

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE)
TARIFF FILING BY BIG RIVERS)
ELECTRIC CORPORATION) CASE NO. 2002-00347
TO IMPLEMENT KRS 278.214)

O R D E R

The 2002 session of the General Assembly enacted a new provision of KRS Chapter 278 relating to service emergencies experienced on the transmission systems of jurisdictional electric utilities. The new law, codified as KRS 278.214, provides as follows:

Curtailment of service by utility or generation and transmission cooperative. When a utility or generation and transmission cooperative engaged in the transmission of electricity experiences on its transmission facilities an emergency or other event that necessitates a curtailment or interruption of service, the utility or generation and transmission cooperative shall not curtail or interrupt retail electric service within its certified territory, or curtail or interrupt wholesale electric energy furnished to a member distribution cooperative for retail electric service within the cooperative's certified territory, except for customers who have agreed to receive interruptible service, until after service has been interrupted to all other customers whose interruption may relieve the emergency or other event.

To ensure that Kentucky's jurisdictional electric utilities operate their respective transmission systems in compliance with KRS 278.214, they were notified by the Executive Director's Office to review their existing tariffs and to file revisions as necessary.

On August 30, 2002, Big Rivers Electric Corporation (Big Rivers) filed a revised tariff designated as PSC No. 22, First Revised Sheet Nos. 7-9A, setting forth the transmission priority requirements of KRS 278.214. Although the revised tariff states that under emergency conditions, Big Rivers will operate its system to the extent practical in such a way to minimize the curtailment or interruption of wholesale electric energy furnished to Big Rivers member distribution cooperatives . The revised tariff does not set forth the specific curtailment requirements that are mandated by KRS 278.214.

The Commission is unable to determine whether Big Rivers revised tariff is reasonable and in compliance with KRS 278.214 without an investigation, and that investigation cannot be concluded prior to the tariff s effective date of October 1, 2002. Pursuant to KRS 278.190(2), the Commission will suspend Big Rivers revised tariff for 5 months, through February 28, 2003.

IT IS THEREFORE ORDERED that:

1. Big Rivers revised tariff, PSC No. 22, First Revised Sheet Nos. 7-9A, is suspended for 5 months from October 1, 2002, up to and including February 28, 2003.
2. Big Rivers shall file no later than October 21, 2002 an original and 5 copies of the information requested in Appendix A, attached hereto.
2. All requests for information and responses thereto shall be appropriately indexed. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to the questions related to the

information provided, with copies to all parties of record and 5 copies to the Commission.

3. Big Rivers shall file no later than October 21, 2002 either:

a. A request for an evidentiary hearing, accompanied by its prepared direct testimony in verified form; or

b. A waiver of its right to an evidentiary hearing and a suggested schedule for briefs, if any.

Done at Frankfort, Kentucky, this 27th day of September, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00347 DATED September, 27, 2002

1. Explain in detail why Big Rivers tariff, PSC No. 22, First Revised Sheet No. 8, should not include the specific curtailment service requirements as set forth in KRS 278.214 or, alternatively, refile the tariff to include the specific curtailment of service requirements.