

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF BIG)	
RIVERS ELECTRIC CORPORATION)	CASE NO. 2009-00510
FROM JULY 17, 2009 THROUGH)	
OCTOBER 31, 2009)	

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 27, 2010, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Big Rivers Electric Corporation ("Big Rivers") for the period July 17, 2009 through October 31, 2009. As part of this review, Big Rivers submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing on this matter on March 23, 2010. On April 2, 2010, Big Rivers filed its response to a post-hearing data request.

Pursuant to the Commission's Order in Case No. 2007-00455,¹ upon resumption of control and operation of its generating assets, Big Rivers implemented an FAC. Big Rivers made its first FAC filing on July 31, 2009 for service beginning July 17, 2009 and

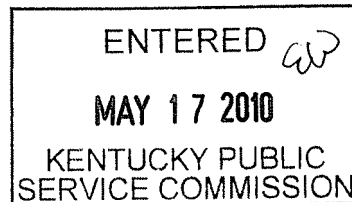
¹ Case No. 2007-00455, The Applications of Big Rivers Electric Corporation for: (1) Approval of Wholesale Tariff Additions for Big Rivers Electric Corporation, (2) Approval of Transactions, (3) Approval to Issue Evidences of Indebtedness, and (4) Approval of Amendments to Contracts; and of E.ON U.S., LLC, Western Kentucky Energy Corp., and LG&E Energy Marketing, Inc. for Approval of Transactions (Ky. PSC Mar. 6, 2009).

used a base fuel cost of 10.72 mills per kWh.² A review of Big Rivers' monthly fuel clause filings shows that the actual fuel cost incurred for the period under review ranged from a low of 18.69 mills in August 2009 to a high of 20.80 mills in September 2009, with an average for the review period of 19.54 mills.

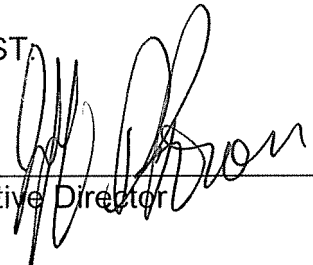
The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of Big Rivers' FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by Big Rivers through its FAC for the period July 17, 2009 through October 31, 2009 are approved.

By the Commission



ATTEST:



Executive Director

² Id. Application, Volume 8 Part A, Exhibit 25, Testimony of William Steven Seelye, pages 11-16.

Honorable Tyson A Kamuf
Attorney at Law
Sullivan, Mountjoy, Stainback & Miller, PSC
100 St. Ann Street
P.O. Box 727
Owensboro, KY 42302-0727

Albert Yockey
VP of of Governmental Relations
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42419-0024