COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MEADE COUNTY RURAL)ELECTRIC COOPERATIVE CORPORATION FOR)A GENERAL ADJUSTMENT OF RATES AND A)2013-00033FLOW-THROUGH OF BIG RIVERS ELECTRIC)CORPORATION'S RATE INCREASE)

<u>ORDER</u>

On February 13, 2013, Meade County Rural Electric Cooperative Corporation ("Meade County") tendered for filing an application for a general adjustment of rates and a flow-through of an increase in rates from its wholesale power supplier, Big Rivers Electric Corporation ("Big Rivers"), in Case No. 2012-00535.¹ On February 22, 2013, a deficiency letter was issued to Meade County. On February 25, 2013, Meade County filed information in response to the deficiencies, indicated that it believed the original filing was substantially complete, and requested that the original filing date be reinstated or that its rates be suspended only through the date that the rates in Big Rivers' Case No. 2012-00535 take effect. By Commission letter dated February 27, 2013, Meade County was notified that the deficiencies were corrected as of February 25, 2013, and that date is considered to be the filed date in this proceeding.

Based on a review of Meade County's application and being otherwise sufficiently advised, the Commission finds that Meade County's response to the deficiency letter included a refiling of its revised tariffs which contain a proposed

¹ Case No. 2012-00535, Application of Big Rivers Electric Corporation for a General Adjustment of Rates (Ky. PSC filed Jan. 15, 2013).

effective date of March 28, 2013. Having reviewed the application, we find that an investigation is necessary to determine the reasonableness of Meade County's proposed rates and that the investigation cannot be completed by March 28, 2013. KRS 278.180(1) provides that no change shall be made by any utility in any rate except upon 30 days' notice to the Commission. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for five months, from March 28, 2013 up to and including August 27, 2013. A substantial portion of the proposed increase in Meade County's rates is intended to be attributed to the pass through of Big Rivers' wholesale rates in Case No. 2012-00535. The Commission is aware that the wholesale rates of Big Rivers in Case No. 2012-00535 have been suspended up to and including August 17, 2013² which is 10 days prior to the suspension date of August 27, 2013 in this proceeding. If our review of the distribution portion of Meade County's rate increase is not completed by August 17, 2013, a further Order will be issued addressing the wholesale portion of the requested increase to ensure that Meade County is able to fully recover any increase in wholesale power costs.

IT IS HEREBY ORDERED that:

1. Meade County's proposed rates are suspended for five months, up to and including August 27, 2013.

2. The procedural schedule set forth in the Appendix shall be followed.

3. a. Responses to requests for information shall be filed in accordance with the electronic filing procedures set out in 807 KAR 5:001, Section 8, and shall be appropriately indexed and bookmarked and shall include the name of the witness

² Case No. 2012-00535, Order issued February 1, 2013.

responsible for responding to the questions related to the information provided, with copies to all parties of record and a paper copy to the Commission.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

4. All parties shall respond to any interrogatories and requests for production of documents that Commission Staff submits in accordance with the procedural schedule set forth in the Appendix.

5. Any party filing testimony shall file in accordance with the electronic filing procedures set out in 807 KAR 5:001, Section 8 with one paper copy to the Commission.

6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

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7. The Commission does not look favorably upon motions for continuance. Consequently, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission



AT e Director

Case No. 2013-00033

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00033 DATED MAR 1 5 2013

Requests for intervention shall be filed no later than
All initial requests for information to Meade County shall be filed no later than03/27/13
Meade County shall file responses to initial requests for information no later than04/10/13
All supplemental requests for information to Meade County shall be filed no later than04/24/13
Meade County shall file responses to supplemental requests for information no later than
Intervenor testimony, if any, in verified prepared form, shall be filed no later than05/22/13
All requests for information to Intervenors shall be filed no later than
Intervenors shall file responses to requests for information no later than06/19/13
Meade County shall file, in verified form, its rebuttal testimony no later than07/03/13
Public Hearing to be held in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Meade County and Intervenors
Simultaneous briefs, if any To be scheduled

Honorable Thomas C Brite Attorney At Law Brite & Hopkins, PLLC 83 Ballpark Road P.O. Box 309 Hardinsburg, KENTUCKY 40143

Karen Brown VP Finance & Accounting Meade County R.E.C.C. P. O. Box 489 Brandenburg, KY 40108-0489

Burns E Mercer Manager Meade County R.E.C.C. P. O. Box 489 Brandenburg, KY 40108-0489