

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DECREASE IN RATES OF BLUE GRASS) CASE NO.
ENERGY COOPERATIVE CORPORATION) 99-311

O R D E R

On August 25, 1999, Blue Grass Energy Cooperative Corporation (Blue Grass Energy) applied to the Commission for authority to decrease the kwh rate for residential customers in the Fox Creek District in accordance with the consolidation of Blue Grass Electric Cooperative Corporation and Fox Creek Rural Electric Cooperative Corporation, which formed the consolidated cooperative of Blue Grass Energy. In its filing, Blue Grass Energy requested permission to deviate from the following requirements of Administrative Regulation 807 KAR 5:001, Section 10:

Section 10(6)(h) requires the submission of a summary of the determination of revenue requirements; Section 10(6)(i) requires a reconciliation of rate base and capital used to determine revenue requirements; and Section 10(6)(j) requires a current chart of accounts. Section 10(6)(n) requires that a summary of the latest depreciation study with schedules by major plant accounts be submitted with the application. Section 10(6)(s) requires the submission of the Securities and Exchange Commission s (SEC) annual report for the most recent two years, Form 10-Ks and any Form 8-Ks issued within the past two years, and Form 10-Qs issued during the past six quarters. Section 10(6)(u) requires that a cost-of-service study be submitted with the application.

Having reviewed the filing and being otherwise sufficiently advised, the Commission finds that the information filed therein is sufficient to enable the Commission to review adequately Blue Grass Energy's filing and that its request to deviate should be granted.

IT IS THEREFORE ORDERED that Blue Grass Energy's request to deviate from the above-cited requirements of 807 KAR 5:001, Section 10, is granted.

Done at Frankfort, Kentucky, this 15th day of September, 1999.

By the Commission

ATTEST:

Executive Director