COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE CONNISSION

In the Matter of:

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AN EXAMINATION BY THE PUBLIC SERVICE) COMMISSION OF THE FUEL ADJUSTMENT CLAUSE) CASE NO. OF BIG RIVERS ELECTRIC CORPORATION FROM) 90-360-C NOVEMBER 1, 1991 TO APRIL 30, 1992)

<u>ORDER</u>

On November 4, 1992, the Commission found that a thorough investigation of the fuel procurement practices of Big Rivers Electric Corporation ("Big Rivers") was necessary. It subsequently retained the firm of Overland Consulting, Inc. ("Overland") to conduct a focused management audit of Big Rivers' fuel procurement practices. The Commission has received the report of this audit and the management audit action plans. Having reviewed these materials and being otherwise sufficiently advised, the Commission finds that further proceedings in this matter are required.

Wherefore, the Commission, on its own motion, HEREBY ORDERS that:

1. Overland's report of the focused management audit of Big Rivers' fuel procurement practices and the related management audit action plans are made a part of the record of this proceeding.

2. Overland's workpapers are made a part of the record of this proceeding.

3. Case Nos. $92-490^1$ and $92-490-A^2$ are consolidated with this case.

4. A formal hearing in this proceeding shall be held in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, beginning at 10:00 a.m., Eastern Daylight Time, on October 27, 1993 and continuing until completed.

5. Each party may, on or before July 30, 1993, serve upon Overland a request for production of documents and written interrogatories to be answered by Overland no later than August 13, 1993. Overland shall not be required to produce documents which are included in its workpapers and have already been made part of the record of this proceeding.

6. Each party shall, on or before August 27, 1993, file in verified prepared form testimony of each witness who will testify on its behalf at the scheduled hearing.

7. Overland's report of the focused management audit of Big Rivers fuel procurement and report of the management audit action plans shall be considered its prepared testimony. Overland shall not be required to submit any further written testimony to comply with Ordering Paragraph 6.

¹ Case No. 92-490, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 1990 to October 31, 1992.

² Case No. 92-490-A, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 1992 to April 30, 1993.

8. Each party may, on or before September 10, 1993, serve upon any other party a request for production of documents and written interrogatories to be answered by the party served no later than September 24, 1993.

9. Each party shall, on or before October 8, 1993, file in verified prepared form the testimony of each rebuttal witness who will testify on its behalf of the scheduled hearing.

10. Each party shall, no later than October 15, 1993, submit a prehearing memorandum which identifies (a) factual and legal issues to be presented, (b) lists all witnesses in the order in which they will testify on direct examination, (c) lists the qualifications of any expert witnesses, and (d) summarizes the expected testimony of each witness.

11. Each party shall, no later than October 15, 1993, serve upon all other parties a list and copy of all exhibits which it will introduce at the formal hearing. All exhibits shall be marked for identification.

12. Each party shall, no later than October 22, 1993, file its written objections to any filed exhibit and the legal basis for such objection. Where no objection is made to an exhibit, it shall be entered into evidence.

13. All preliminary motions and objections, other than objections to exhibits, shall be made no later than October 15, 1993.

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14. Copies of all documents served upon any party shall be served upon all other parties and 10 copies of such documents shall be filed with the Commission.

15. Nothing contained herein shall prevent the Commission from issuing further procedural orders in this matter.

Done at Frankfort, Kentucky, this 14th day of July, 1993.

PUBLIC SERVICE COMMISSION

they . For the Commission

ATTEST:

Executive Director