259	6,129,124	500,135
6 37		B	119,181,435		192,700		208,034	146,046	3,256,633	1,404,793	4,810,462	4,415,198	395,265
7 51		B	49,862,903		81,500		81,800	0	1,365,236	696,322	1,961,558	1,806,138	155,420
8 54		B	49,592,574		64,200		90,658	251,340	1,352,668	468,018	2,072,016	1,900,905	171,110
9 64		B	25,858										
			358,525		344,900		232,052,348	6,541,523	6,986,679	2,514,231	8,986,679	8,307,452	681,198
Total B			1,196,639		1,103,543		729,884,618	19,844,370	28,684,296	8,044,826	28,684,296	26,620,634	2,273,652

#	Rate B - Interr	R_GROUP	ENG-ON	ENG-OFF	COOP	CMTR-KW	KWH1	ENG-OFF	ENG-ON	Demand	Proposed Total Revenue	Present Total Revenue	Adjustment
1 21	7.29	B	394,539,7		68000		657,659	1,077,636	1,077,636	503,010	1,580,222	1,449,037	131,186
2 37	4.14	B	105,181,985		3600		1,271,245	1,271,245	1,271,245	29,244	2,143,394	1,971,884	171,509
			159,313		72,600		105,181,985	318,881	2,674,370	529,254	3,723,616	3,420,921	302,695

Rate C

Demand		7.29		Energy		0.027325	
#	COOP	R_GROUP	BILL-KWH	BILL-KW	BILL-KWH	Energy Revenue	Total Revenue
21	C	31,800	20,867,840	0	0	805,315	805,315
1 23	C	38,328	19,611,349	0	0	535,880	535,880
2 27	C	85,224	42,555,301	0	0	1,163,643	1,163,643
3 30	C	107,818	63,360,482	0	0	1,751,325	1,751,325
4 34	C	6,000	2,689,215	0	0	73,463	73,463
5 49	C	0	0	0	0	0	0
6 51	C	321,386	181,235,697	0	0	4,652,261	4,652,261
7 52	C	165,155	83,822,026	0	0	2,290,437	2,290,437
8 54	C	0	0	0	0	0	0
9 57	C	0	0	0	0	0	0
10 58	C	0	0	0	0	0	0
11 59	C	0	0	0	0	0	0
12 64	C	28,973	16,407,017	0	0	446,322	446,322
Total C		782,694	430,666,767	0	0	11,768,844	11,768,844

Inland Container

#	COOP	NAME	R/C	BILL-KW	BILL-KWH	Energy Revenue	Total Revenue	Present Total Revenue	Revenue Adjustment
1 52	C	Inland Conts CM	CM	325,738	220,466,205	5,635,627	7,869,754	7,391,355	498,379
Total C				325,738	220,466,205	5,635,627	7,869,754	7,391,355	498,379

AGC

#	COOP	NAME	R/C	BILL-KW	BILL-KWH	Energy Revenue	Total Revenue	Present Total Revenue	Revenue Adjustment
1 51	C	AGC Admin RD	RD	64,262	44,113,666	1,177,545	1,572,169	1,473,864	98,306
2 51	C	AGC Admin CM	CM	184,760	102,773,245	2,614,104	3,235,144	2,465,937	247,476
Total AGC				220,022	146,886,911	3,791,649	5,300,663	4,939,800	345,763

Gallatin

#	COOP	R_GROUP	KWH-1	BILL-KW	BILL-KWH	Energy-ON Revenue	Energy-OFF Revenue	Total Revenue	Present Total Revenue	Revenue Adjustment
1 37	C	319,667,604	KWH-2	1,942,343	1,034,355,652	8,638,806	17,917,063	33,842,557	30,870,772	2,971,785
Firm				180,000						
10 min Interm				1,440,000						
90 min Interm				322,343						
Total C				1,942,343		8,638,806	17,917,063	33,842,557	30,870,772	2,971,785

IGP

#	COOP	R_GROUP	KWH-1	BILL-KW	BILL-KWH	Energy-ON Revenue	Energy-OFF Revenue	Total Revenue	Present Total Revenue	Revenue Adjustment
1 23	H	30733734	KWH-2	16,975	67155402	3,779,534	4,061,065	4,061,065	4,061,065	0
2 52	H	40883542	KWH-2	300000	88570870	5,077,582	5,077,582	5,077,582	5,077,582	0
Total H				469,725	155726272	8,857,116	9,138,647	9,138,647	9,138,647	0

Inland Steam

equiv	5.00073923
Demand	0.02450058
Energy	

Demand 0.957689
 Efficiency 0.957689
 Heat Rate 9916.9
 Mbu 38074 \$ /Mbtu
 Mbu 85994 \$ /Mbtu
 converted
 BILL-KW 508,649
 BILL-KVH 277,080,520
 Mbu-Demand 4394,11
 Mbu-Energy 2392661.7
 Meter = 125
 LC = 2655
 Revenue 4605
 21 48
 23 12
 27 144
 3 108
 30 240
 34 96
 37 120
 49 180
 51 72
 52 144
 54 108
 56 36
 57 36
 58 132
 59 84
 61 84
 64 48

Load Center - Normalized

COOP	21	23	27	3	30	34	37	49	51	52	54	56	57	58	59	61	64
Present Total Revenue	886,682	439,586	447,336	991,668	413,076	426,336	955,960	613,860	689,112	474,120	1,197,228	325,248	517,548	268,296	410,676	1,162,992	0
Revenue Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total LC Revenue	886,682	439,586	447,336	991,668	413,076	426,336	955,960	613,860	689,112	474,120	1,197,228	325,248	517,548	268,296	410,676	1,162,992	0
Present Total Revenue	10,219,764	426,000	7,500	510,669,030	43,364,220	0	0	0	0	0	0	0	0	0	0	0	0

COOP	21	23	27	3	30	34	37	49	51	52	54	56	57	58	59	61	64
Dem. Reven.	2,643,580	6,768,794	9,332,384	8,654,161	778,224	0	0	0	0	0	0	0	0	0	0	0	0
Energy Revenue	2,643,580	6,768,794	9,332,384	8,654,161	778,224	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	2,643,580	6,768,794	9,332,384	8,654,161	778,224	0	0	0	0	0	0	0	0	0	0	0	0

Grand Total Revenue by Member System

COOP	E	E	E	S	Inland Container	Inland Steam	Galatin	TGP	AEG	Load Center	Metering	Metering Only	Proposed Total	Present	Rate Adj
21	41,970,459	3,346,394	0	0	0	0	0	4,061,065	0	886,682	33,000	33,000	46,242,515	42,536,334	3,716,181
23	20,177,360	232,807	805,315	0	0	0	0	0	0	439,586	19,500	19,500	25,735,642	24,028,165	1,707,477
27	19,437,170	1,242,292	800,711	0	0	0	0	0	0	447,336	18,000	18,000	21,945,509	20,221,967	1,723,542
3	42,012,168	1,191,002	1,784,926	0	0	0	0	0	0	991,668	40,500	40,500	46,020,253	42,364,688	3,655,565
30	13,398,969	6,629,299	0	0	0	0	0	0	0	413,076	16,500	16,500	20,459,344	18,871,430	1,587,914
34	20,735,790	0	2,517,318	0	0	0	0	0	0	426,336	16,000	16,000	23,697,444	21,777,590	1,919,854
37	44,354,295	0	0	0	0	0	33,842,557	0	0	955,960	34,500	34,500	86,141,167	78,952,694	7,188,473
49	20,561,234	0	117,223	0	0	0	0	0	0	613,860	30,000	30,000	21,325,317	19,645,825	1,679,492
51	26,626,149	1,961,558	0	0	0	0	0	5,305,583	0	689,112	27,000	27,000	34,611,422	31,936,390	2,675,032
52	20,429,813	0	7,295,238	0	0	0	0	0	0	474,120	15,000	15,000	51,043,371	47,484,260	3,559,111
54	49,452,581	2,072,016	3,494,417	0	0	0	0	5,602,582	0	1,197,228	49,500	49,500	56,297,242	51,840,182	4,457,060
56	12,731,750	0	0	0	0	0	0	0	0	325,248	15,000	15,000	13,071,988	12,094,862	1,077,126
57	24,105,073	0	0	0	0	0	0	0	0	517,548	22,500	22,500	24,645,121	22,673,225	1,971,896
58	12,446,242	0	0	0	0	0	0	0	0	268,296	12,000	12,000	12,716,538	11,716,472	1,000,067
59	344,503	0	0	0	0	0	0	0	0	0	0	0	344,503	314,668	29,835
61	11,813,118	8,988,679	659,536	0	0	0	0	0	0	410,676	19,500	19,500	12,902,629	11,690,668	1,211,961
64	46,624,862	0	0	0	0	0	0	0	0	1,162,992	46,500	46,500	55,823,033	52,990,640	4,432,393
	427,253,486	32,617,902	17,474,683	7,869,734	9,332,384	33,842,557	8,693,647	5,305,583	10,219,764	426,000	7,500	7,500	554,033,251	510,669,030	43,364,220

Blue Grass Energy

Billing Analysis

for the 12 months ending September 30, 2006

Rate & Schedule	Total Present Annualized Revenues	Total Proposed Revenues	\$ Increase	% Increase
Rate 11: GS-1	\$31,326,257	\$32,879,817	\$1,553,560	4.96%
Rate 12: Schedule R	\$14,018,608	\$14,669,642	\$651,034	4.64%
Rate 13: Schedule A - Rate 1	\$16,223,639	\$16,928,385	\$704,745	4.34%
Rate 16: GS-2	\$34,727	\$36,396	\$1,669	4.81%
Rate 17: Schedule R-2	\$8,618	\$9,016	\$398	4.62%
Rate 18: Rate 1 ETS	\$110,057	\$114,968	\$4,911	4.46%
Rate 21: C1	\$2,434,234	\$2,523,852	\$89,618	3.68%
Rate 22: C-1	\$769,428	\$804,031	\$34,603	4.50%
Rate 23: Schedule C	\$528,468	\$549,786	\$21,318	4.03%
Rate 24: Schedule C	\$285,981	\$298,258	\$12,278	4.29%
Rate 25: Comm & Sm Pwr - Rate 2	\$298,364	\$311,124	\$12,760	4.28%
Rate 26: Comm & Sm Pwr - Rate 2	\$287,238	\$297,414	\$10,176	3.54%
Rate 31: LP1	\$3,012,827	\$3,174,371	\$161,544	5.36%
Rate 32: LP2	\$3,919,597	\$4,159,153	\$239,556	6.11%
Rate 33: Schedule L	\$209,815	\$218,988	\$9,172	4.37%
Rate 35: Schedule N	\$169,452	\$178,461	\$9,009	5.32%
Rate 39: Lrg Pwr Srvc - Rate 8	\$576,646	\$604,073	\$27,428	4.76%
Rate 40: Large Ind - Rate 8	\$325,858	\$343,136	\$17,278	5.30%
Rate 44: Large Ind - Rate B-2	\$1,127,711	\$1,218,911	\$91,200	8.09%
Rate 45: Large Ind - Rate B-2	\$1,991,254	\$2,109,435	\$118,181	5.93%
Rate 46: B-1	\$1,217,390	\$1,284,529	\$67,139	5.52%
Rate 47: Large Ind B-2	\$1,162,923	\$1,256,403	\$93,480	8.04%
Rate 48: Large Ind Rate B-2	\$1,922,356	\$2,058,786	\$136,430	7.10%
Rate 49: Large Ind Rate B-2	\$2,236,000	\$2,378,971	\$142,971	6.39%
Rate 50: Large Pwr Srvc, LPR 2 - Rate 8	\$3,112,228	\$3,296,589	\$184,361	5.92%
Total - Excluding Lights	\$87,309,677	\$91,704,495	\$4,394,819	5.03%
Lights:				
175 WATT MERCURY VAPOR	\$26,919	\$28,356	\$1,437	5.34%
175 WATT MERCURY VAPOR	\$474,348	\$489,516	\$15,168	3.20%
400 WATT MERCURY VAPOR	\$6,175	\$6,668	\$493	7.98%
400 WATT MERCURY VAPOR	\$10,725	\$11,180	\$455	4.24%
100 WATT HIGH PRESSURE SODIUM	\$461,895	\$474,751	\$12,856	2.78%
175 WATT MERCURY VAPOR -SEPARATE TRANSFORMER	\$1,501	\$1,544	\$43	2.87%
70 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$43,639	\$44,382	\$743	1.70%
400 WATT MERCURY VAPOR -SEPARATE TRANSFORMER	\$541	\$562	\$21	3.96%
100 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$46,344	\$47,326	\$982	2.12%
250 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$22,283	\$23,231	\$948	4.26%
250 WATT HIGH PRESSURE SODIUM	\$16,041	\$16,882	\$841	5.24%
200 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$10,256	\$10,548	\$292	2.85%
70 WATT HIGH PRESSURE SODIUM - COLONIAL	\$44,776	\$45,273	\$497	1.11%
400 WATT METAL HALIDE DIRECTIONAL FLOOD	\$37,585	\$39,606	\$2,021	5.38%
400 WATT HIGH PRESSURE SODIUM DIRECTIONAL FLOOD	\$6,631	\$6,958	\$327	4.93%
100 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$15,941	\$16,209	\$269	1.69%
100 WATT HIGH PRESSURE SODIUM - SHOEBOX FIXTURE	\$1,985	\$2,003	\$18	0.88%
100 WATT HIGH PRESSURE SODIUM - ACORN FIXTURE	\$1,687	\$1,702	\$15	0.91%
100 WATT HIGH PRESSURE SODIUM - COLONIAL FIXTURE	\$13,450	\$13,595	\$146	1.08%
400 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$94	\$97	\$3	3.25%
Total - Lights	\$1,242,815	\$1,280,391	\$37,576	3.02%
Grand Total	\$88,552,492	\$92,984,886	\$4,432,394	5.01%

