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August 25, 2014

Via Federal Express

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

RECEIVED

AUG 26 2014

PUBLIC SERVICE
COMMISSION

Re: *In the Matter of: An Examination of the Application of the
Fuel Adjustment Clause of Big Rivers Electric Corporation
from November 1, 2013 through April 30, 2014*
Case No. 2014-00230

Dear Mr. Derouen:

Enclosed for filing on behalf of Big Rivers Electric Corporation ("Big Rivers") are an original and ten copies of Big Rivers' response and opposition to Kentucky Industrial Utility Customers, Inc., motion to intervene and to amend procedural schedule. Please call if you have any questions.

Sincerely yours,



James M. Miller
Counsel for Big Rivers Electric Corporation

JMM/lm
Enclosures

cc: Billie Richert
DeAnna Speed

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 26 2014

In the Matter of:

PUBLIC SERVICE
COMMISSION

AN EXAMINATION OF THE APPLICATION)
OF THE FUEL ADJUSTMENT CLAUSE OF)
BIG RIVERS ELECTRIC CORPORATION) CASE NO. 2014-00230
FROM NOVEMBER 1, 2013 THROUGH)
APRIL 30, 2014)

**BIG RIVERS ELECTRIC CORPORATION'S RESPONSE
AND OPPOSITION TO KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.'S
MOTION TO INTERVENE AND TO AMEND PROCEDURAL SCHEDULE**

Big Rivers Electric Corporation ("*Big Rivers*") objects to the motion of Kentucky Industrial Utility Customers, Inc. ("*KIUC*") to intervene in this matter on the ground that the intervention is for a purpose unrelated to the operation of Big Rivers' fuel clause during the period under review.¹ KIUC filed its motion to intervene on August 21, 2014. While the KIUC motion to intervene states the standard positions of KIUC supporting intervention, the Petition to Amend Procedural Schedule also filed by KIUC with the motion to intervene candidly states that the reason for KIUC's intervention is to gather information to use in an ongoing dispute with Kentucky Power Company:

If the Commission provides such an opportunity [for KIUC to file data requests to Big Rivers], KIUC currently anticipates that its inquiry will be focused on the manner in which Big Rivers allocated fuel costs among native load customers and off-system sales during the review period. However, KIUC reserves the right to expand the scope of its inquiry. KIUC has no reason to believe that Big Rivers' fuel cost allocation approach was unreasonable. Our desire for additional information in this proceeding merely stems from a need to compare Big Rivers' approach with that of Kentucky Power.

¹ Counsel for KIUC advised Big Rivers' counsel in advance that he would be filing a motion to intervene, and the reasons for that intervention.

KIUC's statement that it "has no reason to believe that Big Rivers' fuel cost allocation approach was unreasonable" would be expected based upon the knowledge KIUC has about Big Rivers by virtue of being involved in Big Rivers rate cases almost continuously since 2011.

The regulations of the Public Service Commission ("*Commission*") require that a person seeking to become a party to a case "state his or her interest in the case and how intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings," and that "he or she has a special interest in the case that is not otherwise adequately represented or that his or her intervention is likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings." 807 KAR 5:001, Section 4(11). KIUC proposes only to develop facts that will assist it in a different proceeding before the Commission. Moreover, the inquiry KIUC seeks to conduct about how Big Rivers allocates fuel costs among native load customers and off-system sales is the same inquiry already being pursued by the Commission in Item 29 of the information request attached to the Commission's August 13, 2014, initiating order.

Big Rivers believes that allowing a party to intervene in the case for purposes of conducting discovery for a different case sets a bad precedent. The Commission, not KIUC, has jurisdiction to investigate the practices of utilities in the state. KRS 278.040(3). KIUC does not have that authority, however well-founded its concerns may be about the Kentucky Power Company fuel adjustment clause operation, and its motion to intervene should be denied.

On this the 25th day of August, 2014.



James M. Miller

Tyson Kamuf

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Certificate of Service

This is to certify that a true and accurate copy of the foregoing was served by first class mail, postage prepaid, on this, the 25th day of August, 2014, upon the following:

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