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Protection Cabinet

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Mark David Goss
Chairman

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Caroline Pitt Clark
Commissioner

September 27, 2007

PARTIES OF RECORD

Re: Case No. 2007-00164

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Aaron D. Greenwell at 502-564-3940, Extension 273.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: File

FROM: Aaron Greenwell, Team Leader

DATE: September 28, 2007

RE: Case No. 2007-00164 - Notice of Amendments to Existing Tariffs

On September 18, 2007, Commission Staff held an informal conference ("IC") with Big Rivers Electric Corp. ("Big Rivers"), Kenergy, Corp. ("Kenergy"), the Attorney General ("AG"), and Intervenor Kentucky Industrial Utility Customers, Inc. ("KIUC"). The purpose of the conference was to discuss Big Rivers' and Kenergy's joint application for a real-time pricing pilot program ("pilot program"). Staff issued notice of the IC on September 17, 2007.

Commission Staff initiated the conference with a discussion relaying its concerns with Big Rivers and Kenergy proposal to use special contracts for each participant rather than developing a uniform tariff for the real-time pilot program. Staff explained that this concern was heightened by the requirement that utilities must offer similar contract terms to similarly situated customers. Big Rivers explained that its current Tariff 10 promoted the use of special contracts because similar customers may be able to operate differently by reducing peak hour usage.

KIUC supported Big Rivers having the continued ability to utilize special contracts because not all customers operated the same and special contracts allowed Big Rivers to tailor an energy product to best suit a customer's needs. It was generally agreed that neither Big Rivers nor Kenergy would request confidential treatment of the real-time pilot contracts.

Big Rivers explained that no customers were currently using Tariff 10, but that several companies had expressed interest. Big Rivers did state that it could place additional real-time pilot items in its tariff that would be more specific and not vary by contract. Big Rivers and Kenergy agreed to provide additional information by October 2, 2007.

cc: Parties of Record

Attachments: Sign-In Sheet

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF AMENDMENTS TO EXISTING)
TARIFFS OF BIG RIVERS ELECTRIC)
CORPORATION AND KENERGY CORP.) CASE NO. 2007-00164
TO IMPLEMENT A VOLUNTARY REAL-TIME)
PRICING PILOT PROGRAM FOR LARGE)
COMMERCIAL AND INDUSTRIAL CUSTOMERS)

=====
September 18, 2007 Informal Conference
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Please sign in:

NAME	REPRESENTING
<u>Oruta of Mitchell</u>	<u>PSC-legal</u>
<u>Paul Adams</u>	<u>AG</u>
<u>Mike Kurtz</u>	<u>KIUC</u>
<u>Rick Bertelson</u>	<u>PSC</u>
<u>ELIE RUSSELL</u>	<u>PSC</u>
<u>Aaron Deenreed</u>	<u>PSC</u>
<u>Daryl Newby</u>	<u>PSC</u>
<u>David Harrison</u>	<u>KENERGY</u>
<u>David Spainhoward</u>	<u>Big Rivers Electric</u>
<u>Bill Blackburn</u>	<u>"</u>
<u>Tyson Kamuf</u>	<u>"</u>
<u>Steve Thompson</u>	<u>Kenergy</u>
<u>BOB AMATO</u>	<u>PSC</u>
<u>Marti E. Hall</u>	<u>PSC</u>
<u>Chris Whelan</u>	<u>PSC</u>