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John W. Clay
Commissioner

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Office of the Attorney General Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204

November 26, 2008

RE: Case No. 2008-00254

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Stumbo".

Stephanie Stumbo
Executive Director

SS/rs
Enclosure



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President & CEO
Grayson R.E.C.C.
109 Bagby Park
Grayson, KY 41143

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P.O. Box 608
311 West Main Street
Grayson, KY 41143

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GRAYSON RURAL)	CASE NO.
ELECTRIC COOPERATIVE CORPORATION)	2008-00254
FOR AN ADJUSTMENT OF RATES)	

O R D E R

On November 10, 2008, Grayson Rural Electric Cooperative Corporation ("Grayson") tendered its application for an adjustment of its rates and to flow through the proposed increase in wholesale power rates as filed by Grayson's wholesale supplier, East Kentucky Power Cooperative, Inc., in Case No. 2008-00409.¹ In a letter dated November 17, 2008, the Commission informed Grayson that its application had been reviewed and determined to have met the minimum filing requirements. However, upon further review of Grayson's application, it was discovered that the application failed to meet the 30-day notice requirements as set forth in KRS 278.180(1) and 807 KAR 5:001, Section 10(1)(a)(7). Grayson's application proposed an adjustment to its rates to become effective December 1, 2008. Based on the November 10, 2008 filing of the application and the 30 days' notice requirement, the Commission finds that the earliest possible effective date for Grayson's proposed electric rates is December 10, 2008.

¹ Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.

Based on a review of Grayson's rate application, the Commission further finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that such investigation cannot be completed by December 10, 2008. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for a period of 5 months.

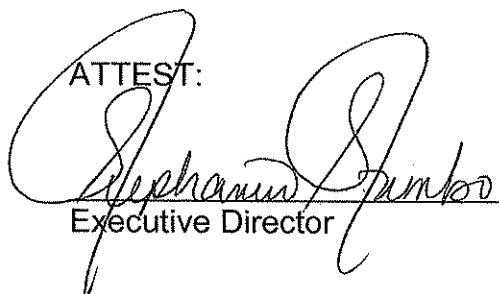
IT IS THEREFORE ORDERED that:

1. The effective date for Grayson's proposed electric rates is December 10, 2008.
2. Grayson's proposed rates are suspended up to and including May 9, 2009.

Done at Frankfort, Kentucky, this 26th day of November, 2008.

By the Commission

ATTEST:


Stephanie Jumbo
Executive Director