Blue Grass Energy
Billing Analysis - Test Year Ending September 30, 2006

Non Sch B/C
kWh Sch B/C/D/mg Customer Energy

Blue Grass Energy
Rate 11: GS-1

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	297,601	\$ 5.30	\$ 1,576,755	\$ 5.30	\$ 1,576,755	\$ 0
Energy Charge per kWh	402,289,057	\$ 0.06028	\$ 24,249,984	\$ 0.06414	\$ 25,803,544	\$ 1,553,560
Billing Adjustments				\$ -	\$ -	\$ 0
Total from Base Rates		\$ 25,826,740		\$ 27,380,300	\$ 1,553,560	
Plus Fuel Adjustment		\$ 3,363,259		\$ 3,363,259	\$ -	
Plus Environmental Surcharge		\$ 2,136,259		\$ 2,136,259	\$ -	
Green Power		\$ -		\$ -	\$ -	
Total Revenues		\$ 31,326,257		\$ 32,879,817	\$ 1,553,560	
Average Customer		\$ 105.30		110.52	\$ 5.22	
Percent						4.96%

402,289,057

Blue Grass Energy
Rate 12: Schedule R

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	140,644	\$ 5.39	\$ 758,071	\$ 5.39	\$ 758,071	\$ 0
Energy Charge per kWh	168,635,183	\$ 0.06467	\$ 10,905,637	\$ 0.06853	\$ 11,556,671	\$ 651,034
Billing Adjustments				\$ -	\$ -	\$ 0
Total from Base Rates		\$ 11,663,708		\$ 12,314,742	\$ 651,034	
Plus Fuel Adjustment		\$ 1,414,264		\$ 1,414,264	\$ -	
Plus Environmental Surcharge		\$ 940,636		\$ 940,636	\$ -	
Green Power		\$ -		\$ -	\$ -	
Total Revenues		\$ 14,018,608		\$ 14,669,642	\$ 651,034	
Average Customer		\$ 99.67		104.30	\$ 4.63	
Percent						4.64%

168,635,183

Blue Grass Energy
Rate 13: Schedule A - Rate 1

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	168,703	\$ 8.86	\$ 1,494,709	\$ 8.86	\$ 1,494,709	\$ 0
Energy Charge per kWh	181,781,760	\$ 0.06628	\$ 12,048,495	\$ 0.07016	\$ 12,763,240	\$ 704,745
Billing Adjustments				\$ -	\$ -	\$ 0
Total from Base Rates		\$ 13,543,204		\$ 14,247,949	\$ 704,745	
Plus Fuel Adjustment		\$ 1,555,282		\$ 1,555,282	\$ -	
Plus Environmental Surcharge		\$ 1,125,154		\$ 1,125,154	\$ -	
Green Power		\$ -		\$ -	\$ -	
Total Revenues		\$ 16,223,639		\$ 16,928,385	\$ 704,745	
Average Customer		\$ 96.17		100.34	\$ 4.18	
Percent						4.34%

181,781,760

Blue Grass Energy
Rate 16: GS-2

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	1,376	\$ 0.00	\$ -	\$ 0.00	\$ 0	\$ 0
Energy Charge per kWh	720,916	\$ 0.03817	\$ 26,076	\$ 0.03849	\$ 27,745	\$ 1,669
Billing Adjustments				\$ -	\$ -	\$ 0
Total from Base Rates		\$ 26,076		\$ 27,745	\$ 1,669	
Plus Fuel Adjustment		\$ 6,484		\$ 6,484	\$ -	
Plus Environmental Surcharge		\$ 2,167		\$ 2,167	\$ -	
Green Power		\$ -		\$ -	\$ -	
Total Revenues		\$ 34,727		\$ 36,396	\$ 1,669	
Average Customer		\$ 25.24		26.45	\$ 1.21	
Percent						4.81%

720,916

Blue Grass Energy
Rate 17: Schedule R-2

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	295	\$ 0.00	\$ -	\$ 0.00	\$ 0	\$ 0
Energy Charge per kWh	171,632	\$ 0.03880	\$ 6,659	\$ 0.04112	\$ 7,057	\$ 398
Billing Adjustments		\$ 0		\$ -	\$ -	\$ 0
Total from Base Rates		\$ 6,659		\$ 7,057	\$ 398	
Plus Fuel Adjustment		\$ 1,439		\$ 1,439	\$ -	
Plus Environmental Surcharge		\$ 519		\$ 519	\$ -	
Green Power		\$ -		\$ -	\$ -	
Total Revenues		\$ 8,618		\$ 9,016	\$ 398	
Average Customer		\$ 29.21		30.56	\$ 1.35	
Percent						4.62%

171,632

Blue Grass Energy Rate 18: Rate 1 ETS						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	2,875	\$0.00	\$	\$0.00	\$0	\$0
Energy Charge per kWh	2,112,962	\$ 0.03977	\$ 84,032	\$ 0.04209	\$88,943	\$4,911
Billing Adjustments					\$	\$0
Total from Base Rates		\$ 84,032		\$ 88,943	\$ 4,911	
Plus Fuel Adjustment		\$ 19,121		\$ 19,121	\$ -	
Plus Environmental Surcharge		\$ 6,904		\$ 6,904	\$ -	
Green Power		\$ -		\$ -	\$ -	
Total Revenues		\$ 110,057		\$ 114,968	\$ 4,911	
Average Customer		\$ 38.28		\$ 39.99	\$ 1.71	
Percent						4.46%

2,112,962

Blue Grass Energy Rate 21: C1 (first 10 kW charge = 0)						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	5,342	\$8.95	\$ 37,127	\$8.95	\$37,127	\$0
Energy Charge per kWh	10,379,990	\$0.064530	\$ 669,821	\$ 0.06839	\$709,877	\$40,057
Energy Charge per kWh (>3,000)	12,843,040	\$0.059730	\$ 767,115	\$ 0.06359	\$816,677	\$49,562
Demand Charge	99,309.74	\$6.23	\$ 618,700	\$6.23	\$618,700	\$0
Billing Adjustments					\$	\$0
Total from Base Rates		\$ 2,092,762		\$ 2,182,381	\$ 89,618	
Plus Fuel Adjustment		\$ 190,359		\$ 190,359	\$ -	
Plus Environmental Surcharge		\$ 151,113		\$ 151,113	\$ -	
Total Revenues		\$ 2,434,234		\$ 2,523,852	\$ 89,618	
Average		\$ 455.68		\$ 472.45	\$ 16.78	
Percent						3.68%

10,379,990
12,843,040

\$0

\$0

Blue Grass Energy Rate 22: C-1						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	9,655	\$6.95	\$ 67,102	\$6.95	\$67,102	\$0
Energy Charge per kWh	7,659,498	\$0.064530	\$ 494,267	\$ 0.06839	\$523,826	\$29,558
Energy Charge per kWh (>3,000)	1,307,233	\$0.059730	\$ 78,081	\$ 0.06359	\$83,126	\$5,045
Demand Charge	0.00	\$0.00	\$ -	\$0.00	\$0	\$0
Billing Adjustments					\$	\$0
Total from Base Rates		\$ 639,451		\$ 674,054	\$ 34,603	
Plus Fuel Adjustment		\$ 76,108		\$ 76,108	\$ -	
Plus Environmental Surcharge		\$ 53,870		\$ 53,870	\$ -	
Total Revenues		\$ 769,428		\$ 804,031	\$ 34,603	
Average		\$ 79.69		\$ 83.28	\$ 3.58	
Percent						4.50%

7,659,498
1,307,233

Blue Grass Energy Rate 23: Schedule C						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	1,036	\$5.39	\$ 5,584	\$5.39	\$5,584	\$0
Energy Charge per kWh	5,524,208	\$0.068990	\$ 381,115	\$ 0.07285	\$402,433	\$21,318
Energy Charge per kWh	0	\$0.000000	\$ -	\$ -	\$0	\$0
Demand Charge	19,421.04	\$3.18	\$ 61,759	\$3.18	\$61,759	\$0
Billing Adjustments					\$	\$0
Total from Base Rates		\$ 448,458		\$ 489,776	\$ 41,318	
Plus Fuel Adjustment		\$ 45,248		\$ 45,248	\$ -	
Plus Environmental Surcharge		\$ 34,761		\$ 34,761	\$ -	
Total Revenues		\$ 528,468		\$ 569,786	\$ 41,318	
Average		\$ 510.10		\$ 530.68	\$ 20.58	
Percent						4.03%

5,524,208
0

\$0

\$0

**Blue Grass Energy
Rate 24: Schedule C**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	3,864	\$ 5.39 \$ 20,827	\$ 5.39	\$ 20,827	\$ 0	
Energy Charge per kWh	3,181,533	\$ 0.068990 \$ 219,494	\$ 0.07285	\$ 231,772	\$ 12,278	
Energy Charge per kWh	0	\$ 0.000000 \$ -	\$ -	\$ 0	\$ 0	
Demand Charge	0.00	\$ 0.00 \$ -	\$ 0.00	\$ 0	\$ 0	
Billing Adjustments				\$ -	\$ 0	
Total from Base Rates		\$ 240,321		\$ 252,599	\$ 12,278	
Plus Fuel Adjustment		\$ 26,424		\$ 26,424	\$ -	
Plus Environmental Surcharge		\$ 19,236		\$ 19,236	\$ -	
Total Revenues		\$ 285,981		\$ 298,258	\$ 12,278	
Average Percent		\$ 74.01		\$ 77.19	\$ 3.18	4.29%

3,181,533
0

**Blue Grass Energy
Rate 25: Comm & Sm Pwr - Rate 2**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	1,087	\$ 23.87 \$ 25,947	\$ 23.87	\$ 25,947	\$ 0	
Energy Charge per kWh	3,306,543	\$ 0.067890 \$ 224,481	\$ 0.07175	\$ 237,241	\$ 12,760	
Energy Charge per kWh	0	\$ 0.000000 \$ -	\$ -	\$ 0	\$ 0	
Demand Charge	7,403.33	\$ 0.00 \$ -	\$ 0.00	\$ 0	\$ 0	
Billing Adjustments				\$ -	\$ 0	
Total from Base Rates		\$ 250,428		\$ 263,188	\$ 12,760	
Plus Fuel Adjustment		\$ 27,369		\$ 27,369	\$ -	
Plus Environmental Surcharge		\$ 20,567		\$ 20,567	\$ -	
Total Revenues		\$ 298,364		\$ 311,124	\$ 12,760	
Average Percent		\$ 274.48		\$ 286.22	\$ 11.74	4.28%

