

SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC
ATTORNEYS AT LAW

Ronald M. Sullivan
Jesse T. Mountjoy
Frank Stainback
James M. Miller
Michael A. Fiorella
Allen W. Holbrook
R. Michael Sullivan
Bryan R. Reynolds
Tyson A. Kamuf
Mark W. Starnes
C. Ellsworth Mountjoy
Mary L. Moorhouse

August 29, 2012

Federal Express

Jeff DeRouen
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

AUG 30 2012

PUBLIC SERVICE
COMMISSION

Case No. 2012-00401

Re: *In the Matter of: Notice and Application of Big Rivers
Electric Corporation for a General Adjustment in Rates,
PSC Case No. 2011-00036*

Dear Mr. DeRouen:

Enclosed are an original and ten copies of Big Rivers Electric Corporation's Motion and Request for Expedited Ruling. I certify that a copy of this letter and the motion have been served on each party of record.

Sincerely,



Tyson Kamuf

TAK/ej
Enclosures

cc: Billie Richert
Albert Yockey
Service List

Telephone (270) 926-4000
Telecopier (270) 683-6694

100 St. Ann Building
PO Box 727
Owensboro, Kentucky
42302-0727

SERVICE LIST
BIG RIVERS ELECTRIC CORPORATION
PSC CASE NO. 2011-00036

Dennis G. Howard, II, Esq.
Lawrence W. Cook, Esq.
Jennifer Hans, Esq.
Assistant Attorneys General
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204

Michael L. Kurtz, Esq.
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OH 45202
**COUNSEL FOR KENTUCKY
INDUSTRIAL UTILITY CUSTOMERS,
INC.**

David C. Brown, Esq.
Stites & Harbison
1800 Providian Center
400 West Market Street
Louisville, KY 40202
**COUNSEL FOR ALCAN PRIMARY
PRODUCTS CORPORATION**

J. Christopher Hopgood, Esq.
Dorsey, King, Gray, Norment & Hopgood
318 Second Street
Henderson, KY 42420
COUNSEL FOR KENERGY CORP.

Melissa D. Yates
Denton & Keuler, LLP
555 Jefferson Street
P.O. Box 929
Paducah, KY 42002-0929
**COUNSEL FOR JACKSON PURCHASE
ENERGY CORPORATION**

Gregory J. Starheim
President and CEO
Kenergy Corp.
3111 Fairview Drive
P.O. Box 1389
Owensboro, Kentucky 42302-1389

G. Kelly Nuckols
President and CEO
Jackson Purchase Energy Corporation
2900 Irvin Cobb Drive
P.O. Box 4030
Paducah, KY 42002-4030

Burns E. Mercer
President/CEO
Meade County R.E.C.C.
1351 Highway 79
P.O. Box 489
Brandenburg, KY 40108-0489

1 COMMONWEALTH OF KENTUCKY
2 BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
3
4

5 In the Matter of:

6
7 Application of Big Rivers Electric Corporation)
8 for a General Adjustment in Rates) Case No. 2011-00036
9

10
11 **MOTION AND REQUEST FOR EXPEDITED RULING**
12 **OF BIG RIVERS ELECTRIC CORPORATION**
13

14
15 Big Rivers Electric Corporation (“Big Rivers”), moves the Public Service Commission
16 (“Commission”) to grant Big Rivers relief, on an expedited basis, from the requirement in
17 Ordering Paragraph No. 8 in the November 17, 2011, Order in this matter, which requires that
18 “Big Rivers shall perform a new depreciation study within five years of the date of this order, or
19 the filing of its next rate case, whichever is earlier.” In support of its motion, Big Rivers states as
20 follows:

21 As the Commission is aware, on August 20, 2012, Kenergy Corp. (“Kenergy”), one of
22 Big Rivers’ member distribution cooperatives, received notice from Century Aluminum of
23 Kentucky General Partnership (“Century”) of Century’s intent to terminate its retail contract for
24 electric service on August 20, 2013. Big Rivers’ wholesale power supply contract with Kenergy
25 for the requirements of Kenergy’s retail electric service agreement with Century will expire and
26 terminate on the same date.

27 Big Rivers intends to file a rate case by the end of 2012 in order to make timely
28 adjustment of its rates to reflect the loss of revenue from the Century load beginning August 20,
29 2013.

1 Prior to Kenergy receiving Century's notice, Big Rivers had been planning to file an
2 application for a general adjustment in its rates at the end of the first quarter of 2013. To comply
3 with the requirement of Ordering Paragraph No. 8 in the November 17 Order, Big Rivers sent
4 requests for proposals to a number of entities seeking proposals to do a depreciation study. The
5 responses to those proposals are due Friday, August 31, 2012.

6 Section 4.22 of the Amended and Consolidated Loan Contract dated as of July 16, 2009,
7 between Big Rivers and the United States of America (through the Rural Utilities Service
8 ("RUS")), provides that Big Rivers "shall not file with or submit for approval of any regulatory
9 bodies depreciation rates which are inconsistent with those approved for [Big Rivers] by RUS."
10 Based upon past experience with RUS, Big Rivers believes that allowing sixty days for RUS
11 review and approval of revised depreciation rates is an aggressive schedule.

12 Big Rivers has concluded that it is a practical impossibility for Big Rivers to evaluate the
13 proposals from consultants, select a consultant to perform a new depreciation study, obtain a new
14 depreciation study, submit the depreciation study to RUS and obtain its approval, use the results
15 of the depreciation study to prepare a rate case, and file a rate case by the end of 2012. For this
16 principal reason, Big Rivers requests that it be relieved from the requirement in the November 17
17 Order that it perform a new depreciation study prior to filing the rate case that Big Rivers
18 proposes to file by the end of 2012.

19 Additionally, Big Rivers prepared and filed a depreciation study in this proceeding. As
20 the Commission knows, this case is still pending, and the depreciation rates in the study filed in
21 this case are among the remaining issues to be decided.

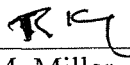
22 Big Rivers intends to file an application for a general rate adjustment by the end of 2012.
23 Big Rivers believes that it will be impossible to meet this deadline if Big Rivers is required to

1 perform and file another depreciation study. Timely filing of this rate case is critically important
2 for Big Rivers to meet the challenges posed by Century's termination of its electric service
3 agreement. Because of the critical importance of timing of the upcoming Big Rivers rate
4 application, Big Rivers requests an expedited ruling on this motion. The hearing on Big Rivers'
5 rehearing in this proceeding is scheduled for September 12, 2012. Any questions the
6 Commission or intervenors may have about this motion can be answered at that time. Big Rivers
7 requests that a ruling on this motion be issued as soon as possible on or after September 12,
8 2012, and that a ruling on this motion not be delayed until the Commission issues its order on
9 rehearing.

10 WHEREFORE, Big Rivers requests that the Commission enter an order on an expedited
11 basis exempting Big Rivers from the requirement in the November 17 Order that Big Rivers file
12 a new depreciation study with the rate case it is proposing to file by the end of 2012, and for all
13 other relief to which it may appear entitled.

14 This the 29th day of August, 2012.

15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32



James M. Miller
Tyson Kamuf
SULLIVAN, MOUNTJOY, STAINBACK
& MILLER, P.S.C.
100 St. Ann Street, P. O. Box 727
Owensboro, Kentucky 42302-0727
(270) 926-4000

Douglas L. Beresford
HOGAN LOVELLS U.S., LLP
Columbia Square
555 Thirteenth Street, NW
Washington, D.C. 20004
(202) 637-5600

Counsel for Big Rivers Electric Corporation