

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG RIVERS ELECTRIC)
CORPORATION AND KENERGY CORP. FOR)
ACCEPTANCE AND EXPEDITED)
IMPLEMENTATION OF THE PROVISIONS OF AN) CASE NO. 2007-00080
ASSUMPTION AND CONSENT AGREEMENT)
WITH DOMTAR PAPER COMPANY, LLC)
REGARDING ITS ASSUMPTION OF CONTRACTS)
FROM WEYERHAEUSER COMPANY)

ORDER

On February 12, 2007, Big Rivers Electric Corporation ("Big Rivers") and Kenergy Corp. ("Kenergy") filed with the Commission, pursuant to 807 KAR 5:011 Section 13, a proposed agreement between Big Rivers, Kenergy and Domtar Paper Company, LLC ("Domtar Paper"), for the assumption by Domtar Paper of all the rights and obligations of Weyerhaeuser Company ("Weyerhaeuser") under contracts between Weyerhaeuser, Big Rivers and Kenergy. Under the proposed "Assumption and Consent Agreement", Domtar Paper will assume Weyerhaeuser's rights and obligations for several existing contracts.¹ Big Rivers and Kenergy have requested that the notice period that KRS 278.180 requires be reduced to 20 days to permit Weyerhaeuser to close its proposed transaction with Domtar Paper no later than March 5, 2007.

¹ These contracts are: (1) an agreement for retail electric service, dated April 4, 2001, and amended February 6, 2003, between Weyerhaeuser and Kenergy; (2) an agreement dated August 22, 2005, for "green power" purchases by Big Rivers from Weyerhaeuser; and (3) A System Disturbance Agreement among Weyerhaeuser, Kenergy, Big Rivers, and others.

Having reviewed the terms of the "Assumption and Consent Agreement" and being otherwise sufficiently advised, the Commission finds that good cause exists to accept the agreement and to reduce the required notice period to permit the proposed contract to become effective March 5, 2007.

IT IS THEREFORE ORDERED that:

1. The time in which Big Rivers and Kenergy must provide notice to the Commission of the "Assumption and Consent Agreement" is reduced to 20 days.
2. The "Assumption and Consent Agreement" is accepted and effective as of March 5, 2007.
3. The Commission's Executive Director shall file a copy of the "Assumption and Consent Agreement" with the published tariffs of Big Rivers and Kenergy.

Done at Frankfort, Kentucky, this 2nd day of March, 2007.

By the Commission

ATTEST:


Executive Director