

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG RIVERS ELECTRIC )  
CORPORATION FOR RECOVERY OF )  
JULY 1995 ENVIRONMENTAL ) CASE NO. 95-550  
COMPLIANCE COSTS )

O R D E R

IT IS ORDERED that Big Rivers Electric Corporation ("Big Rivers") shall, no later than February 9, 1996, file with the Commission an original and 10 copies of the following information. Each copy of the requested information shall be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. For each response, identify the person responsible for answering any questions at hearing related to the response. Careful attention should be given to copied material to ensure that it is legible.

1. List and explain each factor which Big Rivers considered in determining that the phrase "customer bills in the second month following the month in which the costs are incurred" refers to the month of customer's power usage rather than the month of the bill's issuance.

2. a. Prior to September 20, 1995, with whom (outside of its corporate organization) did Big Rivers discuss the monthly filing and billing requirements of KRS 278.183?

b. Provide all correspondence and memoranda in which these discussions are referenced.

3. a. Prior to September 20, 1995, did Big Rivers discuss the monthly filing and billing requirements of KRS 278.183 with employees of Kentucky Utilities Company ("KU")?

b. If yes,

(1) Describe the nature of these discussions and identify the KU employees involved.

(2) Provide all correspondence and memoranda in which these discussions are referenced.

c. Since September 20, 1995, has Big Rivers discussed the monthly filing and billing requirements of KRS 278.183 with any KU employees?

d. If yes,

(1) Describe the nature of these discussions and identify the KU employees involved.

(2) Provide all correspondence and memoranda in which these discussions are referenced.

4. a. Prior to September 20, 1995, did Big Rivers discuss the monthly filing and billing requirements of KRS 278.183 with employees of Louisville Gas and Electric Company ("LG&E")?

b. If yes,

(1) Describe the nature of these discussions and identify the LG&E employees involved.

(2) Provide all correspondence and memoranda in which these discussions are referenced.

c. Since September 20, 1995, has Big Rivers discussed the monthly filing and billing requirements of KRS 278.183 with any LG&E employees?

d. If yes,

(1) Describe the nature of these discussions and identify the LG&E employees involved.

(2) Provide all correspondence and memoranda in which these discussions are referenced.

5. Is Big Rivers aware that:

a. KU filed its report of environmental compliance costs incurred in July 1995 with the Commission on August 24, 1995?

b. The surcharge reported in KU's August 24, 1995 filing was effective with KU's September 1995 cyclical billing which started on September 4, 1995?

6. Is Big Rivers aware that:

a. LG&E filed its report of environmental compliance costs incurred in July 1995 with the Commission on August 22, 1995?

b. The surcharge reported in LG&E's August 22, 1995 filing was effective on September 1, 1995?

7. If meters are not read and billing statements are not prepared and mailed until the first day of each month, why should these billings be considered as issued on the last day of the previous month?

8. At hearing in Case No. 94-032<sup>1</sup>, Big Rivers Witness John West testified:

While the Surcharge will be activated in July 1995, due to the two month lag in flowing environmental compliance costs through the Surcharge, and because most fixed costs initiate in the month following the month a project is placed into service, the full impact of the Surcharge will not be experienced by customers until September 1995.<sup>2</sup>

Reconcile this statement with Big Rivers' current position.

Done at Frankfort, Kentucky, this 26th day of January, 1996.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director

<sup>1</sup> Case No. 94-032, Application of Big Rivers Electric Corporation to Assess a Surcharge Under KRS 278.183 to Recover Costs of Compliance with Environmental Requirements of the Clean Air Act.

<sup>2</sup> West Direct Testimony, at 29 - 30.