COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of: Electronic Application of Big Rivers Electric : Corporation for Review of its MRSM Credit for Calendar Year : Case No. 2021-00061 2020 :

MOTION TO INTERVENE OF KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

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:

Procedural Background

Big Rivers Electric Corporation ("Big Rivers") filed its Application to review the Member Rate Stability Mechanism (MRSM) Tariff in this case pursuant to the Kentucky Public Service Commission ("Commission") Order¹ in Case No. 2020-00064. In that case Big Rivers, KIUC and the Attorney General of the Commonwealth of Kentucky ("Attorney General"), filed a unanimous Settlement Agreement, Stipulation, and Recommendation ("Settlement Agreement"), addressing several issues including the MRSM, Wilson Station deferred depreciation expense, the retirement of the Coleman and Reid Station Unit 1, the amortization of Smelter Loss Mitigation ("SLM") regulatory assets and a rate design proposal intended to move Large Industrial Class ("LIC") rates toward cost-of-service. The Commission's Order in Case No. 2020-00064 approved the Settlement Agreement, subject to modifications, and ordered that Big Rivers "*should file a formal docketed proceeding in the form of an annual application to revise its MRSM rates that should include all information laid out in the settlement and this Order*."²

¹ Case No. 2020-00064, Order of June 25, 2020.

² Case No. 2020-00064, Order of June 25, 2020, page 21.

One notable modification to the Settlement was that the Commission did not approve the proposal related to LIC rate design. The Commission determined that Case No. 2020-00064 was not the venue to revise LIC rate design and that the 2013 Rate Case cost-of-service study that was relied on in the Settlement would need to be updated before the Commission could consider such an adjustment. The Commission noted the parties' concern with the current LIC rate design and found "*that BREC is to file a minimum of two fully allocated COSSs based upon NARUC approved methods during the 2021 annual filing of the New TIER Credit so that the Commission can determine whether there is a need to reevaluate the current LIC rate design."³*

In the present proceeding, the first of Big Rivers' annual MRSM applications, Big Rivers witness John Wolfram submitted the two fully allocated COSSs ordered by the Commission in Case No. 2020-00064. KIUC seeks to intervene in this proceeding in order to address the LIC rate design issue that was deferred to this proceeding and to address other issues relating to Big Rivers' MRSM charge.

Motion to Intervene

- 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 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 Case No. 2020-00064, Order of June 25, 2020, page 25-26.

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 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. KIUC's special interest cannot be adequately represented by any existing party. While the Attorney General 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.
- 7. KIUC's intends to play a constructive role in the Commission's decision-making process.
- 8. 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,

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