3,306,543
0

**Blue Grass Energy
Rate 26: Comm & Sm Pwr - Rate 2**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	2,771	\$ 23.87 \$ 66,144	\$ 23.87	\$ 66,144	\$ 0	
Energy Charge per kWh	2,637,056	\$ 0.067890 \$ 179,030	\$ 0.07175	\$ 189,206	\$ 10,176	
Energy Charge per kWh	0	\$ 0.000000 \$ -	\$ -	\$ 0	\$ 0	
Demand Charge	0.00	\$ 0.00 \$ -	\$ 0.00	\$ 0	\$ 0	
Billing Adjustments				\$ -	\$ 0	
Total from Base Rates		\$ 245,174		\$ 255,350	\$ 10,176	
Plus Fuel Adjustment		\$ 22,043		\$ 22,043	\$ -	
Plus Environmental Surcharge		\$ 20,021		\$ 20,021	\$ -	
Total Revenues		\$ 287,238		\$ 297,414	\$ 10,176	
Average Percent		\$ 103.66		\$ 107.33	\$ 3.67	3.54%

2,637,056
0

**Blue Grass Energy
Rate 31: LP1**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	996	\$ 24.00 \$ 23,904	\$ 24.00	\$ 23,904	\$ 0	
Energy Charge per kWh (1st 10,000)	9,383,175	\$ 0.04945 \$ 463,998	\$ 0.05331	\$ 500,208	\$ 36,210	
Next 15,000	10,278,461	\$ 0.04275 \$ 439,404	\$ 0.04661	\$ 479,069	\$ 39,665	
Next 50,000	13,605,919	\$ 0.03715 \$ 505,460	\$ 0.04101	\$ 557,966	\$ 52,506	
Next 75,000	8,593,734	\$ 0.03485 \$ 299,492	\$ 0.03871	\$ 332,655	\$ 33,164	
Over 150,000	0	\$ 0.03315 \$ -	\$ 0.03701	\$ 0	\$ 0	
Demand Charge	117,936.11	\$ 6.23 \$ 734,742	\$ 6.23	\$ 734,742	\$ 0	
Billing Adjustments				\$ -	\$ 0	
Total from Base Rates		\$ 2,467,000		\$ 2,628,544	\$ 161,544	
Plus Fuel Adjustment		\$ 340,667		\$ 340,667	\$ -	
Plus Environmental Surcharge		\$ 205,160		\$ 205,160	\$ -	
Total Revenues		\$ 3,012,827		\$ 3,174,371	\$ 161,544	
Average Percent		\$ 3,025		\$ 3,187	\$ 162	5.36%

9,383,175
10,278,461
13,605,919
8,593,734
0

\$0

\$0

Blue Grass Energy Rate 32: LP2						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	163	\$24.00 \$ 3,912	\$24.00	\$3,912	\$0	
Energy Charge per kWh (1st 10,000)	505,200	\$0.06028 \$ 25,401	\$ 0.06414	\$27,351	\$1,950	505,200
Next 6,500	932,000	\$0.04201 \$ 39,153	\$ 0.04587	\$42,750	\$3,597	932,000
Next 140,000	18,131,632	\$0.03688 \$ 668,695	\$ 0.04074	\$738,665	\$69,971	18,131,632
Next 200,000	17,270,524	\$0.03533 \$ 610,168	\$ 0.03919	\$676,815	\$66,648	17,270,524
Next 400,000	14,284,208	\$0.03441 \$ 491,520	\$ 0.03827	\$546,643	\$55,123	14,284,208
Next 550,000	10,953,072	\$0.03349 \$ 366,818	\$ 0.03735	\$409,087	\$42,268	10,953,072
Over 1,300,000	0	\$0.02822 \$ -	\$ 0.03208	\$0	\$0	0
Demand Charge	152,042.76	\$6.23 \$ 947,226	\$6.23	\$947,226	\$0	
Billing Adjustments				\$		
Total from Base Rates		\$ 3,152,893		\$ 3,392,449	\$ 239,556	
Plus Fuel Adjustment		\$ 498,852		\$ 498,852	\$ -	
Plus Environmental Surcharge		\$ 267,852		\$ 267,852	\$ -	
Total Revenues		\$ 3,919,597		\$ 4,169,153	\$ 239,556	
Average		\$ 24,047		\$ 25,516	\$ 1,470	
Percent						6.11%

\$0

\$0

Blue Grass Energy Rate 33: Schedule L						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	120	\$0.00 \$ -	\$0.00	\$0	\$0	
Energy Charge: First 50 kWh/kw	388,974	\$0.07200 \$ 28,006	\$ 0.07586	\$29,507	\$1,501	388,974
Next 100 kWh/kw	777,948	\$0.06800 \$ 52,900	\$ 0.07186	\$55,903	\$3,002	777,948
Over 150 kWh/kw	1,209,899	\$0.06810 \$ 70,295	\$ 0.06196	\$74,964	\$4,669	1,209,899
Demand Charge	7,779.48	\$3.18 \$ 24,739	\$3.18	\$24,739	\$0	
Billing Adjustments				\$	\$0	
Total from Base Rates		\$ 175,940		\$ 185,113	\$ 9,172	
Plus Fuel Adjustment		\$ 19,495		\$ 19,495	\$ -	
Plus Environmental Surcharge		\$ 14,380		\$ 14,380	\$ -	
Total Revenues		\$ 209,815		\$ 218,988	\$ 9,172	
Average		\$ 1,748		\$ 1,825	\$ 76	
Percent						4.37%

\$0

\$0

Blue Grass Energy Rate 35: Schedule N						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	26	\$270.00 \$ 6,750	\$270.00	\$6,750	\$0	
Energy Charge: First 425 kWh/kw	2,334,514	\$0.04276 \$ 99,824	\$ 0.04662	\$108,833	\$9,009	2,334,514
Over 425 kWh/kw	0	\$0.03487 \$ -	\$ 0.03873	\$0	\$0	0
Demand Charge	7,480.62	\$4.34 \$ 32,466	\$4.34	\$32,466	\$0	
Billing Adjustments				\$	\$0	
Total from Base Rates		\$ 139,040		\$ 148,049	\$ 9,009	
Plus Fuel Adjustment		\$ 18,154		\$ 18,154	\$ -	
Plus Environmental Surcharge		\$ 12,258		\$ 12,258	\$ -	
Total Revenues		\$ 169,452		\$ 178,461	\$ 9,009	
Average		\$ 6,778		\$ 7,138	\$ 360	
Percent						5.32%

\$0

\$0

Blue Grass Energy Rate 39: Lrg Pwr Srvc - Rate 8						
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	233	\$28.68 \$ 6,682	\$28.68	\$6,682	\$0	
Energy Charge	7,107,452	\$0.04329 \$ 307,682	\$ 0.04715	\$335,109	\$27,428	7,107,452
Demand Charge	21,067	\$7.82 \$ 164,747	\$7.82	\$164,747	\$0	
Billing Adjustments				\$	\$0	
Total from Base Rates		\$ 479,111		\$ 506,539	\$ 27,428	
Plus Fuel Adjustment		\$ 58,211		\$ 58,211	\$ -	
Plus Environmental Surcharge		\$ 39,323		\$ 39,323	\$ -	
Total Revenues		\$ 576,646		\$ 604,073	\$ 27,428	
Average		\$ 2,475		\$ 2,593	\$ 118	
Percent						4.76%

\$0

\$0

Blue Grass Energy
Rate 40: Large Ind - Rate B

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	24	\$40.16 \$ 964	\$40.16	\$964	\$0	
Energy Charge	4,477,200	\$0.04077 \$ 182,535	0.04463	\$199,813	\$17,278	
Demand Charge	10,765.68	\$7.82 \$ 84,188	\$7.82	\$84,188	\$0	
Billing Adjustments				\$ -	\$0	
Total from Base Rates		\$ 267,687		\$ 284,965	\$ 17,278	
Plus Fuel Adjustment		\$ 35,722		\$ 35,722	\$ -	
Plus Environmental Surcharge		\$ 22,449		\$ 22,449	\$ -	
Total Revenues		\$ 325,858		\$ 343,136	\$ 17,278	
Average		\$ 13,577		\$ 14,297	\$ 720	
Percent						5.30%

4,477,200 \$0
\$0

Blue Grass Energy
Rate 44: Large Ind - Rate B-2

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	12	\$1,069 \$ 12,828	\$1,069	\$12,828	\$0	
Energy Charge	19,819,200	\$0.03077 \$ 609,837	0.03077	\$609,837	\$0	
Demand Charge - Contract	48,000	\$5.39 \$ 258,720	\$7.29	\$349,920	\$91,200	
Demand Charge - Excess of Contract	0	\$7.82 \$ -	\$9.72	\$0	\$0	
Billing Adjustments				\$ -	\$0	
Total from Base Rates		\$ 881,385		\$ 972,585	\$ 91,200	
Plus Fuel Adjustment		\$ 160,484		\$ 160,484	\$ -	
Plus Environmental Surcharge		\$ 85,842		\$ 85,842	\$ -	
Total Revenues		\$ 1,127,711		\$ 1,218,911	\$ 91,200	
Average		\$ 93,976		\$ 101,576	\$ 7,600	
Percent						8.09%

\$0
\$91,200

Blue Grass Energy
Rate 45: Large Ind - Rate B-2

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	12	\$1,069.00 \$ 12,828	\$1,069	\$12,828	\$0	
Energy Charge	38,653,200	\$0.03077 \$ 1,189,359	0.03077	\$1,189,359	\$0	
Demand Charge - Contract	60,000.00	\$5.39 \$ 323,400	\$7.29	\$437,400	\$114,000	
Demand Charge - Excess of Contract	2,200.40	\$7.82 \$ 17,207	\$9.72	\$21,388	\$4,181	
Billing Adjustments				\$ -	\$0	
Total from Base Rates		\$ 1,542,794		\$1,660,975	\$118,181	
Plus Fuel Adjustment		\$ 313,835		\$ 313,835	\$ -	
Plus Environmental Surcharge		\$ 134,625		\$ 134,625	\$ -	
Total Revenues		\$ 1,991,254		\$ 2,109,435	\$ 118,181	
Average		\$ 165,938		\$ 175,786	\$ 9,848	
Percent						6.93%

\$0
\$114,000
\$4,181

Blue Grass Energy
Rate 46: B-1

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	12	\$565.00 \$ 6,780	\$565	\$6,780	\$0	
Energy Charge	21,805,200	\$0.03537 \$ 771,250	0.03537	\$771,250	\$0	
Demand Charge - Contract	35,100.00	\$5.39 \$ 189,189	\$7.29	\$255,879	\$66,690	
Demand Charge - Excess of Contract	236.388	\$7.82 \$ 1,849	\$9.72	\$2,298	\$449	
Billing Adjustments				\$ -	\$0	
Total from Base Rates		\$ 969,067		\$ 1,036,207	\$ 67,139	
Plus Fuel Adjustment		\$ 167,967		\$ 167,967	\$ -	
Plus Environmental Surcharge		\$ 80,356		\$ 80,356	\$ -	
Total Revenues		\$ 1,217,390		\$ 1,284,529	\$ 67,139	
Average		\$ 101,449		\$ 107,044	\$ 5,595	
Percent						5.52%

\$0
\$66,690
\$449

**Blue Grass Energy
Rate 47: Large Ind B-2**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	12	\$1,069	\$12,828	\$1,069	\$12,828	\$0
Energy Charge	20,508,000	\$0.03077	\$631,031	\$0.03077	\$631,031	\$0
Demand Charge - Contract	49,200.00	\$5.39	\$265,188	\$7.29	\$358,668	\$93,480
Demand Charge - Excess of Contract		7.82	\$-	\$9.72	\$0	\$0
Billing Adjustments				\$-	\$0	\$0
Total from Base Rates		\$909,047	\$1,002,527	\$93,480		
Plus Fuel Adjustment		\$165,771	\$165,771	\$-		
Plus Environmental Surcharge		\$88,105	\$88,105	\$-		
Total Revenues		\$1,162,923	\$1,256,403	\$93,480		
Average		\$98,910	\$104,700	\$7,790		
Percent						8.04%

