

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	)	2023-00013
CORPORATION FROM NOVEMBER 1, 2020	)	
THROUGH OCTOBER 31, 2022	)	

ORDER

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. 2022-00041<sup>1</sup> and 2022-00268<sup>2</sup> 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.

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<sup>1</sup> 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.*

<sup>2</sup> 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 six-month 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.<sup>3</sup> 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.<sup>4</sup>

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.

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<sup>3</sup> 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.

<sup>4</sup> 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.<sup>5</sup> 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.<sup>6</sup>

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.

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<sup>5</sup> 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.

<sup>6</sup> 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 <https://psc.ky.gov/Home/Library?type=FAC>.

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

*Kent Calum*  
Chairman

*AF*  
Vice Chairman

*ManPat Rogers*  
Commissioner

ENTERED  
MAY 06 2024 bsb  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

*Linda C. Bridwell*  
Executive Director

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