



Steven L. Beshear
Governor

David L. Armstrong
Chairman

Robert D. Vance, Secretary
Environmental and Public
Protection Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

John W. Clay
Commissioner

Larry R. Bond
Commissioner
Department of Public Protection

June 9, 2008

Honorable Howard Downing
109 South First Street
Nicholasville, Kentucky 40356

Re: Blue Grass Energy Cooperative Corporation's - Petitions for Confidentiality
received April 11, 2008 and April 24, 2008 - PSC Case No. 2008-00011

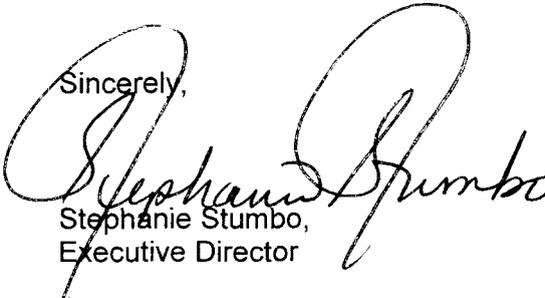
Dear Mr. Downing:

The Public Service Commission has received Blue Grass Energy Cooperative Corporation's Petition filed on April 11, 2008, requesting confidential protection of Exhibits 1 and 2 of its rate application; and its Petition filed on April 24, 2008, requesting confidential protection of Exhibits 23 and 28 of its rate application and its responses to the first data request. The information sought to be held as confidential consists of schedules of employees' wages and salaries, including names, titles, and employee numbers.

A review of the information has determined that employees' salaries do not meet the criteria for confidentiality; therefore, this information is denied confidential protection. The Commission's decision to deny confidential protection is based on the fact that employees' salaries and wages are included as expense items in base rates and, as a result, the ratepayers actually pay the employees' salaries and wages. The Commission notes, however, that to the extent that Blue Grass Energy Cooperative Corporation wishes to protect the privacy of individual, non-management employees, it can refile the above-referenced exhibits and redact the names and other identifying information for non-management employees.

The information denied confidentiality will be withheld from public inspection for 20 days from the date of this letter. If you disagree with the Commission's decision, you may seek rehearing with the Commission within 20 days of the date of this letter under the provisions of KRS 278.400.

Sincerely,


Stephanie Stumbo,
Executive Director

RR/kg

cc: Parties of Record