

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GRAYSON RURAL)
ELECTRIC COOPERATIVE CORPORATION) CASE NO. 98-455
FOR AN ADJUSTMENT OF RATES)

O R D E R

On November 3, 1998, Grayson Rural Electric Cooperative Corporation ("Grayson") tendered for filing an application for a general adjustment in electric rates. The application contained deficiencies and was rejected for filing, pursuant to 807 KAR 5:001, Section 2(2), by letter dated November 19, 1998. Grayson subsequently cured the filing deficiencies on November 25, 1998 and was notified that its rate application was accepted for filing as of November 25, 1998.

Pursuant to KRS 278.180(1), no change can be made in any rate by a utility except upon 30 days notice to the Commission. Grayson has proposed rates to become effective on January 1, 1999. Based on a review of Grayson's rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that investigation cannot be concluded by January 1, 1999.

IT IS THEREFORE ORDERED that:

1. Pursuant to KRS 278.190(2), Grayson's proposed rates are suspended for five months through May 31, 1999.
2. The procedural schedule set forth in Appendix A attached hereto shall be followed in this case.

3. All requests for information and responses thereto shall be appropriately indexed and tabbed. All responses shall include the name of the witness who will be responsible for responding to the questions related to the information provided, with copies to all parties of record and 8 copies to the Commission.

4. Grayson shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, it shall forward a duplicate of the notice and request to the Commission.

5. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

6. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

7. Neither opening statements nor witnesses' summaries of prefiled direct testimony will be permitted.

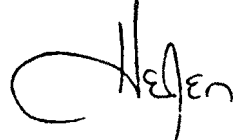
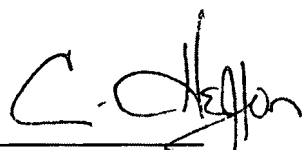
Done at Frankfort, Kentucky, this 18th day of December, 1998.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 98-455 DATED DECEMBER 18, 1998

All requests for information to Grayson shall be filed no later than.....	01/12/99
Grayson shall file responses to requests for information no later than.....	01/26/99
All additional requests for information to Grayson shall be filed no later than.....	02/09/99
Grayson shall file responses to additional requests for information no later than.....	02/23/99
Intervenor testimony, if any, in verified prepared form shall be filed no later than.....	03/09/99
All requests for information to Intervenors shall be filed no later than.....	03/23/99
Intervenors shall file responses to requests for information no later than.....	04/06/99
Last day for Grayson to publish notice of hearing date.....	04/07/99
Public Hearing is to begin at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Grayson and Intervenors	04/14/99
Briefs, if any, shall be filed by	05/11/99