

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MEADE COUNTY RURAL)
ELECTRIC COOPERATIVE CORPORATION) CASE NO. 97-209
FOR A DECREASE IN EXISTING RATES)

O R D E R

Southwire Company and Alcan Aluminum Corporation ("the Smelters") have petitioned for full intervenor status in this proceeding. Finding that they lack the requisite requirements for full intervenor status, the Commission denies the petition.

Administrative Regulation 807 KAR 5:001, Section 8, provides that a party should be granted leave to intervene if it has "a special interest in the proceeding which is not otherwise adequately represented" or intervention "is likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings."

The Smelters allege an interest in this proceeding based upon their relationship to Big Rivers Electric Corporation ("Big Rivers"). Meade County Rural Electric Cooperative Corporation ("Meade County RECC") is a member distribution cooperative of Big Rivers. The Smelters are the two largest electric customers that Big Rivers indirectly serves through its four member distribution cooperatives. As part of Big Rivers Plan of Reorganization, they have reached agreements with Big Rivers regarding their rates. The Smelters argue that the Commission's action on Meade County RECC's proposed rates, rates which are intended to pass on to Meade County RECC customers

a portion of Big Rivers' proposed rate reductions, could affect Big Rivers' plan of reorganization. They further argue that Meade County RECC will be a party to Stand-by Power Agreement whereby LG&E Energy entities ensure Big Rivers' performance.

The Commission finds little merit to the Smelters' arguments. Simply put, the Smelters have no "special interest" in this proceeding. Neither Smelter is a customer of Meade County RECC. Neither will be directly affected by the Commission's action on the utility's proposed rates. This proceeding does not involve nor will it affect Big Rivers' Plan of Reorganization. The fate of that plan will be determined in a separate proceeding to which the Smelters have already been afforded full intervenor status.¹ As to their suggestion that a Stand-by Power Agreement confers upon the Smelters an interest in this proceeding, the Commission notes no such agreement has been submitted in this proceeding nor has Meade County RECC requested Commission approval of such agreement. The Commission further finds that the Smelters have made no showing that their participation in this proceeding would assist the Commission.

IT IS THEREFORE ORDERED that the Smelters' petition for full intervenor status is denied.

¹ Case No. 97-204, the Application of Big Rivers Electric Corporation, Louisville Gas and Electric Company, Western Kentucky Energy Corp., Western Kentucky Leasing Corp., And LG&E Station Two Inc. For Approval of Wholesale Rate Adjustment for Big Rivers Electric Corporation and for Approval of Transaction (July 10, 1997).

Done at Frankfort, Kentucky, this 19th day of September, 1997.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director