\$0
\$93,480
\$0

**Blue Grass Energy
Rate 48: Large Ind Rate B-2**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	12	\$1,069	\$12,828	\$1,069	\$12,828	\$0
Energy Charge	35,685,600	\$0.03077	\$1,098,046	\$0.03077	\$1,098,046	\$0
Demand Charge - Contract	68,400.00	\$5.39	\$368,676	\$7.29	\$498,636	\$129,960
Demand Charge - Excess of Contract	3405	7.82	\$26,627	\$9.72	\$33,097	\$6,470
Billing Adjustments				\$-	\$0	\$0
Total from Base Rates		\$1,506,177	\$1,642,607	\$136,430		
Plus Fuel Adjustment		\$285,662	\$285,662	\$-		
Plus Environmental Surcharge		\$130,517	\$130,517	\$-		
Total Revenues		\$1,922,356	\$2,058,786	\$136,430		
Average		\$160,196	\$171,565	\$11,369		
Percent						7.10%

\$0
\$129,960
\$6,470

**Blue Grass Energy
Rate 49: Large Ind Rate B-2**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	12	\$1,069	\$12,828	\$1,069	\$12,828	\$0
Energy Charge	42,588,000	\$0.03077	\$1,310,433	\$0.03077	\$1,310,433	\$0
Demand Charge - Contract	72,000.00	\$5.39	\$388,080	\$7.29	\$524,880	\$136,800
Demand Charge - Excess of Contract	3247.984	7.82	\$25,399	\$9.72	\$31,570	\$6,171
Billing Adjustments				\$-	\$0	\$0
Total from Base Rates		\$1,736,740	\$1,879,711	\$142,971		
Plus Fuel Adjustment		\$349,036	\$349,036	\$-		
Plus Environmental Surcharge		\$150,224	\$150,224	\$-		
Total Revenues		\$2,236,000	\$2,378,971	\$142,971		
Average		\$186,333	\$198,248	\$11,914		
Percent						6.39%

\$0
\$136,800
\$6,171

**Blue Grass Energy
Rate 50: Large Pwr Svc, LPR 2 - Rate 8
5% Discount for 3M**

Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)
Customer Charge	12	\$2,373	\$28,476	\$2,373	\$28,476	\$0
Energy Charge-First 425 kWh/kw	41,238,678	\$0.03735	\$1,540,265	\$0.03735	\$1,540,265	\$0
Energy Charge-All remaining kWh	12,473,322	\$0.02983	\$372,079	\$0.02983	\$372,079	\$0
Demand	97,032.18	\$5.39	\$523,003	\$7.29	\$707,365	\$184,361
Billing Adjustments				\$-	\$0	\$0
Total from Base Rates		\$2,463,823	\$2,648,184	\$184,361		
Plus Fuel Adjustment		\$434,810	\$434,810	\$-		
Plus Environmental Surcharge		\$213,594	\$213,594	\$-		
Total Revenues		\$3,112,228	\$3,296,589	\$184,361		
Average		\$259,352	\$274,716	\$15,363		
Percent						6.92%

\$0
\$184,361

	Non-demand kWh	Demand	Customer	Energy
Non-B/C Dem Non-light kWh	922,784,523			
Non-B/C Dem Light kWh	9,737,065			
Total Non B/C kWh	932,521,588			
Total \$	\$4,432,394			
Sch B/C Dem \$		\$833,762		
Customer \$			\$-	
Total \$ less B/C Dem		\$3,598,632		
Total \$ less Dem & Customer			\$3,598,632	
Residual \$ / Non B/C kWh				\$0.00386

Increase per EKPC \$4,432,394
 Increase per Billing Analysis (excl lights) \$4,394,819
 Increase per Billing Analysis (incl lights) \$37,576
 Difference \$0

Blue Grass Energy: Test Year Ending September 30, 2006

Description	TYPE/ Rate	Annual Billing Units	Rate per Lamp	Normalized Annual Revenue	Assigned kWh per Light	Total kWh assigned to Lights	Proposed Rate per Light	Proposed Light Revenues	Dollar Change	Percentage Change
		(1)	(2)	(3)=(1)*(2)	(4)	(5)=(1)*(4)	(6)	(7)=(6)*(1)	(8)=(7)-(3)	(9)=(7)/(3)-1x100
175 WATT MERCURY VAPOR	11	5,320	\$6.06	\$26,919	70	372,400	\$5.33	\$28,366	\$1,437	5.34%
175 WATT MERCURY VAPOR	14	53,842	\$8.81	\$474,348	73	3,930,466	\$9.09	\$489,516	\$15,168	3.20%
400 WATT MERCURY VAPOR	21	803	\$7.69	\$6,175	159	127,677	\$8.30	\$6,668	\$493	7.98%
400 WATT MERCURY VAPOR	24	765	\$14.02	\$10,728	154	117,810	\$14.61	\$11,180	\$455	4.24%
100 WATT HIGH PRESSURE SODIUM	31	90,038	\$5.13	\$461,895	37	3,331,406	\$5.27	\$474,751	\$12,856	2.78%
175 WATT MERCURY VAPOR -SEPARATE TRANSFORMER	34	153	\$9.81	\$1,501	73	11,169	\$10.09	\$1,544	\$43	2.87%
70 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	41	8,376	\$5.21	\$43,639	23	192,648	\$5.30	\$44,382	\$743	1.70%
400 WATT MERCURY VAPOR -SEPARATE TRANSFORMER	44	36	\$15.02	\$541	154	5,544	\$15.61	\$562	\$21	3.96%
100 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	51	6,876	\$6.74	\$46,344	37	254,412	\$6.88	\$47,326	\$982	2.12%
250 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	61	2,409	\$9.25	\$22,283	102	245,718	\$9.64	\$23,231	\$948	4.26%
250 WATT HIGH PRESSURE SODIUM	71	2,136	\$7.51	\$16,041	102	217,872	\$7.90	\$16,882	\$841	5.24%
200 WATT HIGH PRESSURE SODIUM - COBRA HEAD	74	902	\$11.37	\$10,256	84	75,768	\$11.69	\$10,548	\$292	2.85%
70 WATT HIGH PRESSURE SODIUM - COLONIAL	81	5,604	\$7.89	\$44,776	23	128,892	\$8.08	\$45,273	\$497	1.11%
400 WATT METAL HALIDE DIRECTIONAL FLOOD	91	3,294	\$11.41	\$37,585	159	523,746	\$12.02	\$39,606	\$2,021	5.38%
400 WATT HIGH PRESSURE SODIUM DIRECTIONAL FLOOD	111	533	\$12.44	\$6,631	159	84,747	\$13.05	\$6,958	\$327	4.93%
100 WATT HIGH PRESSURE SODIUM - COBRA HEAD	124	1,882	\$8.47	\$15,941	37	69,634	\$8.61	\$16,209	\$269	1.69%
100 WATT HIGH PRESSURE SODIUM - SHOEBOX FIXTURE	133	123	\$16.14	\$1,985	37	4,551	\$16.28	\$2,003	\$18	0.88%
100 WATT HIGH PRESSURE SODIUM - ACORN FIXTURE	143	108	\$15.62	\$1,687	37	3,996	\$15.76	\$1,702	\$15	0.91%
100 WATT HIGH PRESSURE SODIUM - COLONIAL FIXTURE	153	1,022	\$13.16	\$13,450	37	37,814	\$13.30	\$13,595	\$146	1.08%
400 WATT HIGH PRESSURE SODIUM - COBRA HEAD	163	5	\$18.87	\$94	159	795	\$19.48	\$97	\$3	3.25%
TOTAL		184,227		\$1,242,815		9,737,065		\$1,280,391	\$37,576	3.02%
Average				\$6.75				\$6.95	\$0.20	3.02%

BLUE GRASS ENERGY COOPERATIVE CORPORATION

PSC CASE NO. 2006-00475

FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07

REQUEST 2

RESPONSIBLE PERSON: William A. Bosta

COMPANY: Blue Grass Energy Cooperative Corporation

Request 2. KRS 278.455(2) provides that a distribution cooperative may change its rates to reflect a change in the rate of its wholesale supplier if the effects of an increase or decrease are allocated to each class and within each tariff on a proportional basis that will result in no change in the rate design currently in effect. 807 KAR 5:007, Section 2(2), provides that the distribution cooperative shall file an analysis demonstrating that the rate change does not change the rate design currently in effect and the revenue change has been allocated to each class and within each tariff on a proportional basis. In the cover letter to its Application, Blue Grass states:

In each instance, the retail rates for a particular class have been developed in a manner that is consistent with the method proposed by EKPC. The proposed rate design structure at retail does not change the rate design currently in effect and is consistent with the rate design methodology used at wholesale.

Request 2a. For each retail Rate Schedule listed in Exhibit II of the Application, identify the corresponding wholesale Rate Schedule of East Kentucky Power Cooperative, Inc.

Response 2a. Please see the attached information.

Request 2b. Would Blue Grass agree that KRS 278.455(2) and 807 KAR5:007, Section 2(2), require that increases or decreases in rates from the wholesale supplier must be allocated to each retail class and within each retail tariff on a proportional basis? Explain the response.

Response 2b. Yes. EKPC and each Member System understands these requirements and have developed proposed rates that meet the intent of KRS 278.455(2) and 807 KAR5:007. As explained in Mr. Bosta's testimony, EKPC began the rate design process at wholesale by allocating the proposed rate increase to each rate class on a proportional basis. The proportional increase to each rate class was then applied to the most appropriate rate mechanism for each rate class.

The proposed increase at retail is strictly a pass-through of EKPC's increased wholesale costs and each Member System must recover the dollar increase from new wholesale rates. As a result, EKPC and each Member System recognized that it was important to implement retail rates that mirror the change at wholesale, while meeting the proportionality and rate design requirements.

EKPC and its Member Systems understand that a "pure" proportional increase at retail, as discussed in Item 3 herein, would result in increases at retail to customer, demand and energy charges. However, EKPC and its Member Systems came to the conclusion that, for example, an increase in the customer charge at retail made no sense because the wholesale increase had no relationship to customer cost. EKPC has not proposed an increase in its substation charges or metering point charges in this proceeding. Consequently, EKPC and its Member Systems could not justify increasing the retail customer charge when the wholesale increase has no relationship to that cost.

Therefore, EKPC believes that its proposed wholesale increase using a proportional basis, coupled with the use of the wholesale rate design methodology at retail, is a reasonable approach to meeting the intent of the requirements.

Request 2c. Would Blue Grass agree that KRS 278.455(2) and 807 KAR 5:007, Section 2(2), require that the retail rate change does not change the retail rate design currently in effect? Explain the response.

Response 2c. Yes. EKPC and its Member Systems understand the requirements set forth in KRS 278.455(2) and 807 KAR 5:007 and believe that the proposed rates do not alter the existing rate design structure at retail.

As indicated in the response to Item 2b, the rate design used for the pass-through increase at retail was intended to meet these requirements, while also maintaining the existing wholesale/retail rate design relationship and recognizing cost causation principles.

Industrial customers at retail, for example, will pay the same demand charge as the Member System pays to EKPC. This maintains the rate design relationship from wholesale to retail that has existed for a number of years. Likewise, the proposed increase in the "E" wholesale rate, which is only applied to the energy charge, is being passed through only to the energy charge at retail. This process allows the rate design relationship from wholesale to retail to remain in place.

Fundamentally, for every retail rate class, there has been no change in the rate design structure. The demand, energy, and customer components for industrial rates remains intact and the residential and commercial rate design structure remains as is through a continuation of the customer and energy charge structure. This adherence to the rate

design structure, coupled with a retention of the wholesale to retail rate design relationship, is a reasonable approach and meets the legal requirements.

