COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF BIG RIVERS ELECTRIC CORPORATION FROM NOVEMBER 1, 2021 THROUGH APRIL 30, 2022

CASE NO. 2022-00268

<u>ORDER</u>

The Commission, by Order entered in Case No. 2023-00013,¹ incorporated the record of this proceeding into the record in Case No. 2023-00013 and found that it would conclude its review of this proceeding in Case No. 2023-00013. A copy of the Order in Case No. 2023-00013 concluding the present case is attached to this Order as an Appendix and is filed into the record of this proceeding. The Commission finds that this case, having been resolved in Case No. 2023-00013, should be dismissed.

IT IS THEREFORE ORDERED that this case is closed and removed from the docket.

¹ Case No. 2023-00013, An Electronic Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 2020 Through October 31, 2022 (Ky. PSC Sept. 6, 2023), Order.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairma

Commissioner



ATTEST:

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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2022-00268 DATED MAY 09 2024

SIX PAGES TO FOLLOW

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In the Matter of:

AN ELECTRONIC EXAMINATION OF THE APPLICATION OF THE FUEL ADJUSTMENT CLAUSE OF BIG RIVERS ELECTRIC CORPORATION FROM NOVEMBER 1, 2020 THROUGH OCTOBER 31, 2022

CASE NO. 2023-00013

<u>ORDER</u>

The Commission, pursuant to 807 KAR 5:056, Section 3(4), established this case by Order issued on September 6, 2023, to review and evaluate the operation of the Fuel Adjustment Clause (FAC) of Big Rivers Electric Corporation (BREC), for the two-year period from November 1, 2020, through October 31, 2022. That Order also incorporated by reference the records in cases reviewing the six-month periods set forth in Case Nos. 2022-00041¹ and 2022-00268² and found that the Commission would conclude its review of these prior six-month FAC review cases in the present two-year case. Furthermore, the Order established that an evidentiary hearing would be held that would consider the record of the two-year FAC review proceeding and the ongoing Case Nos. 2022-00041 and 2022-00268. That hearing was held in the two-year review case on January 4, 2024. There are no intervenors in these proceedings.

¹ Case No. 2022-00041, An Electronic Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from May 1, 2021 Through October 31, 2021.

² Case No. 2022-00268, An Electronic Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 2021 Through April 30, 2022.

Having reviewed the records of Case No. 2022-00041, Case No. 2022-00268, and the six-month periods incorporated by reference in Case No. 2023-00013, the Commission, on its own motion, hereby finds that the matter of the ongoing prior sixmonth FAC review cases now stands submitted for a decision on the written record. The present Order concludes Case Nos. 2022-00041 and 2022-00268 as discussed herein.

Case No. 2022-00041: May 1, 2021, through October 31, 2021

The Commission, pursuant to 807 KAR 5:056, Section 3(3), established this case by Order issued on March 31, 2022, to review and evaluate the operation of the FACs of BREC for the six-month period of May 1, 2021 through October 31, 2021.³ As part of this review, BREC responded to three rounds of discovery and one post-hearing request for information. A hearing was held on August 4, 2022. On December 1, 2023, a copy of the Case No. 2023-00013 Order incorporating the record of Case No. 2022-00041 was attached and filed into the record. A review of BREC's monthly FAC filings shows that the fuel costs incurred for the six months under review ranged from a low of \$0.017878 per kWh in May 2021 to a high of \$0.027363 per kWh in October 2021 with a six-month average of \$0.021070 per kWh.⁴

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.

³ Case No. 2022-00041, An Electronic Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from May 1, 2021 Through October 31, 2021 (Ky. PSC Mar. 31, 2022), Order.

⁴ The FAC rates are based on the expense month for each month of the review period.

Case No. 2022-00268: November 1, 2021, through April 30, 2022

The Commission, pursuant to 807 KAR 5:056, Section 3(3), established this case by Order issued on September 13, 2022, to review and evaluate the operation of the FACs of BREC for the six-month period of November 1, 2021, through April 30, 2022.⁵ As part of this review, BREC responded to three requests for information from Commission Staff. On December 4, 2023, a copy of the Case No. 2023-00013 Order incorporating the record of Case No. 2022-00268 was attached and filed into the record. A review of BREC's monthly FAC filings shows that the fuel costs incurred for the six months under review ranged from a low of \$0.027043 per kWh in November 2021 to a high of \$0.039710 per kWh in February 2022 with a six-month average of \$0.034217 per kWh.⁶

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 May 1, 2021, through October 31, 2021, are approved.

2. The charges and credits billed by BREC through its FAC from November 1, 2021, through April 30, 2022, are approved.

⁵ Case No. 2022-00268, An Electronic Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 2021 Through April 30, 2022 (Ky. PSC Sept. 13, 2022), Order.

⁶ The FAC rates are based on the expense month for each month of the review period. BREC filed with the Commission corrections to its FAC Form A rate sheet filings for the February and March 2022 expense months. BREC's Generator FAC form A filings are located on the Kentucky Public Service Commission's website at <u>https://psc.ky.gov/Home/Library?type=FAC</u>.

3. A copy of this Order shall be entered into the record in Case Nos. 2022-00041 and 2022-00268.

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PUBLIC SERVICE COMMISSION

Chairman Vice Chairman

Commissioner



ATTEST:

nduell

Executive Director

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