

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MOTION OF BIG RIVERS ELECTRIC) CASE NO.
CORPORATION FOR A DEVIATION) 2012-00401

ORDER

On August 30, 2012, Big Rivers Electric Corporation (“Big Rivers”) filed a motion requesting relief, on an expedited basis, from the requirement in the November 17, 2011 Order in Case No. 2011-00036¹ related to the filing of a new depreciation study. More specifically, Ordering Paragraph No. 8 of the November 17, 2011 Order required Big Rivers to “perform a new depreciation study within five years of the date of this order, or the filing of its next rate case, whichever is earlier,”² and Big Rivers now requests a waiver of that requirement.

Big Rivers stated that one of its member distribution cooperatives, Kenergy Corp., received notice from a retail customer, Century Aluminum of Kentucky General Partnership (“Century”) of Century’s intent to terminate its retail contract for electric service on August 20, 2013. Big Rivers has a wholesale contract with Kenergy to supply the power that Kenergy resells to Century, and this wholesale contract will terminate on the same date that Century’s retail contract terminates. Due to the anticipated loss of revenue from the termination of Century’s load, Big Rivers intends to

¹ Case No. 2011-00036, *Application of Big Rivers Electric Corporation for a General Adjustment in Rates*, Ordering Paragraph No. 8 (Ky. PSC Nov. 17, 2011).

² *Id.* at 42.

file a rate case by the end of 2012 to adjust its rates to reflect this loss of revenue. Prior to receiving the notice from Century, Big Rivers had planned to file a general rate application at the end of March 2013 and had sent requests for proposals for a new depreciation study. Responses to those requests were due on August 31, 2012.

Big Rivers' motion asserted that "it is a practical impossibility for Big Rivers to evaluate the proposals from consultants, select a consultant to perform a new depreciation study, obtain a new depreciation study, submit the depreciation study to RUS [Rural Utilities Service] and obtain its approval, use the results of the depreciation study to prepare a rate case, and file a rate case by the end of 2012." For these reasons, Big Rivers requested to be relieved of the requirement to file a new depreciation study with its next rate case.

Big Rivers then filed on October 1, 2012 a motion requesting that this case be dismissed. The motion to dismiss states that since the filing of the motion for a waiver, Big Rivers has been able to obtain responses to requests for proposals, has evaluated those proposals, and has now determined that a new depreciation study can be completed and filed with its new rate case, thereby obviating the need for the requested waiver.

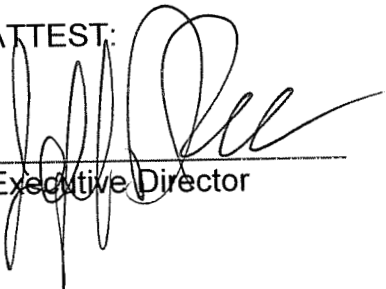
Based on a review of the motions and being otherwise sufficiently advised, the Commission finds that Big Rivers' motion to dismiss this case should be granted.

IT IS THEREFORE ORDERED that Big Rivers' motion to dismiss this case is granted and this case shall be closed and removed from the Commission's docket.

By the Commission

ENTERED ^{VM}
OCT 30 2012
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2012-00401

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