COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| NOTICE OF INTENT OF BLUE GRASS ENERGY |) | |
|---------------------------------------|---|------------|
| COOPERATIVE CORPORATION TO FILE AN |) | CASE NO. |
| APPLICATION FOR AN INCREASE IN RETAIL |) | 2008-00011 |
| RATES BASED ON A HISTORICAL TEST YEAR | ĺ | |

<u>ORDER</u>

On April 11, 2008, Blue Grass Energy Cooperative Corporation ("Blue Grass") tendered for filing an application requesting authority to revise its tariffs and adjust its rates. The application utilized a historic test period and proposed that the new rates become effective on May 11, 2008.

Based on a review of Blue Grass's rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that the investigation cannot be completed by May 11, 2008. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for 5 months.

IT IS THEREFORE ORDERED that:

- 1. Blue Grass's application is considered filed as of April 11, 2008.
- 2. Pursuant to KRS 278.190(2), Blue Grass's proposed rates are suspended up to and including October 10, 2008.
- 3. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.

- 4. a. Responses to requests for information shall be appropriately bound, tabbed, and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with copies to all parties of record and 7 copies to the Commission.
- b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.
- c. A party shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.
- d. For any requests to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.
 - 5. Any party filing testimony shall file an original and 10 copies.
- 6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.
- 7. The Commission does not look favorably upon motions for continuance. Consequently, 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.

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

Done at Frankfort, Kentucky, this 28th day of April, 2008.

By the Commission

ATTEST:

Executive Director

by peimission

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00011 DATED APRIL 28, 2008

| All initial requests for information to Blue Grass shall be filed no later than | 05/15/2008 |
|---|-------------|
| Blue Grass shall file responses to initial requests for information no later than | 05/29/2008 |
| All supplemental requests for information to Blue Grass shall be filed no later than | 06/11/2008 |
| Blue Grass shall file responses to supplemental requests for information no later than | 06/25/2008 |
| Intervenor testimony, if any, in verified prepared form, shall be filed no later than | 07/09/2008 |
| All requests for information to Intervenors shall be filed no later than | 07/23/2008 |
| Intervenors shall file responses to requests for information no later than | 08/05/2008 |
| Public hearing for the purpose of cross-examination of witnesses of Blue Grass and Intervenorsto be | e scheduled |