P.O. Box 990 • 1201 Lexington Road • Nicholasville, Kentucky 40340-0990 Phone: (859) 885-4191 • Fax: (859) 885-2854 • www.bgenergy.com

March 9, 2007

Beth O'Donnell Executive Director Kentucky Public Service Commission P O Box 615 Frankfort Kentucky 40602 RECEIVED

MAR 1 2 2007

PUBLIC SERVICE
COMMISSION

Dear Ms O'Donnell,

Enclosed is the affidavit of mailing of hearing notice from Anita Travis Richter, Managing Editor Kentucky Living and two copies of the hearing notice. This is for the period from November 1, 2004 through October 31, 2006 for Case No. 2006-00512 Blue Grass Energy Cooperative Corporation.

If you have any questions, please contact me at (859) 885-2118. As always, you're continued assistance and cooperation is appreciated.

Sincerely,

J. Donald Smothers

Vice President, Financial Services

AFFIDAVIT OF MAILING OF HEARING NOTICE

Notice is hereby given that the March issue of *KENTUCKY LIVING*, bearing the official notice of hearing of PSC Case No. 2006-00512, concerning the application of the fuel adjustment clause from November 1, 2004, through October 31, 2006, for BLUE GRASS ENERGY COOPERATIVE CORPORATION, was entered as direct mail at Danville, Kentucky, on February 24, 2007.

Anita Travis Richter Managing Editor Kentucky Living

County of Jefferson

State of Kentucky

Sworn to and subscribed before me, a Notary Public,

this 2nd day of Musch, 2007.

My commission expires January 10

Notary Public, State of Kentucky

Travis Kichter

P.O. Box 32170 Louisville, Kentucky 40232

4515 Bishop Lane Louisville, Kentucky 40218

> (502) 451-2430 (800) KY-LIVING

(800) 595-4846

Fax: (502) 459-1611

www.kentuckyliving.com

and trellises. It is also a great plant to use in containers and hanging plants around a pool. The tiny flowers come in a variety of colors, including pink, red, salmon-orange, and yellow. Plant in full sun in a slightly acidic soil. It will grow 20 to 40 feet in ideal conditions.

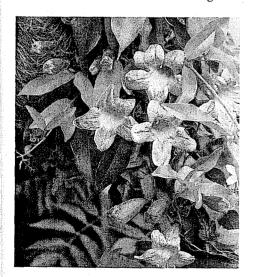
Plumbago (Ceratostigma plumbaginoides). If you're looking for a slower-spreading vine, this is it. The viney-like plant produces blue flowers in early summer and late fall. It is easily grown and tolerates a wide variety of soil types. To optimize growth, provide afternoon shade during the heat of summer.

Black-eyed Susan vine (*Thunbergia alata*). This annual prefers full sun. Plant in a hanging pot and keep it watered.

Cypress vine (*Ipomoea quamoclit*). Once considered a weed, the cypress vine is now sold in garden centers. This vine likes full sun and attracts hummingbirds with its red, trumpet-shaped flowers.

Bow tie vine (*Dalechampia dioscoreifolia*). This vine enjoys full sun and good, moist garden soil. It will produce hot pink to purple blooms until frost.

Crossvine (*Bignonia capreolata*). This semi-evergreen to evergreen woody vine is at its best in spring, when its bright tubular flowers show off for several weeks. 'Tangerine



Crossvine. Photo: Shelly Nold

Beauty' is a particularly glorious version.

Crossvine can climb a trellis using its tendrils or cling to smooth walls with its small disks. It needs full sun to develop thick foliage and can eventually grow to 50 feet if given proper support. Its eventual height depends in part on its support—anywhere from 15 to 50 feet is usual.



A public hearing will be held on Wednesday, March 14, 2007, at 9 a.m., Eastern Standard Time, at the offices of the Kentucky Public Service Commission. Sower Boulevard, Frankfort. Kentucky, to examine the application of the fuel adjustment clause of the following corporations for the period November 1, 2004, to October 31, 2006. Individuals interested in attending this hearing shall notify the Public Service Commission in writing of their intent to attend no later than March 12, 2007. If no notices of intent to attend are received by this date, this hearing will be cancelled. Written notice of intent to attend this hearing should be sent to: Beth O'Donnell, Executive Director, Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602

Big Sandy RECC

Case No. 2006-00511

Blue Grass Energy Cooperative Corp. Case No. 2006-00512

Clark Energy Cooperative Case No. 2006-00513

Cumberland Valley Electric Case No. 2006-00514

Farmers RECC

Case No. 2006-00515

Fleming-Mason Energy Cooperative Case No. 2006-00516

Grayson RECC

Case No. 2006-00517

Inter-County Energy Cooperative

Case No. 2006-00518

Jackson Energy Cooperative

Case No. 2006-00519

Licking Valley RECC

Case No. 2006-00520

Nolin RECC

Case No. 2006-00521

Owen Electric Cooperative

Case No. 2006-00522

Salt River Electric Cooperative

Case No. 2006-00523

Shelby Energy Cooperative

Case No. 2006-00524

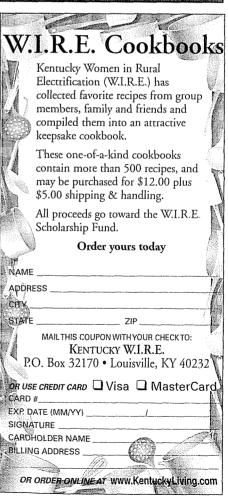
South Kentucky RECC

Case No. 2006-00525

Taylor County RECC

Case No. 2006-00526





and trellises. It is also a great plant to use in containers and hanging plants around a pool. The tiny flowers come in a variety of colors, including pink, red, salmon-orange, and yellow. Plant in full sun in a slightly acidic soil. It will grow 20 to 40 feet in ideal conditions.

