

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BIG RIVERS ELECTRIC CORPORATION'S)	
NOTICE OF CHANGES IN ITS RATES)	CASE NO.
FOR ELECTRICITY SOLD TO MEMBER)	9163
COOPERATIVES)	

ORDER GRANTING REHEARING

On May 24, 1985, the Attorney General's Office ("AG") filed a petition for rehearing requesting a modification of the Commission's Order entered May 6, 1985, regarding the suggestion that Big Rivers Electric Corporation ("Big Rivers") and National Southwire Aluminum Company ("NSA") attempt to negotiate a service contract which ties the electric demand charge to the price of aluminum ingots. The AG specifically requests modification of the Order so that the AG and the Commission are not excluded from actively participating in the contract negotiations. On June 10, 1985, Big Rivers filed an objection to the AG's request for modification on the basis that the AG's presence at such contract negotiations would inhibit the free flow of expressions necessary to consummate a service contract. The Commission is of the opinion and hereby finds that the complexities of the issue warrant the granting of a rehearing to afford sufficient time for review and consideration. The Commission will enter a further order on the merits within 10 days.


On May 28, 1985, NSA filed a petition for rehearing on the issue of the inclusion as a rate-making expense of \$42,807,113 interest on long term debt. NSA argues that since Big Rivers is not presently paying the interest it should not be included as a rate-making expense. On June 6, 1985, Big Rivers filed a motion requesting an extension to June 25, 1985, to respond to NSA's petition. Big Rivers' motion states that it has been engaged on other matters and it will attempt to meet the objections raised by NSA's petition. The Commission is of the opinion and hereby finds that NSA's petition for rehearing should be granted for the limited purpose of allowing the Commission to consider Big Rivers' response and that Big Rivers' motion requesting an extension to June 25, 1985, to file a response should also be granted.

IT IS THEREFORE ORDERED that the AG's petition for rehearing shall be and it hereby is granted for the limited purpose of further consideration and a subsequent Order on the merits will be forthcoming.

IT IS FURTHER ORDERED that NSA's petition for rehearing shall be and it hereby is granted for the limited purpose of allowing the Commission to consider Big Rivers' response and that Big Rivers' motion to file a response by June 25, 1985, shall be and it hereby is granted.

Done at Frankfort, Kentucky, this 13th day of June, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary