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May 2, 2008

CERTIFICATE OF SERVICE

RE: Case No. 2007-00528
Blue Grass Energy Cooperative Corp.

I, Stephanie Stumbo, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on May 2, 2008.

Executive Director

SS/tw
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF BLUE GRASS) CASE NO. 2007-00528
ENERGY COOPERATIVE CORPORATION FROM)
MAY 1, 2007 THROUGH OCTOBER 31, 2007)

O R D E R

Pursuant to Administrative Regulation 807 KAR 5:056, the Commission, on January 23, 2008, established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Blue Grass Energy Cooperative Corporation ("Blue Grass") for the 6 month period that ended on October 31, 2007.

As part of this review, Blue Grass complied with the Commission's Order to submit certain information concerning its compliance with Administrative Regulation 807 KAR 5:056. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

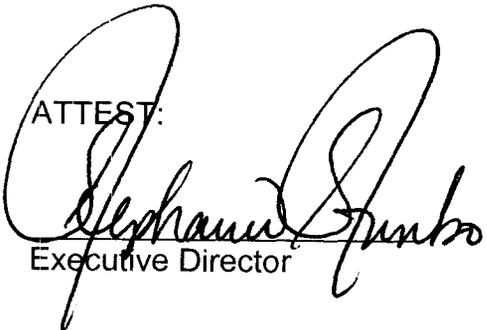
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence that Blue Grass has improperly calculated or applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Blue Grass through the FAC for the period May 1, 2007 through October 31, 2007 are approved.

Done at Frankfort, Kentucky, this 2nd day of May, 2008.

By the Commission

ATTEST:


Executive Director

Case No. 2007-00528