

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF BIG RIVERS)
CORPORATION'S WHOLESALE POWER CONTRACT) CASE NO. 93-163
WITH HOOSIER ENERGY RURAL ELECTRIC)
COOPERATIVE, INC.)

O R D E R

IT IS ORDERED that Big Rivers Corporation ("Big Rivers") shall file the original and 8 copies of the following information with the Commission with a copy to all parties of record no later than March 28, 1996. Big Rivers shall furnish with each response the name of the witness who will be available to respond to questions concerning each item of information requested should a public hearing be scheduled.

1. Big Rivers stated in its February 6, 1996 response to the petition for rehearing:

Mr. Scott Reed testified at the hearing that Big Rivers intended to assign incremental costs for energy purchased by Hoosier Energy. In fact, subsequent to Mr. Reed's testimony, Big Rivers determined that the Hoosier Energy sale should be classified as a long-term, firm off-system sale, rather than a non-firm off-system sale.¹

The public hearing in this case was held on September 30, 1993.

However, Mr. Reed stated in his March 4, 1996 testimony:

Our Energy Control department, beginning with the first energy delivery in July 1993,

¹ Response of Big Rivers Electric Corporation to Petition for Rehearing of Kentucky Industrial Utility Customers, Inc., filed February 6, 1996, at 4.

treated the agreement as a long-term firm sale in the same manner as the Oglethorpe and MEAM sales. Consequently, monthly average system fuel cost was used to calculate the FAC fuel dollars associated with the Hoosier Energy deliveries.²

a. Provide a narrative explanation resolving the apparent conflict concerning when Big Rivers decided to treat the Hoosier Energy sale as a firm sale.

b. If it was decided in July 1993 to treat the Hoosier Energy sale as a firm sale, explain why Mr. Reed did not report this change in his testimony given on September 30, 1993.

Done at Frankfort, Kentucky, this 18th day of March, 1996.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:



Executive Director

² Reed Testimony, filed March 4, 1996, at 3.