

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BLUE GRASS)
RURAL ELECTRIC COOPERATIVE)
CORPORATION FOR AN ADJUST-)
MENT TO ITS RETAIL ELECTRIC)
POWER TARIFFS)

CASE NO. 94-394

O R D E R

On December 2, 1994, Blue Grass Rural Electric Cooperative Corporation ("Blue Grass") filed an application to reduce its rates for retail electric service on January 1, 1995. In a motion dated December 16, 1994, Blue Grass has asked to amend its application and make its reduced rates effective December 31, 1994. The rate reduction is intended to pass on to its customers the proposed decrease in power costs from Blue Grass's wholesale power supplier, East Kentucky Power Cooperative, Inc. ("East Kentucky"). The Commission has permitted East Kentucky's proposed rates to become effective on January 1, 1995, subject to further modification after investigation by the Commission.¹

Based on the limited nature of its application, Blue Grass requests a waiver of the following filing requirements for general rate applications included in 807 KAR 5:001, Section 10: Sub-

¹ Case No. 94-336, Application of East Kentucky Power Cooperative, Inc. to Adjust Electric Rates, Orders dated December 2 and December 16, 1994.

sections (6)(h), (6)(i), (6)(j), (6)(k), (6)(n), (6)(r), and (6)(u). Good cause having been shown for the requested waivers, the Commission will grant Blue Grass's request.

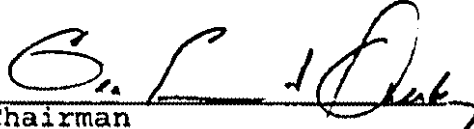
Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that Blue Grass's motion to amend its application and make its proposed rates effective December 31, 1994 is reasonable and should be approved. An investigation will be necessary to determine the reasonableness of the proposed rates and such investigation cannot be concluded by December 31, 1994. Blue Grass's proposed rates should be suspended until January 1, 1995, to coincide with the effective date of East Kentucky's proposed rates.

IT IS THEREFORE ORDERED that:

1. Blue Grass's application is hereby amended to make its proposed rates effective December 31, 1994.
2. The rates and charges proposed by Blue Grass be and they hereby are suspended for one day to become effective on January 1, 1995 subject to further modification by the Commission.
3. Blue Grass be and it hereby is granted a waiver from the general rate case filing requirements enumerated above.
4. Within 10 days from the date of this Order, Blue Grass shall file with the Commission its revised tariff sheets setting out its proposed rates with an effective date of January 1, 1995.

Done at Frankfort, Kentucky, this 20th day of December, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director