

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**2019-00007**

In The Matter Of: Electronic Examination of the Application of the : Case No. ~~2019-00009~~  
Fuel Adjustment Clause of Big Rivers Electric Corporation :  
Cooperative through November 1, 2016 through October 31, 2018 :

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**MOTION TO INTERVENE OF  
KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.**

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Pursuant to 807 KAR 5:001, Section 4(11), KRS 278.310, and KRS 278.040(2), Kentucky Industrial Utility Customers, Inc. (“KIUC”) requests that it be granted full intervenor status in the above-captioned proceeding(s) and states in support thereof as follows:

1. 807 KAR 5:001, Section 4(11)(a)(1) requires that a person requesting leave to intervene as a party to a case before the Kentucky Public Service Commission (“Commission”), by timely motion, must state his or her interest in the case and how intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.

2. 807 KAR 5:001, Section 4(11)(b) provides that the Commission shall grant a person leave to intervene if the Commission finds that he or she has made a timely motion for intervention and that he or she has a special interest in the case that is not otherwise adequately represented or that his or her 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.

3. KIUC is an association of the largest electric and gas public utility customers in Kentucky. The purpose of KIUC is to represent the industrial viewpoint on energy and utility issues before this Commission and before all other appropriate governmental bodies. The attorneys for KIUC authorized to represent them in this proceeding and to take service of all documents are:

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4. KIUC has filed a timely motion to intervene in this proceeding.

5. KIUC has a special interest in the above-captioned proceeding. The members of KIUC who are served by Big Rivers Electric Corporation (“Big Rivers”) through Kenergy Corp. and will participate herein include some of the utility’s biggest customers, specifically: Domtar Paper Co., LLC and Kimberly Clark Corporation.

6. One of the issues that should be addresses in this case is left over from Big Rivers’ last FAC proceeding (Case No. 2017-00287). In that case KIUC and Big Rivers debated whether and when Big Rivers should adopt a fuel cost allocation methodology in which native load customers are assigned the lowest fuel costs and off-system sales are assigned the highest marginal fuel costs (“the stacking method”). On page 4 of its February 2, 2018 Order the Commission found that Big Rivers must implement this “stacking method” either in its next 2-year FAC review case, or when it files its next base rate case, whichever occurs first. Big Rivers has not filed a rate case since the Commission’s Order in Case No. 2017-00287 and this is Big River’s next 2-year review case. So, the Commission should address this directive in the prior Order in this proceeding.

However, KIUC notes that circumstances have changed since Case No. 2017-00287 due to the fact that Big Rivers’ higher fuel cost generating units no longer serve Big Rivers’ customers. Therefore, there is less urgency from the customer perspective to change the FAC fuel cost allocation method. As a result, KIUC may not be opposed to waiting to change to a “stacking method” in Big Rivers’ next rate case if that is acceptable to the Commission.

7. KIUC’s special interest cannot be adequately represented by any existing party. While the Kentucky Attorney General’s Office of Rate Intervention is statutorily charged with representing the interests of “consumers” pursuant to KRS 367.150(8), that duty relates primarily to residential customers. In contrast, KIUC’s interest is exclusively related to large industrial customers, who take service on different rate schedules than residential customers. Moreover, because its membership consists of several large manufacturers in Kentucky, KIUC can provide a direct channel into the viewpoint of industrial customers on the issues at hand.

8. KIUC’s intends to play a constructive role in the Commission’s decision-making process.

9. KIUC’s intervention will not unduly complicate or disrupt the proceedings.

**WHEREFORE**, KIUC requests that it be granted full intervenor status in the above-captioned proceeding(s).

Respectfully submitted,

*Michael L. Kurtz /s/*

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