COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BLUE GRASS ENERGY COOPERATIVE CORPORATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT FACILITIES ACCORDING TO THE APPLICANT'S 11/01/2010– 10/31/2013 CONSTRUCTION WORK PLAN

CASE NO. 2011-00007

SECOND INFORMATION REQUEST OF COMMISSION STAFF TO BLUE GRASS ENERGY COOPERATIVE CORPORATION

Pursuant to 807 KAR 5:001, Blue Grass Energy Cooperative Corporation ("Blue Grass Energy") is to file with the Commission the original in paper medium and one copy in electronic medium of the following information, with an electronic copy to all parties of record. The information requested herein is due no later than 15 days from the date of the issuance of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or 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.

Blue Grass Energy shall make timely amendment to any prior response 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. For any request to which Blue Grass Energy fails or refuses to furnish all or part of the requested information, Blue Grass Energy shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the response of Blue Grass Energy to Item 7 of Staff's First Data Request, which states that Blue Grass Energy is in compliance with the RUS recommendation of inspecting 10 percent of its poles annually. 807 KAR 5:006, Section 25(4)(d), requires a utility to inspect, every two years, operating lines at voltages of less than 69 KV, including supporting facilities. Explain Blue Grass Energy's pole inspection process and whether such process is in compliance with the Commission's regulation.

2. Refer to the response to Item 4 of Staff's First Data Request. Provide a copy of the referenced joint-use pole agreement.

3. Refer to Exhibit T to the application, System Improvement Justification Summaries, under the heading "Distribution Line Construction Project."

a. For each CFR Code and CWP Item Number listed below, explain why no other alternatives were considered or evaluated. Also provide an explanation as to how the minimum conductor size was selected when the Milsoft Windmil software program was used to determine the conductor size listed in the following pages:

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CFR Code and CWP Item Number

BGE Code 300 Project Page

315-1	20 of 63
315-2	21 of 63
315-4	23 of 63
322-2	26 of 63
322-4	28 of 63
323-3	32 of 63
323-7	35 of 63
326-1	38 of 63
340-1	61 of 63

b. Explain why additional information was not given for the proposed

(conductor size) phase wire selection for the following pages:

CFR Code and CWP Item Number	BGE Code 300 Project Page
CFR Code and CWP Item Number 331-1 333-1 333-2 334-2 334-3 334-3 334-5 335-2	42 of 63 47 of 63 48 of 63 51 of 63 52 of 63 53 of 63 54 of 63 57 of 63
339-1	60 of 63

4. Refer to Exhibit C of the application, which provides an updated status for the prior 2007–2009 Construction Work Plan projects. For those projects whose status is either labeled as NP (No Progress) or DEL (Deleted), provide a detailed explanation as to why that particular project has experienced no progress or has been deleted.

5. Explain the difference in projects listed under Code 607 of Exhibit K and those listed under Code 300 of Exhibit T in the application.

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Jeff Derouen Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED JUN 1 5 2011

cc: Parties of Record

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