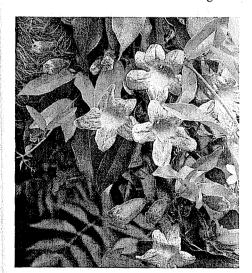
Plumbago (*Ceratostigma plumbaginoides*). If you're looking for a slower-spreading vine, this is it. The viney-like plant produces blue flowers in early summer and late fall. It is easily grown and tolerates a wide variety of soil types. To optimize growth, provide afternoon shade during the heat of summer.

Black-eyed Susan vine (*Thunbergia alata*). This annual prefers full sun. Plant in a hanging pot and keep it watered.

Cypress vine (*Ipomoea quamoclit*). Once considered a weed, the cypress vine is now sold in garden centers. This vine likes full sun and attracts hummingbirds with its red, trumpet-shaped flowers.

Bow tie vine (*Dalechampia dioscoreifolia*). This vine enjoys full sun and good, moist garden soil. It will produce hot pink to purple blooms until frost.

Crossvine (*Bignonia capreolata*). This semi-evergreen to evergreen woody vine is at its best in spring, when its bright tubular flowers show off for several weeks. 'Tangerine



Crossvine. Photo: Shelly Nold

Beauty' is a particularly glorious version.

Crossvine can climb a trellis using its tendrils or cling to smooth walls with its small disks. It needs full sun to develop thick foliage and can eventually grow to 50 feet if given proper support. Its eventual height depends in part on its support—anywhere from 15 to 50 feet is usual.



A public hearing will be held on Wednesday, March 14, 2007, at 9 a.m., Eastern Standard Time, at the offices of the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky, to examine the application of the fuel adjustment clause of the following corporations for the period November 1, 2004, to October 31, 2006. Individuals interested in attending this hearing shall notify the Public Service Commission in writing of their intent to attend no later than March 12, 2007. If no notices of intent to attend are received by this date, this hearing will be cancelled. Written notice of intent to attend this hearing should be sent to: Beth O'Donnell, Executive Director, Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

Big Sandy RECC

Case No. 2006-00511

Blue Grass Energy Cooperative Corp. Case No. 2006-00512

Clark Energy Cooperative Case No. 2006-00513

Cumberland Valley Electric Case No. 2006-00514

Farmers RECC

Case No. 2006-00515

Fleming-Mason Energy Cooperative Case No. 2006-00516

Gravson RECC

Case No. 2006-00517

Inter-County Energy Cooperative

Case No. 2006-00518

Jackson Energy Cooperative Case No. 2006-00519

Licking Valley RECC

Case No. 2006-00520

Nolin RECC

Case No. 2006-00521

Owen Electric Cooperative

Case No. 2006-00522

Salt River Electric Cooperative

Case No. 2006-00523

Shelby Energy Cooperative

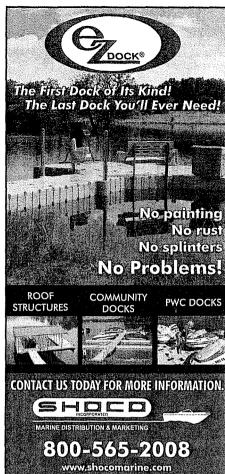
Case No. 2006-00524

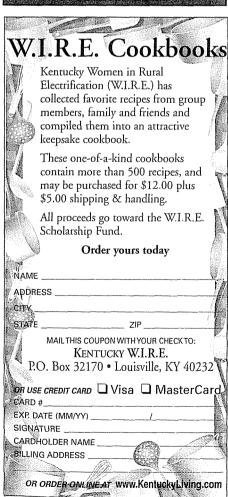
South Kentucky RECC

Case No. 2006-00525

Taylor County RECC

Case No. 2006-00526



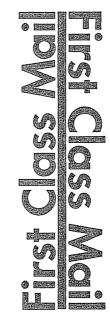




Hasler

\$00.630 03/09/2007 Mailed From 40340 US POSTAGE

016H26505919





Cooperative Corporation

PO Box 990 • 1201 Lexington Road
Nicholasville, Kentucky 40340-0990

BETH O'DONNELL KY PUBLIC SERVICE COMMISSION PO BOX 615 FRANKFORT KY 40602

PUBLIC SERVICE COMMISSION

A Touchstone Energy Cooperative

Serio Local

65.70015176

ESTIPATED A