## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KIMBERLY-CLARK CORPORATION	)	
COMPLAINANT	)	
V.	)	CASE NO. 2023-00063
BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.	)	2023-00003
DEFENDANT	)	

## <u>ORDER</u>

This matter arises upon a complaint filed by Kimberly-Clark Corporation (Kimberly-Clark) against Big Rivers Electric Corporation (BREC) and Kenergy Corp (Kenergy) (collectively, Joint Defendants). Kimberly-Clark alleged that the Joint Defendants had incorrectly applied the fuel adjustment clause (FAC) and Non-Smelter Non-FAC Purchase Power Adjustment (Non-FAC PPA) charges when calculating its bills when taking service under the Large Industrial Customer Standby Service (LICSS) tariff.

## **DISCUSSION AND FINDINGS**

On March 7, 2023, the Commission entered an Order requiring BREC and Kenergy to answer the complaint filed by Kimberly-Clark.<sup>1</sup> On March 20, 2023, BREC and Kenergy filed a response and acknowledged Kimberly-Clark had been overcharged, stated attempts were being made to create a solution to the billing issue, and requested additional time to reach an agreement about how to calculate the amount of the refund

<sup>&</sup>lt;sup>1</sup> Order (Ky. PSC Mar. 7, 2023).

with Kimberly-Clark's input.<sup>2</sup> The Commission granted the parties 60 days to reach an agreement on the amount of refund and the method to determine the refund.<sup>3</sup>

On June 16, 2023, the parties filed notice that an agreement had been reached.<sup>4</sup> The parties indicated that BREC will refund Kenergy, and Kenergy will then refund to Kimberly-Clark, \$168,483.18 for the FAC, Non-FAC PPA, and Environmental Surcharge charges that had been applied in hours in which energy charges were based on market prices for service from March 2022 through April 2023, in contravention of the LICSS tariff. Additionally, BREC will charge Kenergy, and then Kenergy will charge Kimberly-Clark, \$28,091.42 to recover the member rate stability mechanism (MRSM) credits that had been applied in those same hours. Ultimately, there will be a net refund to Kimberly-Clark of \$140,391.76.<sup>5</sup> The parties also agreed on a method for a billing structure that will not charge Kimberly-Clark for the FAC, Non-FAC PPA, Environmental Surcharge, and MRSM riders in hours in which the energy charge is based on market prices.<sup>6</sup>

Based upon the case record, and otherwise being sufficiently advised, the Commission finds the agreement between the parties is reasonable. By the filing of the Joint Agreement, Kimberly-Clark is noting its satisfaction with the amount and method of calculating the refund. Therefore, the Commission finds Kimberly-Clark's complaint should be dismissed as satisfied. The Commission notes that the approval of this agreement should not be taken as an approval, or disapproval, of the reasonableness of

<sup>&</sup>lt;sup>2</sup> Joint Answer of BREC and Kenergy (filed Mar. 20, 2023) at 5.

<sup>&</sup>lt;sup>3</sup> Order (Ky. PSC Apr. 14, 2023).

<sup>&</sup>lt;sup>4</sup> Joint Notice of Agreement (filed Jun. 16, 2023).

<sup>&</sup>lt;sup>5</sup> Joint Notice of Agreement at 1.

<sup>&</sup>lt;sup>6</sup> Joint Notice of Agreement at 2.

LICSS tariff. The Commission will fully investigate the LICSS tariff when an updated tariff filing is made as required in Case No. 2021-00289.<sup>7</sup>

## IT IS THEREFORE ORDERED that:

- 1. The Commission accepts the Joint Agreement of the parties to determine the amount and method of refund owed to Kimberly-Clark.
  - 2. Kimberly-Clark's complaint is dismissed as satisfied.
  - 3. The case is closed and removed from the Commission's docket.

<sup>&</sup>lt;sup>7</sup> Case No. 2021-00289, Electronic Tariff Filing of Big Rivers Electric Corporation and Kenergy Corp. to Implement a New Standby Service Tariff (Ky. PSC Mar. 3, 2022), Order.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

**ENTERED** 

JUN 30 2023

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KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

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