

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG RIVERS ELECTRIC)	
CORPORATION FOR AN ORDER APPROVING)	CASE NO.
CERTAIN ACCOUNTING TREATMENT OF)	8921
AMOUNTS PAID FOR COAL CONTRACT AMENDMENT)	

O R D E R

On October 24, 1983, Big Rivers Electric Corporation ("Big Rivers") filed an application for approval of certain accounting treatment for amounts paid in consideration of an amendment to its coal supply contract with Cravat Coal Company ("Cravat").

The amendment requires an immediate payment of \$12.5 million by Big Rivers to Cravat in consideration for a reduction in both the price and quality of coal to be delivered over the contract's remaining 8-year term. Big Rivers has requested authorization to charge the \$12.5 million payment to its fuel inventory over this 8-year term. Big Rivers' application, if approved, will affect its monthly fuel adjustment clause fuel cost.


Big Rivers has responded to the Commission's initial request for information and an additional information request will be forthcoming. The Commission will grant interested parties the opportunity to file written comments to Big Rivers' application and/or to request a public hearing. If no request for a public


hearing is received, the Commission will decide the application on the basis of the record.

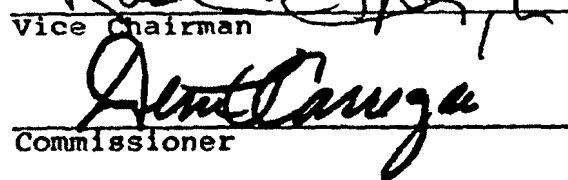
IT IS THEREFORE ORDERED that written comments and/or a request for a public hearing shall be filed within 15 days of the date of this Order.

Done at Frankfort, Kentucky, this 4th day of January, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary