

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE)	
APPLICATION OF THE FUEL ADJUSTMENT)	CASE NO.
CLAUSE OF BIG RIVERS ELECTRIC)	2021-00297
CORPORATION FROM NOVEMBER 1, 2020)	
THROUGH APRIL 30, 2021)	

ORDER

Pursuant to 807 KAR 5:056, the Commission established this case on August 18, 2021, to review and evaluate the operation of the Fuel Adjustment Clause (FAC) of Big Rivers Electric Corporation (BREC) for the six months that ended on April 30, 2021. As part of this review, BREC responded to two requests for information.

A review of BREC's monthly FAC filings shows that the fuel cost billed for the six months under review ranged from a low of \$0.014047 per kWh in February 2021 to a high of \$0.020404 per kWh in January 2021 with a six-month average of \$0.018608 per kWh.

Commission Staff, in its second request for information, requested *inter alia*, that BREC review its FAC tariff to determine if any changes were necessary to correspond with recent changes to 807 KAR 5:056.¹ BREC, in response to Staff's Second Request, stated that no changes were needed to its FAC tariff.² The Commission, however, finds that BREC shall make revisions to its FAC tariff to correspond with the language of 807 KAR 5:056. In order to correspond with the regulation, BREC shall include the following

¹ Commission Staff's Second Request for Information (Staff's Second Request) (Ky. PSC Dec. 7, 2021), Item 7.

² BREC's Response to Staff's Second Request (filed Dec. 22, 2022), Item 7.

language in Section (2) of its FAC tariff: “In making the calculations of fuel cost, the forced outage costs to be subtracted shall be no less than the fuel cost related to the lost generation until approval is obtained.” The Commission also finds that BREC shall remove Section (1)(e), which the Commission approved in Case No. 2016-00286³ because that monthly credit has since expired and is no longer applicable to BREC’s current FAC. Lastly, the Commission finds that BREC shall include in its FAC tariff a section listing the Commission-approved Midcontinent Independent System Operator billing line items that BREC passes through its FAC.⁴ Having reviewed the FAC tariff and being otherwise sufficiently advised, the Commission finds that the revisions to the FAC tariff discussed herein are reasonable and should be approved.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds no evidence of improper calculation or application of BREC’s FAC charges or improper fuel procurement practices.

IT IS THEREFORE ORDERED that:

1. The charges and credits billed by BREC through its FAC from November 1, 2020, through April 30, 2021, are approved.
2. Within 20 days of the date of the entry of this Order, BREC shall file with this Commission, using the Commission’s electronic Tariff Filing System, revised tariff sheets setting out the revisions ordered herein and reflecting that they were approved pursuant to this Order.
3. This case is closed and removed from the Commission’s docket.

³ Case No. 2016-00286, *Application of Big Rivers Electric Corporation for Approval of Amendment to Stipulation and Recommendation* (Ky. PSC Sept. 28, 2016).

⁴ BREC’s Response to Staff’s Second Request, Item 1.

PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman

Commissioner



ATTEST:



Executive Director

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