Blue Grass Energy

The present and proposed rates structures of Blue Grass Energy are listed below:

For the Nicholasville & Madison Districts

<u>Rate Class</u>	<u>EKPC Rate Schedule</u>	<u>Present</u>	<u>Proposed</u>
<i>GS-1 (Residential, Farm & Non-farm)</i>	E-2		
Customer Charge per Month		\$5.30	\$5.30
Energy Charge per kWh		\$0.06028	\$0.06414
<i>GS-2 (Off-Peak Marketing Rate - ETS)</i>	E-2		
Energy Charge per kWh		\$0.03617	\$0.03849
<i>GS-3 (Residential, Farm & Non-Farm TOD)</i>	E-2		
Customer Charge per Month		\$10.48	\$10.48
Energy Charge per kWh			
On-peak		\$0.07543	\$0.07929
Off-peak		\$0.03793	\$0.04179
<i>C-1 Commercial & Industrial Lighting & Pwr</i>	E-2		
Demand Charge per kW			
First 10 kW of billing demand		No charge	No charge
Over 10 kW of billing demand per kW		\$6.23	\$6.23
Energy Charge			
First 3,000 kWh		\$0.06453	\$0.06839
All over 3,000 kWh		\$0.05973	\$0.06359
Customer Charge per Month		\$6.95	\$6.95
<i>LP-1 Large Power</i>	E-2		
Demand Charge per kW per month		\$6.23	\$6.23
Energy Charge (51-500 kW)			
First 10,000 kWh		\$0.04945	\$0.05331
Next 15,000 kWh		\$0.04275	\$0.04661
Next 50,000 kWh		\$0.03715	\$0.04101
Next 75,000 kWh		\$0.03485	\$0.03871
All over 150,000		\$0.03315	\$0.03701
Customer Charge per month		\$24.00	\$24.00
<i>LP-2 Large Power</i>	E-2		
Demand Charge per kW per month		\$6.23	\$6.23
Energy Charge (over 500 kW)			
First 3,500 kWh		\$0.05028	\$0.05414
Next 6,500 kWh		\$0.04201	\$0.04587
Next 140,000 kWh		\$0.03688	\$0.04074
Next 200,000 kWh		\$0.03533	\$0.03919
Next 400,000 kwh		\$0.03441	\$0.03827
Next 550,000 kWh		\$0.03349	\$0.03735
All over 1,300,000 kWh		\$0.02822	\$0.03208
Customer Charge per month		\$24.00	\$24.00
<i>Security Lights – Rate per Light per Month</i>	E-2		
175 w Mercury Vapor		\$ 5.06	\$5.33
400 w Mercy Vapor		\$ 7.69	\$8.30
100 w High Pressure Sodium		\$ 5.13	\$5.27
250 w High Pressure Sodium		\$ 7.51	\$7.90

400 w Metal Halide-Directional Flood		\$11.41	\$12.02
400 w High Pressure Sodium Directional Flood		\$12.44	\$13.05
100 w High Pressure Sodium Shoebox Fixture		\$16.14	\$16.28
100 w High Pressure Sodium – Acorn Fixture (Fiberglass Pole)		\$15.62	\$15.76
100 w High Pressure Sodium Colonial Fixture		\$13.16	\$13.30
400 w High Pressure Sodium Cobra Head (Aluminum Pole)		\$18.87	\$19.48
Street Lighting			
70 w High Pressure Sodium (Ornamental)		\$ 5.21	\$5.30
100 w High Pressure Sodium (Ornamental)		\$ 6.74	\$6.88
250 w High Pressure Sodium (Ornamental)		\$ 9.25	\$9.64
70 w High Pressure (Colonial) (15-foot mounting height)		\$ 7.99	\$8.08
200 w High Pressure Sodium Cobra Head (Aluminum Pole)		\$11.37	\$11.69
100 w High Pressure Sodium Cobra Head (Aluminum Pole)		\$ 8.47	\$8.61
100 w High Pressure Sodium Shoebox Fixture		\$16.14	\$16.28
100 w High Pressure Sodium Acorn Fixture (Fiberglass Pole)		\$15.62	\$15.76
100 w High Pressure Sodium Colonial Fixture		\$13.16	\$13.30
400 w High Pressure Sodium Cobra Head (Aluminum Pole)		\$18.87	\$19.48
Large Industrial Rate C-1	C		
Consumer Charge per Month		\$535.00	\$535.00
Demand Charge per kW of billing demand		\$5.39	\$7.29
Energy Charge per kWh		\$0.03556	\$0.03556
Large Industrial Rate C-2	C		
Consumer Charge per Month		\$1,069.00	\$1,069.00
Demand Charge per kW of billing demand		\$5.39	\$7.29
Energy Charge per kWh		\$0.03056	\$0.03056
Large Industrial Rate C-3	C		
Consumer Charge per Month		\$1,069.00	\$1,069.00
Demand Charge per kW of billing demand		\$5.39	\$7.29
Energy Charge per kWh		\$0.02956	\$0.02956
Large Industrial Rate B-1	B		
Consumer Charge per Month		\$535.00	\$535.00
Demand Charge per kW – Contract		\$5.39	\$7.29
Demand Charge per kW – Excess		\$7.82	\$9.72
Energy Charge per kWh		\$0.03577	\$0.03577
Large Industrial Rate B-2	B		
Consumer Charge per Month		\$1,069.00	\$1,069.00
Demand Charge per kW – Contract		\$5.39	\$7.29
Demand Charge per kW – Excess		\$7.82	\$9.72
Energy Charge per kWh		\$0.03077	\$0.03077

For the Fox Creek District

<u>Rate Class</u>		<u>Present</u>	<u>Proposed</u>
Sch R Residential	E-2		
Customer Charge per month		\$5.39	\$5.39
All kWh over 30 per month		\$0.06467	\$0.06853
Sch R2 Residential Marketing Rate	E-2		
All kWh		\$0.03880	\$0.04112
Sch C Commercial & Small Pwr	E-2		
Over 10 kW of Billing Demand Per Month		\$3.18	\$3.18
Minimum Bill First 30 kWh per month		\$5.39	\$5.39
All kWh over 30 kWh per month		\$0.06899	\$0.07285
Sch L Large Pwr Service (50-200 kW)	E-2		
Demand charge per kW per month		\$3.18	\$3.18
First 50 kWh/kW of billing demand		\$0.07200	\$0.07586

Next 100 kWh/kW of billing demand		\$0.06800	\$0.07186
Over 150 kWh/kW of billing demand		\$0.05810	\$0.06196
Sch C1 Large Industrial Rate (1,000-4,999 kW)	C		
Consumer Charge per month		\$535.00	\$535.00
Demand Charge per kW of billing demand		\$5.39	\$7.29
Energy Charge		\$0.03537	\$0.03537
Sch C2 Large Industrial (5,000-9,999 kW)	C		
Consumer Charge per month		\$1,069.00	\$1,069.00
Demand Charge per kW of billing demand		\$5.39	\$7.29
Energy Charge		\$0.03037	\$0.03037
Sch C3 Large Industrial (Over 10,000 kW)	C		
Consumer Charge per month		\$1,069.00	\$1,069.00
Demand Charge per kW of billing demand		\$5.39	\$7.29
Energy Charge		\$0.02937	\$0.02937
Sch M Commercial & Industrial (201-500 kW)	E-2		
Consumer Charge		\$135.00	\$135.00
Demand Charge per kW		\$4.34	\$4.34
Energy Charge			
First 425 kWh/kW of billing demand		\$0.04676	\$0.05062
All over 425 kWh/kW of billing demand		\$0.03887	\$0.04273
Sch N Industrial & Lrg Commercial (Over 500 kw)	E-2		
Consumer Charge		\$270.00	\$270.00
Demand Charge per kW		\$4.34	\$4.34
Energy Charge			
First 425 kWh/kW		\$0.04276	\$0.04662
All over 425 kWh/kW		\$0.03487	\$0.03873
Sch B1 Large Industrial Rate	B		
Consumer Charge		\$565.00	\$565.00
Demand Charge per kW – Contract		\$5.39	\$7.29
Demand Charge per kW – Excess		\$7.82	\$9.72
Energy Charge per kWh		\$0.03537	\$0.03537

For the Harrison District

<u>Rate Class</u>		<u>Present</u>	<u>Proposed</u>
Farm & Home Sch A (Rate 1)	E-2		
Consumer Charge per month		\$8.86	\$8.86
All kWh used		\$0.06628	\$0.07016
Farm & Home Off-Peak Mkt. Rate (Rate 1, ETS)	E-2		
All kWh used		\$0.03977	\$0.04209
Commercial & Small Pwr 0-50 Demand (Rate 2)	E-2		
Consumer Charge per month		\$23.87	\$23.87
All kWh used		\$0.06789	\$0.07175
Large Power Service 50-500 kW (Rate 8)	E-2		
Consumer Charge per month		\$28.68	\$28.68
All kWh		\$0.04329	\$0.04715
Demand Charge per kW		\$7.82	\$7.82
Large Power Service Over 500 kW (LPR 1, Rate 8)	E-2		
Consumer Charge per month		\$40.16	\$40.16
All kWh		\$0.04077	\$0.04463
Demand charge per kW		\$7.82	\$7.82
Large Power Service 1,000 – 4,999 kW (LPR 2, Rate8)	C		
Consumer Charge per month		\$40.16	\$40.16
All kWh		\$0.03992	\$0.03992

Demand charge per kW	\$5.39	\$7.29
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Large Power Service 5,000 – 9,999 kW (LPR 2, Rate 8) C

Consumer Charge per month	\$2,373.00	\$2,373.00
Energy Charge		
First 425 kWh per kW of billing demand	\$0.03735	\$0.03735
All remaining kWh	\$0.02983	\$0.02983
Demand charge per kW	\$5.39	\$7.29

Outdoor Lighting Service (monthly charge) E-2

175 watt	\$ 8.81	\$9.09
400 watt	\$14.02	\$14.61
200 w High Pressure Sodium Cobra Head (Aluminum Pole)	\$11.37	\$11.69
100 w High Pressure Sodium Cobra Head (Aluminum Pole)	\$ 8.47	\$8.61
100 w High Pressure Sodium Shoebox Fixture	\$16.14	\$16.28
100 w High Pressure Sodium Acorn Fixture (Fiberglass Pole)	\$15.62	\$15.76
100 w High Pressure Sodium Colonial Fixture	\$13.16	\$13.30
400 w High Pressure Sodium Cobra Head (Aluminum Pole)	\$18.87	\$19.48
400 w Metal Halide Directional Flood	\$11.41	\$12.02
400 High Pressure Sodium Directional Flood	\$12.44	\$13.05
Lights Requiring Separate Transformer (in addition to monthly chg.)	\$1.00	\$1.00

BLUE GRASS ENERGY COOPERATIVE CORPORATION

PSC CASE NO. 2006-00475

FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 3/12/07

REQUEST 3

RESPONSIBLE PERSON: William A. Bosta

COMPANY: Blue Grass Energy Cooperative Corporation

Request 3. Refer to Exhibit III of the Application.

Request 3a. Prepare the following comparative analyses of Blue Grass's present and proposed revenues:

(1) Calculate the percentage that each rate schedule or class represents of the total revenues for both the present revenues and proposed revenues. Percentages should be expressed to 2 decimal places.

(2) Calculate the percentage that each component of the base rates within each rate schedule or class represents of the total base rate revenues for both the present revenues and proposed revenues. Do not include fuel adjustment revenues, environmental surcharge revenues, or green power revenues. Percentages should be expressed to 2 decimal places.

Response 3a. (1) Please see the attached information.

(2) Please see the attached information.

Request 3b. Based upon the results of the analyses prepared in part (a) above, explain in detail how Blue Grass' proposed pass-through rates are in compliance with the retail rate requirements of KRS 278.455(2) and 807 KAR 5:007, Section 2(2).

Response 3b. Maintaining the existing revenue proportion as shown in part (a) above assumes that the proportionality requirement would follow strict adherence to the existing proportion of revenues at retail, by rate mechanism component (i.e. customer, energy and demand). EKPC and the Member Systems believe that the proportionality requirement is not so narrow and that the pass-through at retail has followed the proposed wholesale rate design process in a proportional manner. At retail, for example, there is no increase in the customer charge because EKPC did not increase the metering point charge or substation charge at wholesale. Moreover, the "B" and "C" type retail industrial classes will have the same demand rate as the proposed demand rate for industrial customers at wholesale. It follows the matching concept upon which these rates were originally created.

See also the response to Item 2(b) and 2(c) herein. KRS 278.455(2) explicitly recognizes "proportional" allocation without recognizing a specific method, whether KWh, revenue, or other means of proportionality. EKPC has chosen the proportional method of applying wholesale to retail, with the intended matching concept of costs vs. revenue. The retail rates reflect this top-down approach to proportionality. Please see the attached analysis which illustrates this approach.

