COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FILING OF AGREEMENT FOR THE PURCHASE AND SALE OF FIRM CAPACITY AND ENERGY BETWEEN BIG RIVERS ELECTRIC CORPORATION AND THE KENTUCKY MUNICIPAL ENERGY AGENCY

CASE NO. 2016-00306

ORDER

On August 5, 2016, Big Rivers Electric Corporation ("Big Rivers") filed with the Commission its Agreement for the Purchase and Sale of Firm Capacity and Energy ("Agreement") with the Kentucky Municipal Energy Agency ("KyMEA"). The Agreement contained a proposed effective date of July 13, 2016. KRS 278.180(1) requires a utility to provide the Commission with 30 days' notice before making changes in any rate. Because Big Rivers did not provide the statutorily required 30 days' notice of the proposed Agreement, the earliest possible effective date for the Agreement is September 4, 2016, which is 30 days after the filing date.

In the filing, Big Rivers states the following: "Big Rivers requests that if the Commission conducts extended proceedings on the KyMEA Agreement, that the Commission conduct its review on an expedited basis and issue an order no later than December 13, 2016."

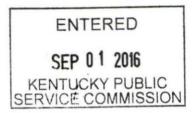
Having reviewed the proposed Agreement, we find that further proceedings are necessary to determine its reasonableness, that these proceedings cannot be completed prior to the earliest possible effective date of the Agreement, and that the Agreement should be suspended pursuant to KRS 278.190(2). The Commission will use its best efforts to expedite its review of the Agreement.

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness of the proposed Agreement.

The proposed Agreement is suspended for five months from September 4,
2016, its earliest possible effective date, up to and including February 3, 2017.

By the Commission



ATTEST:

Matheus Executive Director

Case No. 2016-00306

*Honorable James M Miller Attorney at Law Sullivan, Mountjoy, Stainback & Miller, PSC 100 St. Ann Street P.O. Box 727 Owensboro, KENTUCKY 42302-0727

*Big Rivers Electric Corporation 201 Third Street P. O. Box 24 Henderson, KY 42420

*DeAnna Speed Director Rates and Budgets Big Rivers Electric Corporation 201 Third Street P. O. Box 24 Henderson, KY 42420

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