

Matthew G. Bevin
Governor

Charles G. Snavely
Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Daniel E. Logsdon Jr.
Commissioner

September 1, 2016

PARTIES OF RECORD

Re: Case No. 2016-00286

Attached is a copy of a 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 memorandum please do so within five days of receipt of this letter.

If you have any questions, please contact Quang Nguyen, Commission Staff Attorney, at 502-782-2586.

Sincerely,

A handwritten signature in blue ink that reads "Talina R. Mathews".

Talina R. Mathews
Executive Director

QN/ph

Attachments

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Quang D. Nguyen, Staff Attorney 

DATE: August 31, 2016

RE: Case No. 2016-00286
Application of Big Rivers Electric Corporation for Approval of Amendment to Stipulation and Recommendation

Pursuant to the Commission Staff's ("Staff") Notice of August 26, 2016, a telephonic informal conference was held on August 26, 2016, at the Commission's offices in Frankfort, Kentucky. The purpose of the informal conference was to discuss Big Rivers Electric Corporation's ("Big Rivers") application for approval of an Amendment to the Stipulation and Recommendation that was approved by the Commission in Case Nos. 2014-00230¹ and 2014-00455.² A list of the attendees is attached hereto.

Staff referenced paragraph 7 of the application, which states that "[u]nder the Stipulation and Big Rivers' current FAC tariff, the last credit will apply to the October 2016 service month." Staff stated that while the statement accurately reflects the Stipulation, it is not true for Big Rivers' current tariff. Staff noted that Big Rivers' current tariff allows the credit through the January 2017 service month, which would take into account the December 2016 expense month.

Upon inquiry from Staff, Big Rivers' representatives indicated that the term "service month" as used in the application, e.g., "August 2015 service month," is synonymous with its use of the term "consumption" in the application, e.g., "November 2015 consumption." Big Rivers further confirmed that use of both terms indicates a one month lag in the expense month. Thus, an August 2015 service month would mean a July expense month and a November 2015 consumption would mean an October expense month.

¹ Case No. 2014-00230, *An Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 2013 Through April 30, 2014* (Ky. PSC July 27, 2015).

² Case No. 2014-00455, *An Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 2012 Through October 31, 2014* (Ky. PSC July 27, 2015).

Upon inquiry from Staff regarding the mechanics of paragraph 1(d) of the Amendment,³ Big Rivers stated that its goal is to ensure that at least three payments would be made subsequent to any voluntary change made by Big Rivers to its fuel cost allocation methodology.

Lastly, Staff pointed out that counsel for Kentucky Industrial Utility Customers, Inc. inadvertently signed on the signature line reserved for the Attorney General of Kentucky, by and through his Office of Rate Intervention. Big Rivers' counsel indicated that he would provide a corrected signature page and file the same within the next few days.

There being no further discussions, the informal conference was adjourned.

Attachment

³ Paragraph 1(d) of the Amendment states that the FAC Credits would cease after the third monthly payment after the effective date of a voluntary change by Big Rivers to a stacked-cost methodology made prior to November 1, 2016.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG RIVERS ELECTRIC)
CORPORATION FOR APPROVAL OF AMENDMENT) CASE NO.
TO STIPULATION AND RECOMMENDATION) 2016-00286
)

Informal Conference – August 26, 2016

Please sign in:

NAME	REPRESENTING
Quang Nguyen	PSC
Chris Whelan	PSC - FA
Matthew Boren	PSC - FA
J.E.B. Pinney	PSC - OGC
Tyson Kauf	SMSM / Big Rivers
Jim Miller	SMSM / Big Rivers
Bob Berry	Big Rivers
Lindsay Barron	Big Rivers
Deanna Speed	Big Rivers

vz plew
↓

*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