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July 29, 2010

Mr. J. Donald Smothers
Vice President, Financial Services & CFO
Blue Grass Energy Cooperative Corp.
P.O. Box 990
1201 Lexington Road
Nicholasville, Kentucky 40340-0990

Re: Case No. 2010-00185
Blue Grass Energy Cooperative Corp.

Dear Mr. Smothers:

The Commission Staff has reviewed the above-referenced application and subsequent submissions of Blue Grass Energy Cooperative Corporation ("Blue Grass Energy") dated June 25, 2010 and July 9, 2010.

In its application, Blue Grass Energy indicated that it gave notice to its members of the filing in accordance with 807 KAR 5:001, Section 10(3) and (4), but did not specify whether the notice was in the form of direct mail, publishing in a trade magazine, or publishing in a newspaper.

Within five days of the date of this letter, Blue Grass Energy should submit to the Commission information substantiating the manner in which it notified its customers of the proposed increase in its CATV attachment rates; and information substantiating the manner in which it notified its customers of the proposed increase in the residential customer security deposit. In addition, if the notice was published in either a trade

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magazine or newspaper, Blue Grass Energy should file the affidavit of the publisher as required by 807 KAR 5:001, Section 10(4)(d).

Sincerely,



Jeff Derouen
Executive Director

FB/ew

cc: Parties of Record