

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GRAYSON RURAL)
ELECTRIC COOPERATIVE)
CORPORATION TO MAKE CHANGES IN) CASE NO. 2011-00379
ITS DIRECT LOAD CONTROL TARIFF)

ORDER

In its application filed September 20, 2011, Grayson Rural Electric Cooperative Corporation ("Grayson Electric") made a tariff filing seeking Commission approval of the following incentives to its existing Direct Load Control Program:

1. Direct Load Control of Water Heaters Program; and
2. Direct Load Control of Air-Conditioners Program.

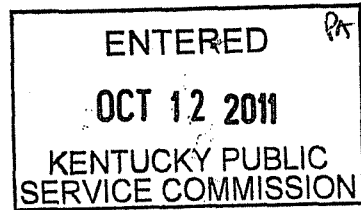
Grayson Electric's proposed tariff provides that the Direct Load Control of Water Heaters and Air-Conditioners programs will become effective on October 16, 2011. Pursuant to KRS 278.180(1), a utility must give the Commission 30 days' notice prior to implementing any new rates. Therefore, since Grayson Electric's application was not filed until September 20, 2011, the earliest possible date its proposed rates can be effective is October 20, 2011.

Based on a review of Grayson Electric's proposed revised tariff, the Commission finds that an investigation of the proposed tariff is necessary to determine its reasonableness and that such investigation cannot be concluded prior to October 20, 2011. Consequently, pursuant to KRS 278.190(2), the Commission will suspend the

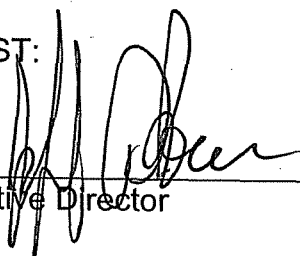
effective date of the proposed tariff for five months from October 20, 2011, up to and including March 19, 2012.

IT IS THEREFORE ORDERED that Grayson Electric's proposed tariff is hereby suspended for five months from October 20, 2011, up to and including March 19, 2012.

By the Commission



ATTEST:



Executive Director

Don M Combs
Manager Finance & Administration
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