



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment 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

David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

John W. Clay  
Commissioner

March 9, 2009

James B. Anness  
3667 Stringtown Rd.  
Corinth, KY 41010-3647

Re: Case No. 2008-00524

Dear Mr. Anness:

This is in response to your letter received on March 4, 2009 regarding your concerns in the case referenced above. Your letter is being treated as an official protest and will be placed in the case file of this proceeding. The Commission will take your concerns into consideration in its review and decision in this matter.

In your letter, you reference an \$8.75 "service fee" charged by Blue Grass Energy for each meter. Commission Staff has conducted a cursory review of Blue Grass Energy's tariff, and it appears that this service fee is the customer charge that the Commission authorized in Case No. 2008-00011.<sup>1</sup> Customer charges are common rates for electric utilities, as they reflect the minimum cost to a utility for equipment and other expenses needed to provide a customer with the ability to receive electric service. Because the customer charge is listed in its tariff, Blue Grass Energy is authorized to collect that rate from its customers.

If you wish to participate further in this fuel adjustment clause proceeding, you must request, in writing, "**full intervention**" with the Commission. If you want to keep abreast of the proceeding without intervening in the matter, you may view all documents filed in this case on the Commission's website at <http://psc.ky.gov>.

Any opinions expressed in this letter represent Commission Staff's interpretation of the law, and these opinions are not binding on the Commission. Questions concerning this letter should be directed to Todd Osterloh, Staff Attorney, at (502) 564-3940, Extension 439.

Thank you for your letter of interest and concern in this matter.

Sincerely,

  
Jeff DeRouen, Executive Director

<sup>1</sup> Case No. 2008-00011, The Application of Blue Grass Energy Cooperative Corporation for an Adjustment in Its Electric Rates (Ky. PSC Aug. 28, 2008).