Blue Grass Energy

Billing Analysis

for the 12 months ending September 30, 2006

Rate & Schedule	Total Present Annualized Revenues	Percent of Total Revenue	Total Proposed Revenues	Percent of Total Revenue	\$ Increase	% Increase
Rate 11: GS-1	\$31,326,257	35.38%	\$32,879,817	35.36%	\$1,553,560	4.96%
Rate 12: Schedule R	\$14,018,608	15.83%	\$14,669,642	15.78%	\$651,034	4.64%
Rate 13: Schedule A - Rate 1	\$16,223,639	18.32%	\$16,928,985	18.21%	\$704,745	4.34%
Rate 16: GS-2	\$34,727	0.04%	\$36,396	0.04%	\$1,669	4.81%
Rate 17: Schedule R-2	\$8,618	0.01%	\$9,016	0.01%	\$398	4.62%
Rate 18: Rate 1 ETS	\$110,057	0.12%	\$114,968	0.12%	\$4,911	4.46%
Rate 21: C1	\$2,434,234	2.75%	\$2,523,852	2.71%	\$89,618	3.68%
Rate 22: C-1	\$769,428	0.87%	\$804,031	0.86%	\$34,603	4.50%
Rate 23: Schedule C	\$528,468	0.60%	\$549,786	0.59%	\$21,318	4.03%
Rate 24: Schedule C	\$285,981	0.32%	\$298,258	0.32%	\$12,278	4.29%
Rate 25: Comm & Sm Pwr - Rate 2	\$298,364	0.34%	\$311,124	0.33%	\$12,760	4.28%
Rate 26: Comm & Sm Pwr - Rate 2	\$287,238	0.32%	\$297,414	0.32%	\$10,176	3.54%
Rate 31: LP1	\$3,012,827	3.40%	\$3,174,371	3.41%	\$161,544	5.36%
Rate 32: LP2	\$3,919,597	4.43%	\$4,159,153	4.47%	\$239,556	6.11%
Rate 33: Schedule L	\$209,815	0.24%	\$218,988	0.24%	\$9,172	4.37%
Rate 35: Schedule N	\$169,452	0.19%	\$178,461	0.19%	\$9,009	5.32%
Rate 39: Lrg Pwr Srvc - Rate 8	\$576,646	0.65%	\$604,073	0.65%	\$27,428	4.76%
Rate 40: Large Ind - Rate 8	\$325,858	0.37%	\$343,136	0.37%	\$17,278	5.30%
Rate 44: Large Ind - Rate B-2	\$1,127,711	1.27%	\$1,218,911	1.31%	\$91,200	8.09%
Rate 45: Large Ind - Rate B-2	\$1,991,254	2.25%	\$2,109,435	2.27%	\$118,181	5.93%
Rate 46: B-1	\$1,217,390	1.37%	\$1,284,529	1.38%	\$67,139	5.52%
Rate 47: Large Ind B-2	\$1,162,923	1.31%	\$1,256,403	1.35%	\$93,480	8.04%
Rate 48: Large Ind Rate B-2	\$1,922,356	2.17%	\$2,058,786	2.21%	\$136,430	7.10%
Rate 49: Large Ind Rate B-2	\$2,236,000	2.53%	\$2,378,971	2.56%	\$142,971	6.39%
Rate 50: Large Pwr Srvc, LPR 2 - Rate 8	\$3,112,228	3.51%	\$3,296,589	3.55%	\$184,361	5.92%
Total - Excluding Lights	\$87,309,677	98.60%	\$91,704,495	98.62%	\$4,394,819	5.03%
Lights:						
175 WATT MERCURY VAPOR	\$26,919		\$28,356		\$1,437	5.34%
175 WATT MERCURY VAPOR	\$474,348		\$489,516		\$15,168	3.20%
400 WATT MERCURY VAPOR	\$6,175		\$6,668		\$493	7.98%
400 WATT MERCURY VAPOR	\$10,725		\$11,180		\$455	4.24%
100 WATT HIGH PRESSURE SODIUM	\$461,895		\$474,751		\$12,856	2.78%
175 WATT MERCURY VAPOR -SEPARATE TRANSFORMER	\$1,501		\$1,544		\$43	2.87%
70 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$43,639		\$44,382		\$743	1.70%
400 WATT MERCURY VAPOR -SEPARATE TRANSFORMER	\$541		\$562		\$21	3.96%
100 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$46,344		\$47,326		\$982	2.12%
250 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$22,283		\$23,231		\$948	4.26%
250 WATT HIGH PRESSURE SODIUM	\$16,041		\$16,882		\$841	5.24%
200 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$10,256		\$10,548		\$292	2.85%
70 WATT HIGH PRESSURE SODIUM - COLONIAL	\$44,776		\$45,273		\$497	1.11%
400 WATT METAL HALIDE DIRECTIONAL FLOOD	\$37,585		\$39,606		\$2,021	5.38%
400 WATT HIGH PRESSURE SODIUM DIRECTIONAL FLOOD	\$6,631		\$6,958		\$327	4.93%
100 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$15,941		\$16,209		\$269	1.69%
100 WATT HIGH PRESSURE SODIUM - SHOEBOX FIXTURE	\$1,985		\$2,003		\$18	0.88%
100 WATT HIGH PRESSURE SODIUM - ACORN FIXTURE	\$1,687		\$1,702		\$15	0.91%
100 WATT HIGH PRESSURE SODIUM - COLONIAL FIXTURE	\$13,450		\$13,595		\$146	1.08%
400 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$94		\$97		\$3	3.25%
Total - Lights	\$1,242,815	1.40%	\$1,280,391	1.38%	\$37,576	3.02%
Grand Total	\$88,552,492	100.00%	\$92,984,886	100.00%	\$4,432,394	5.01%

Blue Grass Energy Rate 11: GS-1								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	297,501	\$5.30	\$ 1,576,755	6.11%	\$5.30	\$1,576,755	\$0	5.76%
Energy Charge per kWh	402,289,057	\$ 0.06028	\$ 24,249,984	93.89%	\$ 0.06414	\$25,803,544	\$1,553,560	94.24%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 25,826,740	100.00%		\$ 27,380,300	\$ 1,553,560		100.00%
Plus Fuel Adjustment		\$ 3,363,259			\$ 3,363,259	\$ -		
Plus Environmental Surcharge		\$ 2,136,259			\$ 2,136,259	\$ -		
Green Power		\$ -			\$ -	\$ -		
Total Revenues		\$ 31,326,257			\$ 32,879,817	\$ 1,553,560		
Average Customer		\$ 105.30			110.52	\$ 5.22		
Percent							4.96%	

Blue Grass Energy Rate 12: Schedule R								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	140,644	\$5.39	\$ 758,071	6.50%	\$5.39	\$758,071	\$0	6.16%
Energy Charge per kWh	168,635,183	\$ 0.06467	\$ 10,905,637	93.50%	\$ 0.06853	\$11,556,671	\$651,034	93.54%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 11,663,708	100.00%		\$ 12,314,742	\$ 651,034		100.00%
Plus Fuel Adjustment		\$ 1,414,264			\$ 1,414,264	\$ -		
Plus Environmental Surcharge		\$ 940,636			\$ 940,636	\$ -		
Green Power		\$ -			\$ -	\$ -		
Total Revenues		\$ 14,018,608			\$ 14,669,642	\$ 651,034		
Average Customer		\$ 99.67			104.30	\$ 4.63		
Percent							4.64%	

Blue Grass Energy Rate 13: Schedule A - Rate 1								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	168,703	\$8.86	\$ 1,494,709	11.04%	\$8.86	\$1,494,709	\$0	10.49%
Energy Charge per kWh	181,781,760	\$ 0.06628	\$ 12,048,495	88.96%	\$ 0.07016	\$12,753,240	\$704,745	89.51%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 13,543,204	100.00%		\$ 14,247,949	\$ 704,745		100.00%
Plus Fuel Adjustment		\$ 1,555,282			\$ 1,555,282	\$ -		
Plus Environmental Surcharge		\$ 1,125,154			\$ 1,125,154	\$ -		
Green Power		\$ -			\$ -	\$ -		
Total Revenues		\$ 16,223,639			\$ 16,928,385	\$ 704,745		
Average Customer		\$ 96.17			100.34	\$ 4.18		
Percent							4.34%	

Blue Grass Energy Rate 16: GS-2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	1,376	\$0.00	\$ -	100.00%	\$0.00	\$0	\$0	100.00%
Energy Charge per kWh	720,916	\$ 0.03617	\$ 26,076		\$ 0.03849	\$27,745	\$1,669	
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 26,076	100.00%		\$ 27,745	\$ 1,669		100.00%
Plus Fuel Adjustment		\$ 6,484			\$ 6,484	\$ -		
Plus Environmental Surcharge		\$ 2,167			\$ 2,167	\$ -		
Green Power		\$ -			\$ -	\$ -		
Total Revenues		\$ 34,727			\$ 36,396	\$ 1,669		
Average Customer		\$ 25.24			26.45	\$ 1.21		
Percent							4.81%	

Blue Grass Energy Rate 17: Schedule R-2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	295	\$0.00	\$ -	100.00%	\$0.00	\$0	\$0	100.00%
Energy Charge per kWh	171,632	\$ 0.03680	\$ 6,559		\$ 0.04112	\$7,057	\$398	
Billing Adjustments		\$ 0			\$ -	\$0		
Total from Base Rates		\$ 6,559	100.00%		\$ 7,057	\$ 398		100.00%
Plus Fuel Adjustment		\$ 1,439			\$ 1,439	\$ -		
Plus Environmental Surcharge		\$ 519			\$ 519	\$ -		
Green Power		\$ -			\$ -	\$ -		
Total Revenues		\$ 8,618			\$ 9,016	\$ 398		
Average Customer		\$ 29.21			30.66	\$ 1.36		
Percent							4.62%	

Blue Grass Energy Rate 18: Rate 1 ETS								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	2,875	\$0.00	\$ -		\$0.00	\$0	\$0	
Energy Charge per kWh	2,112,962	\$ 0.03977	\$ 84,032	\$ 0.04209	\$88,943	\$4,911		100.00%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 84,032	100.00%		\$ 88,943	\$ 4,911		100.00%
Plus Fuel Adjustment		\$ 19,121			\$ 19,121	\$ -		
Plus Environmental Surcharge		\$ 6,904			\$ 6,904	\$ -		
Green Power		\$ -			\$ -	\$ -		
Total Revenues		\$ 110,057			\$ 114,968	\$ 4,911		
Average Customer Percent		\$ 38.28			39.99	\$ 1.71	4.46%	

Blue Grass Energy Rate 21: C1 (first 10 kW charge = 0)								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	5,342	\$6.95	\$ 37,127	\$6.95	\$37,127	\$0		1.70%
Energy Charge per kWh	10,379,990	\$0.064530	\$ 669,821	\$ 0.06839	\$709,877	\$40,057		32.53%
Energy Charge per kWh (>3,000)	12,843,040	\$0.059730	\$ 767,115	\$ 0.06359	\$816,677	\$49,562		37.42%
Demand Charge	99,309.74	\$6.23	\$ 618,700	\$6.23	\$618,700	\$0		28.35%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 2,092,762	100.00%		\$ 2,182,381	\$ 89,618		100.00%
Plus Fuel Adjustment		\$ 190,359			\$ 190,359	\$ -		
Plus Environmental Surcharge		\$ 151,113			\$ 151,113	\$ -		
Total Revenues		\$ 2,434,234			\$ 2,623,852	\$ 89,618		
Average Percent		\$ 455.68			\$ 472.45	\$ 16.78	3.68%	

Blue Grass Energy Rate 22: C-1								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	9,655	\$6.95	\$ 67,102	\$6.95	\$67,102	\$0		9.96%
Energy Charge per kWh	7,659,498	\$0.064530	\$ 494,267	\$ 0.06839	\$523,826	\$29,558		77.71%
Energy Charge per kWh (>3,000)	1,307,233	\$0.059730	\$ 78,081	\$ 0.06359	\$83,126	\$5,045		12.33%
Demand Charge	0.00	\$0.00	\$ -	\$0.00	\$0	\$0		0.00%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 639,451	100.00%		\$ 674,054	\$ 34,603		100.00%
Plus Fuel Adjustment		\$ 76,108			\$ 76,108	\$ -		
Plus Environmental Surcharge		\$ 53,870			\$ 53,870	\$ -		
Total Revenues		\$ 769,428			\$ 804,031	\$ 34,603		
Average Percent		\$ 79.69			\$ 83.28	\$ 3.58	4.50%	

