

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG RIVERS ELECTRIC)	CASE NO.
CORPORATION FOR APPROVAL OF)	2012-00041
AMENDMENT TO AGREEMENT)	

O R D E R

On February 3, 2012, Big Rivers Electric Corporation (“Big Rivers”) filed an application for approval of Amendment No. 1 to an agreement with Henderson Municipal Power & Light (“HMPL”) relating to compliance with certain electric reliability standards established by the North America Electric Reliability Corporation (“NERC”). The current reliability agreement between Big Rivers and HMPL, titled “Agreement for Assignment of Responsibility for Complying with Reliability Standards (“Reliability Agreement”), was approved by the Commission on March 6, 2009 in conjunction with Big Rivers’ reacquisition of control of its generating plants in Case No. 2007-00455.¹

The Reliability Agreement assigns to Big Rivers certain of HMPL’s compliance responsibilities under the NERC reliability standards that are set forth in Appendix A of that agreement. Amendment No. 1 modifies Appendix A by shifting back to HMPL the compliance responsibilities for data reporting and load forecasting. At the time the

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).

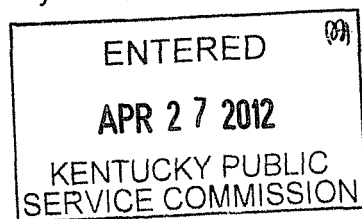
Reliability Agreement was entered into, HMPL was unable to perform the data reporting functions, but HMPL is now able to do so. HMPL has also now decided to contract directly with a consultant to perform load forecasts, rather than contracting those services through Big Rivers. In addition, Amendment No. 1 updates Appendix A to reflect a change to NERC's reliability standard TOP-002-2, which has been re-designated as TOP-002-2a, so that Appendix A reflects the current NERC standards.

Based on a review of the record and being otherwise sufficiently advised, the Commission finds that Amendment No. 1 is reasonable and should be approved. Big Rivers should file a signed copy of Amendment No. 1 within ten days of it being signed by both parties.

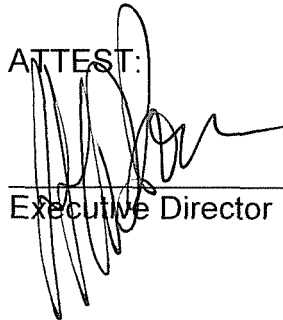
IT IS THEREFORE ORDERED that:

1. Amendment No. 1 to the Reliability Agreement is approved and Big Rivers is authorized to sign Amendment No. 1 as attached to its application in this case.
2. Big Rivers shall file a signed copy of Amendment No. 1 within ten days of it being signed by both parties. The filing shall reference this case number and shall be retained in Big Rivers' general correspondence file.

By the Commission



ATTEST:



Executive Director

Case No. 2012-00041

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