

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BLUE GRASS ENERGY)
COOPERATIVE CORPORATION FOR AN) CASE NO. 2008-00011
ADJUSTMENT IN ITS ELECTRIC RATES)

O R D E R

On July 31, 2008, Blue Grass Energy Cooperative Corporation ("Blue Grass") moved the Commission to schedule an informal conference in this proceeding to allow the parties to discuss with Commission Staff the agreement reached by the parties and to hold in abeyance the requirement that the Intervenors file responses to data requests no later than August 7, 2008.

The Commission, having considered the motion and being otherwise sufficiently advised, finds that Blue Grass's motion should be granted. The Commission further finds that, in order to facilitate the discussions concerning the settlement, Blue Grass should supplement its response to Commission Staff's Second Data Request Item 37(b) by providing a further update to the schedule on pages 2 and 3 of Application Exhibit 5 to reflect the current interest rates for long-term debt applied to the long-term debt balances as of the end of the proposed test year.

IT IS THEREFORE ORDERED that:

1. An informal conference is scheduled for August 7, 2008 at 9:00 a.m., Eastern Daylight Time, in Conference Room 2 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky. Any party wishing to participate in the informal

conference by telephone shall initiate participation by calling the Commission's offices at (502) 564-3940 and asking the switchboard operator for conference bridge 7099.


2. Blue Grass shall supplement its response to Commission Staff's Second Data Request Item 37(b) by providing a further update to the schedule on pages 2 and 3 of Application Exhibit 5 to reflect the current interest rates for long-term debt applied to the long-term debt balances as of the end of the proposed test year.

3. The directive set forth in the Commission's Order of July 15, 2008 that Intervenors respond to data requests no later than August 7, 2008 is suspended.

Done at Frankfort, Kentucky, this 5th day of August, 2008.

By the Commission

ATTEST:


Executive Director *for Stephanie Stumbo*
by permission