Blue Grass Energy Rate 23: Schedule C								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	1,036	\$5.39	\$ 5,584	\$5.39	\$5,584	\$0		1.19%
Energy Charge per kWh	5,524,208	\$0.068990	\$ 381,115	\$ 0.07285	\$402,433	\$21,318		85.66%
Energy Charge per kWh	0	\$0.000000	\$ -	\$ -	\$0	\$0		0.00%
Demand Charge	19,421.04	\$3.18	\$ 61,759	\$3.18	\$61,759	\$0		13.15%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 448,458	100.00%		\$ 469,776	\$ 21,318		100.00%
Plus Fuel Adjustment		\$ 45,248			\$ 45,248	\$ -		
Plus Environmental Surcharge		\$ 34,761			\$ 34,761	\$ -		
Total Revenues		\$ 528,468			\$ 549,786	\$ 21,318		
Average Percent		\$ 519.10			\$ 530.68	\$ 20.58	4.03%	

Blue Grass Energy Rate 24: Schedule C								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	3,864	\$5.39 \$	20,827	8.67%	\$5.39	\$20,827	\$0	8.25%
Energy Charge per kWh	3,181,533	\$0.068890 \$	219,494	91.33%	\$ 0.07285	\$231,772	\$12,278	91.75%
Energy Charge per kWh	0	\$0.000000 \$	-		\$ -	\$0	\$0	
Demand Charge	0.00	\$0.00 \$	-		\$0.00	\$0	\$0	
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 240,321	100.00%		\$ 252,599	\$ 12,278		100.00%
Plus Fuel Adjustment		\$ 26,424			\$ 26,424	\$ -		
Plus Environmental Surcharge		\$ 19,236			\$ 19,236	\$ -		
Total Revenues		\$ 285,981			\$ 298,258	\$ 12,278		
Average		\$ 74.01			\$ 77.19	\$ 3.18		
Percent							4.29%	

Blue Grass Energy Rate 25: Comm & Sm Pwr - Rate 2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	1,087	\$23.87 \$	25,947	10.36%	\$23.87	\$25,947	\$0	9.86%
Energy Charge per kWh	3,306,543	\$0.067890 \$	224,481	89.64%	\$ 0.07175	\$237,241	\$12,760	90.14%
Energy Charge per kWh	0	\$0.000000 \$	-		\$ -	\$0	\$0	
Demand Charge	7,403.33	\$0.00 \$	-		\$0.00	\$0	\$0	
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 250,428	100.00%		\$ 263,188	\$ 12,760		100.00%
Plus Fuel Adjustment		\$ 27,369			\$ 27,369	\$ -		
Plus Environmental Surcharge		\$ 20,567			\$ 20,567	\$ -		
Total Revenues		\$ 298,364			\$ 311,124	\$ 12,760		
Average		\$ 274.48			\$ 286.22	\$ 11.74		
Percent							4.28%	

Blue Grass Energy Rate 26: Comm & Sm Pwr - Rate 2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	2,771	\$23.87 \$	66,144	26.98%	\$23.87	\$66,144	\$0	25.90%
Energy Charge per kWh	2,637,056	\$0.067890 \$	179,030	73.02%	\$ 0.07175	\$189,208	\$10,176	74.10%
Energy Charge per kWh	0	\$0.000000 \$	-		\$ -	\$0	\$0	
Demand Charge	0.00	\$0.00 \$	-		\$0.00	\$0	\$0	
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 245,174	100.00%		\$ 255,350	\$ 10,176		100.00%
Plus Fuel Adjustment		\$ 22,043			\$ 22,043	\$ -		
Plus Environmental Surcharge		\$ 20,021			\$ 20,021	\$ -		
Total Revenues		\$ 287,238			\$ 297,414	\$ 10,176		
Average		\$ 103.66			\$ 107.33	\$ 3.67		
Percent							3.54%	

Blue Grass Energy Rate 31: LP1								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	996	\$24.00 \$	23,904	0.97%	\$24.00	\$23,904	\$0	0.91%
Energy Charge per kWh (1st 10,000)	9,383,175	\$0.04945 \$	463,998	18.81%	\$ 0.05331	\$500,208	\$36,210	19.03%
Next 15,000	10,278,461	\$0.04275 \$	439,404	17.81%	\$ 0.04661	\$479,069	\$39,665	18.23%
Next 50,000	13,605,919	\$0.03715 \$	505,460	20.49%	\$ 0.04101	\$557,966	\$52,506	21.23%
Next 75,000	8,593,734	\$0.03485 \$	299,492	12.14%	\$ 0.03871	\$332,655	\$33,164	12.66%
Over 150,000	0	\$0.03315 \$	-	0.00%	\$ 0.03701	\$0	\$0	0.00%
Demand Charge	117,936.11	\$6.23 \$	734,742	29.78%	\$6.23	\$734,742	\$0	27.95%
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 2,467,000	100.00%		\$ 2,628,544	\$ 161,544		100.00%
Plus Fuel Adjustment		\$ 340,667			\$ 340,667	\$ -		
Plus Environmental Surcharge		\$ 205,160			\$ 205,160	\$ -		
Total Revenues		\$ 3,012,827			\$ 3,174,371	\$ 161,544		
Average		\$ 3,025			\$ 3,187	\$ 162		
Percent							5.36%	

Blue Grass Energy Rate 32: LP2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	163	\$24.00 \$	3,912		\$24.00	\$3,912	\$0	0.12%
Energy Charge per kWh (1st 10,000)	505,200	\$0.05028 \$	25,401	0.81%	\$ 0.05414	\$27,351	\$1,950	0.81%
Next 6,500	932,000	\$0.04201 \$	39,153	1.24%	\$ 0.04587	\$42,750	\$3,597	1.26%
Next 140,000	18,131,632	\$0.03688 \$	668,695	21.21%	\$ 0.04074	\$738,665	\$69,971	21.77%
Next 200,000	17,270,524	\$0.03533 \$	610,168	19.35%	\$ 0.03919	\$676,815	\$66,648	19.95%
Next 400,000	14,284,208	\$0.03441 \$	491,520	15.59%	\$ 0.03827	\$546,643	\$55,123	16.11%
Next 550,000	10,953,072	\$0.03349 \$	366,818	11.63%	\$ 0.03735	\$409,087	\$42,268	12.06%
Over 1,300,000	0	\$0.02822 \$	-	0.00%	\$ 0.03208	\$0	\$0	0.00%
Demand Charge	162,042.76	\$6.23 \$	947,226	30.04%	\$6.23	\$947,226	\$0	27.92%
Billing Adjustments					\$			
Total from Base Rates		\$ 3,162,893	100.00%		\$ 3,392,449	\$ 239,556		100.00%
Plus Fuel Adjustment		\$ 498,852			\$ 498,852	\$ -		
Plus Environmental Surcharge		\$ 267,852			\$ 267,852	\$ -		
Total Revenues		\$ 3,919,597			\$ 4,169,153	\$ 239,556		
Average		\$ 24,047			\$ 25,516	\$ 1,470		
Percent							6.11%	

Blue Grass Energy Rate 33: Schedule L								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	120	\$0.00 \$	-		\$0.00	\$0	\$0	
Energy Charge: First 50 kWh/kw	388,974	\$0.07200 \$	28,006	15.92%	\$ 0.07586	\$29,507	\$1,501	15.94%
Next 100 kWh/kw	777,948	\$0.06800 \$	52,900	30.07%	\$ 0.07186	\$55,903	\$3,002	30.20%
Over 150 kWh/kw	1,209,899	\$0.05810 \$	70,295	39.95%	\$ 0.06196	\$74,964	\$4,669	40.50%
Demand Charge	7,779.48	\$3.18 \$	24,739	14.06%	\$3.18	\$24,739	\$0	13.36%
Billing Adjustments					\$		\$0	
Total from Base Rates		\$ 175,940	100.00%		\$ 185,113	\$ 9,172		100.00%
Plus Fuel Adjustment		\$ 19,495			\$ 19,495	\$ -		
Plus Environmental Surcharge		\$ 14,380			\$ 14,380	\$ -		
Total Revenues		\$ 209,815			\$ 218,988	\$ 9,172		
Average		\$ 1,748			\$ 1,825	\$ 76		
Percent							4.37%	

Blue Grass Energy Rate 35: Schedule N								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	25	\$270.00 \$	6,750	4.85%	\$270.00	\$6,750	\$0	4.56%
Energy Charge: First 425 kWh/kw	2,334,514	\$0.04276 \$	99,824	71.80%	\$ 0.04662	\$108,833	\$9,009	73.51%
Over 425 kWh/kw	0	\$0.03487 \$	-	0.00%	\$ 0.03873	\$0	\$0	0.00%
Demand Charge	7,480.62	\$4.34 \$	32,466	23.35%	\$4.34	\$32,466	\$0	21.93%
Billing Adjustments					\$		\$0	
Total from Base Rates		\$ 139,040	100.00%		\$ 148,049	\$ 9,009		100.00%
Plus Fuel Adjustment		\$ 18,154			\$ 18,154	\$ -		
Plus Environmental Surcharge		\$ 12,258			\$ 12,258	\$ -		
Total Revenues		\$ 169,452			\$ 178,461	\$ 9,009		
Average		\$ 6,778			\$ 7,138	\$ 360		
Percent							5.32%	

Blue Grass Energy Rate 39: Lrg Pwr Srvc - Rate 8								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	233	\$28.68 \$	6,682	1.39%	\$28.68	\$6,682	\$0	1.32%
Energy Charge	7,107,452	\$0.04329 \$	307,682	64.22%	\$ 0.04715	\$335,109	\$27,428	66.16%
Demand Charge	21,067	\$7.82 \$	164,747	34.39%	\$7.82	\$164,747	\$0	32.52%
Billing Adjustments					\$		\$0	
Total from Base Rates		\$ 479,111	100.00%		\$ 506,539	\$ 27,428		100.00%
Plus Fuel Adjustment		\$ 58,211			\$ 58,211	\$ -		
Plus Environmental Surcharge		\$ 39,323			\$ 39,323	\$ -		
Total Revenues		\$ 576,646			\$ 604,073	\$ 27,428		
Average		\$ 2,475			\$ 2,593	\$ 118		
Percent							4.76%	

Blue Grass Energy Rate 40: Large Ind - Rate 8								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	24	\$40.16 \$ 964	0.36%	\$40.16	\$864	\$0		0.34%
Energy Charge	4,477,200	\$0.04077 \$ 182,535	68.19%	\$ 0.04463	\$199,813	\$17,278		70.12%
Demand Charge	10,765.68	\$7.82 \$ 84,188	31.45%	\$7.82	\$84,188	\$0		29.54%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 267,687	100.00%		\$ 284,965	\$ 17,278		100.00%
Plus Fuel Adjustment		\$ 35,722			\$ 35,722	\$ -		
Plus Environmental Surcharge		\$ 22,449			\$ 22,449	\$ -		
Total Revenues		\$ 325,858			\$ 343,136	\$ 17,278		
Average		\$ 13,577			\$ 14,297	\$ 720		
Percent							6.30%	

Blue Grass Energy Rate 44: Large Ind - Rate B-2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	12	\$1,069 \$ 12,828	1.46%	\$1,069	\$12,828	\$0		1.32%
Energy Charge	19,819,200	\$0.03077 \$ 609,837	69.19%	\$ 0.03077	\$609,837	\$0		62.70%
Demand Charge - Contract	48,000	\$5.39 \$ 258,720	29.35%	\$7.29	\$349,920	\$91,200		35.98%
Demand Charge - Excess of Contract	0	7.82 \$ -		\$9.72	\$0	\$0		
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 881,385	100.00%		\$ 972,585	\$ 91,200		100.00%
Plus Fuel Adjustment		\$ 160,484			\$ 160,484	\$ -		
Plus Environmental Surcharge		\$ 85,842			\$ 85,842	\$ -		
Total Revenues		\$ 1,127,711			\$ 1,218,911	\$ 91,200		
Average		\$ 93,976			\$ 101,576	\$ 7,600		
Percent							8.09%	

