

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE RETAIL ELECTRIC SERVICE AGREEMENT)
BETWEEN GREEN RIVER ELECTRIC CORPORATION)
AND NATIONAL-SOUTHWIRE ALUMINUM COMPANY) CASE NO. 89-350
AND THE WHOLESALE POWER AGREEMENT BETWEEN)
BIG RIVERS ELECTRIC CORPORATION AND)
GREEN RIVER ELECTRIC CORPORATION)

O R D E R

This matter is before the Commission on the request of Green River Electric Corporation ("Green River"), Big Rivers Electric Corporation ("Big Rivers") and National-Southwire Aluminum Company ("NSA") for emergency, interim approval of Amendment No. 3 to the Agreement for Electrical Service between Green River Electric Corporation and National-Southwire Aluminum Company, and a corresponding amendment to the wholesale power supply agreement between Big Rivers Electric Corporation and Green River Electric Corporation, both showing dates of December 8, 1989.

The parties have agreed to the contract amendments except that the amendments have not yet been reviewed and approved by the board of directors of Green River, the board of directors of Big Rivers, National Bank for Cooperatives, or the Rural Electrification Administration ("REA"). The interim relief, which has the effect of reducing NSA's rate for electricity purchased over and above its maximum contract demand, is requested pursuant to KRS 278.180(2).

The Commission having considered the oral presentations of Big Rivers, Green River, and NSA, including the potential adverse effects on Big Rivers' load as well as the economic climate of Western Kentucky finds that the interim relief requested is fair, just, and reasonable, and in the best interests of the parties and the citizens of the Commonwealth of Kentucky. The contract amendments would permit substantial additional sales of electric power to NSA as against the sales level which would otherwise result from a temporary production curtailment proposed by NSA.

Accordingly, the parties may place the contract amendments in effect on an interim basis beginning at 12:01 a.m. on Friday, December 1, 1989, subject to further investigation and orders of the Commission and subject to approval by the Green River board of directors, the Big Rivers board of directors, National Bank for Cooperatives and the REA. Should disapproval be later registered by either this Commission, the board of directors of Green River, the board of directors of Big Rivers, the National Bank for Cooperatives, or the REA, the rate provided therein shall terminate at midnight on the date of the disapproval. In any event, the rate approved herein shall terminate at midnight on March 31, 1990.

Done at Frankfort, Kentucky, this 30th day of November, 1989.

PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman

ATTEST:

Executive Director

Commissioner