Blue Grass Energy Rate 45: Large Ind - Rate B-2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	12	\$1,069.00 \$ 12,828	0.83%	\$1,069	\$12,828	\$0		0.77%
Energy Charge	38,653,200	\$0.03077 \$ 1,189,359	77.09%	\$ 0.03077	\$1,189,359	\$0		71.61%
Demand Charge - Contract	60,000.00	\$5.39 \$ 323,400	20.96%	\$7.29	\$437,400	\$114,000		26.33%
Demand Charge - Excess of Contract	2,200.40	7.82 \$ 17,207	1.12%	\$9.72	\$21,388	\$4,181		1.29%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 1,542,794	100.00%		\$1,660,975	\$118,181		100.00%
Plus Fuel Adjustment		\$ 313,835			\$ 313,835	\$ -		
Plus Environmental Surcharge		\$ 134,625			\$ 134,625	\$ -		
Total Revenues		\$ 1,991,254			\$ 2,109,435	\$ 118,181		
Average		\$ 165,938			\$ 175,786	\$ 9,848		
Percent							5.93%	

Blue Grass Energy Rate 46: B-1								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	12	\$665.00 \$ 6,780	0.70%	\$665	\$6,780	\$0		0.65%
Energy Charge	21,805,200	\$0.03537 \$ 771,250	79.59%	\$ 0.03537	\$771,250	\$0		74.43%
Demand Charge - Contract	35,100.00	\$5.39 \$ 189,189	19.52%	\$7.29	\$255,879	\$66,690		24.69%
Demand Charge - Excess of Contract	236,388	7.82 \$ 1,849	0.19%	\$9.72	\$2,298	\$449		0.22%
Billing Adjustments					\$ -	\$0		
Total from Base Rates		\$ 969,067	100.00%		\$ 1,036,207	\$ 67,139		100.00%
Plus Fuel Adjustment		\$ 167,967			\$ 167,967	\$ -		
Plus Environmental Surcharge		\$ 80,356			\$ 80,356	\$ -		
Total Revenues		\$ 1,217,390			\$ 1,284,529	\$ 67,139		
Average		\$ 101,449			\$ 107,044	\$ 5,595		
Percent							5.52%	

Blue Grass Energy Rate 47: Large Ind B-2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	12	\$1,069	\$ 12,828	1.41%	\$1,069	\$12,828	\$0	1.28%
Energy Charge	20,568,000	\$0.03077	\$ 631,031	69.42%	\$ 0.03077	\$631,031	\$0	62.94%
Demand Charge - Contract	49,200.00	\$5.39	\$ 265,188	29.17%	\$7.29	\$358,668	\$93,480	35.78%
Demand Charge - Excess of Contract		7.82	\$ -		\$9.72	\$0	\$0	
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 909,047	100.00%		\$ 1,002,527	\$ 93,480		100.00%
Plus Fuel Adjustment		\$ 165,771			\$ 165,771	\$ -		
Plus Environmental Surcharge		\$ 88,105			\$ 88,105	\$ -		
Total Revenues		\$ 1,162,923			\$ 1,256,403	\$ 93,480		
Average Percent		\$ 96,910			\$ 104,700	\$ 7,790	8.04%	

Blue Grass Energy Rate 48: Large Ind Rate B-2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	12	\$1,069	\$ 12,828	0.85%	\$1,069	\$12,828	\$0	0.78%
Energy Charge	35,685,600	\$0.03077	\$ 1,098,046	72.90%	\$ 0.03077	\$1,098,046	\$0	66.65%
Demand Charge - Contract	68,400.00	\$5.39	\$ 368,676	24.48%	\$7.29	\$498,636	\$129,960	30.36%
Demand Charge - Excess of Contract	3405	7.82	\$ 26,627	1.77%	\$9.72	\$33,097	\$6,470	2.01%
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 1,506,177	100.00%		\$ 1,642,607	\$ 136,430		100.00%
Plus Fuel Adjustment		\$ 285,662			\$ 285,662	\$ -		
Plus Environmental Surcharge		\$ 130,517			\$ 130,517	\$ -		
Total Revenues		\$ 1,922,356			\$ 2,068,786	\$ 136,430		
Average Percent		\$ 160,196			\$ 171,665	\$ 11,369	7.10%	

Blue Grass Energy Rate 49: Large Ind Rate B-2								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	12	\$1,069	\$ 12,828	0.74%	\$1,069	\$12,828	\$0	0.68%
Energy Charge	42,588,000	\$0.03077	\$ 1,310,433	75.45%	\$ 0.03077	\$1,310,433	\$0	69.71%
Demand Charge - Contract	72,000.00	\$5.39	\$ 388,080	22.35%	\$7.29	\$524,880	\$136,800	27.92%
Demand Charge - Excess of Contract	3247.984	7.82	\$ 25,399	1.46%	\$9.72	\$31,570	\$6,171	1.68%
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 1,736,740	100.00%		\$ 1,879,711	\$ 142,971		100.00%
Plus Fuel Adjustment		\$ 349,036			\$ 349,036	\$ -		
Plus Environmental Surcharge		\$ 150,224			\$ 150,224	\$ -		
Total Revenues		\$ 2,236,000			\$ 2,378,971	\$ 142,971		
Average Percent		\$ 186,333			\$ 198,248	\$ 11,914	6.39%	

Blue Grass Energy Rate 50: Large Pwr Svc, LPR 2 - Rate 8 5% Discount for 3M								
Billing Determinants (1)	Rate (2)	Actual Revenues (3)=(1)*(2)	Actual Component % of Base Rates	Proposed Rate (4)	Proposed Revenues (5)=(1)*(4)	Dollar Increase (6)	Percent Increase (7)	Proposed Component % of Base Rates
Customer Charge	12	\$2,373	\$ 28,476	1.16%	\$2,373	\$28,476	\$0	1.08%
Energy Charge-First 425 kWh/kw	41,238,678	\$0.03735	\$ 1,540,265	62.52%	\$ 0.03735	\$1,540,265	\$0	58.16%
Energy Charge-All remaining kWh	12,473,322	\$0.02983	\$ 372,079	15.10%	\$0.02983	\$372,079	\$0	14.05%
Demand	97,032.18	\$5.39	\$ 523,003	21.23%	\$7.29	\$707,365	\$184,361	26.71%
Billing Adjustments					\$ -	\$0	\$0	
Total from Base Rates		\$ 2,463,823	100.00%		\$ 2,648,184	\$ 184,361		100.00%
Plus Fuel Adjustment		\$ 434,810			\$ 434,810	\$ -		
Plus Environmental Surcharge		\$ 213,594			\$ 213,594	\$ -		
Total Revenues		\$ 3,112,228			\$ 3,296,589	\$ 184,361		
Average Percent		\$ 259,352			\$ 274,716	\$ 15,363	5.92%	

Blue Grass Energy, Test Year Ending September 30, 2006

Description	TYPE/ Rate	Annual Billing Units (1)	Rate per Lamp (2)	Normalized Annual Revenue (3)=(1)*(2)	Percent of Actual Base Revenues	Assigned kWh per Light (4)	Total kWh assigned to Lights (5)=(1)*(4)	Proposed Rate per Light (6)	Proposed Light Revenues (7)=(6)*(1)	Dollar Change (8)=(7)-(3)	Percentage Change (9)=(7)/(3)-1x100	Percent of Proposed Base Revenues
175 WATT MERCURY VAPOR	11	5,320	\$5.06	\$26,919	2.17%	70	372,400	\$5.33	\$28,356	\$1,437	5.34%	2.21%
175 WATT MERCURY VAPOR	14	53,842	\$8.81	\$474,348	38.17%	73	3,930,466	\$9.09	\$489,516	\$15,168	3.20%	38.23%
400 WATT MERCURY VAPOR	21	893	\$7.69	\$6,775	0.50%	159	127,677	\$9.30	\$8,668	\$493	7.95%	0.52%
400 WATT MERCURY VAPOR	24	785	\$14.02	\$10,725	0.86%	154	117,810	\$14.61	\$11,180	\$455	4.24%	0.87%
100 WATT HIGH PRESSURE SODIUM	31	90,038	\$5.13	\$461,695	37.17%	37	3,331,406	\$5.27	\$474,751	\$12,856	2.78%	37.08%
175 WATT MERCURY VAPOR - SEPARATE TRANSFORMER	34	153	\$9.81	\$1,501	0.12%	73	11,169	\$10.69	\$1,544	\$43	2.87%	0.12%
70 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	41	8,376	\$5.21	\$43,639	3.51%	23	192,648	\$5.30	\$44,382	\$743	1.70%	3.47%
400 WATT MERCURY VAPOR - SEPARATE TRANSFORMER	44	36	\$15.02	\$541	0.04%	154	5,544	\$15.61	\$562	\$21	3.96%	0.04%
100 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	51	6,876	\$6.74	\$46,344	3.73%	37	254,412	\$6.88	\$47,326	\$982	2.12%	3.70%
250 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	61	2,499	\$9.25	\$22,283	1.79%	102	245,710	\$9.64	\$23,231	\$948	4.26%	1.81%
250 WATT HIGH PRESSURE SODIUM	71	2,136	\$7.51	\$16,041	1.29%	102	217,872	\$7.90	\$16,882	\$841	5.24%	1.32%
200 WATT HIGH PRESSURE SODIUM - COBRA HEAD	74	902	\$11.37	\$10,256	0.83%	84	75,768	\$11.69	\$10,548	\$292	2.85%	0.82%
70 WATT HIGH PRESSURE SODIUM - COLONIAL	81	5,604	\$7.99	\$44,776	3.60%	23	128,892	\$8.08	\$45,273	\$497	1.11%	3.54%
400 WATT METAL HALIDE DIRECTIONAL FLOOD	91	3,294	\$11.41	\$37,585	3.02%	159	523,746	\$12.02	\$39,606	\$2,021	5.38%	3.09%
400 WATT HIGH PRESSURE SODIUM DIRECTIONAL FLOOD	111	533	\$12.44	\$6,631	0.53%	159	84,747	\$13.05	\$6,958	\$327	4.93%	0.54%
100 WATT HIGH PRESSURE SODIUM - COBRA HEAD	124	1,882	\$8.47	\$15,941	1.28%	37	69,634	\$8.61	\$16,209	\$269	1.69%	1.27%
100 WATT HIGH PRESSURE SODIUM - SHOEBOX FIXTURE	133	123	\$16.14	\$1,985	0.16%	37	4,551	\$16.28	\$2,003	\$18	0.88%	0.16%
100 WATT HIGH PRESSURE SODIUM - ACORN FIXTURE	143	108	\$15.62	\$1,687	0.14%	37	3,996	\$15.76	\$1,702	\$15	0.91%	0.13%
100 WATT HIGH PRESSURE SODIUM - COLONIAL FIXTURE	153	1,022	\$13.16	\$13,450	1.08%	37	37,814	\$13.30	\$13,595	\$146	1.08%	1.06%
400 WATT HIGH PRESSURE SODIUM - COBRA HEAD	163	5	\$18.87	\$94	0.01%	159	795	\$19.48	\$97	\$3	3.25%	0.01%
TOTAL		184,227		\$1,242,815	100.00%		9,737,065		\$1,280,391	\$37,576	3.02%	100.00%
Average				\$6.75					\$6.95	\$0.20	3.02%	

Analysis of Wholesale to Retail Proportionality

Wholesale	Retail
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	Existing	Proposed	Change	Existing	Proposed	Change
I Customer Charge						
Metering Point Charge	\$125/Mo.	\$125/Mo.	\$ -	\$5.30/Mo	\$5.30/Mo	\$ -
Substation at less than 3 MVA	\$944/Mo.	\$944/Mo.	\$ -	\$5.30/Mo	\$5.30/Mo	\$ -
				Customer Charge GS1 Nicholasville	\$5.39/Mo	\$ -
				Customer Charge GS1 Nicholasville	\$5.39/Mo	\$ -
				Customer Charge R Fox Creek District	\$5.39/Mo	\$ -
				Customer Charge R Fox Creek District	\$5.39/Mo	\$ -
				Customer Charge A Harrison District	\$8.86/Mo	\$ -
				Customer Charge A Harrison District	\$8.86/Mo	\$ -
II Demand Charge						
B&C Demand Charge (\$/kW)	\$5.39	\$7.29	\$1.90	\$5.39	\$7.29	\$1.90
				Industrial Rate (\$/kW)		

III Energy Charge

The non-industrial wholesale increase was based on the dollar amount remaining to be recovered at wholesale, divided by kWh.

The non-industrial retail increase was based on the dollar amount remaining to be recovered at retail, divided by kWh.