

SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC

ATTORNEYS AT LAW

Ronald M. Sullivan
Jesse T. Mountjoy
Frank Stainback
James M. Miller
Michael A. Fiorella
Allen W. Holbrook
R. Michael Sullivan
Bryan R. Reynolds
Tyson A. Kamuf
Mark W. Starnes
C. Ellsworth Mountjoy
Mary L. Moorhouse

August 31, 2012

Via Federal Express

Jeff DeRouen
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

AUG 31 2012

PUBLIC SERVICE
COMMISSION

Re: *An Examination by the Public Service Commission
Of the Environmental Surcharge Mechanism of
Big Rivers Electric Corporation for the Two-Year Billing
Period Ending July 31, 2011, PSC Case No. 2012-00262*

Dear Mr. DeRouen:

Enclosed for filing are an original and ten copies of Big Rivers Electric Corporation's response to the Commission Staff's Second Request for Information in the above-referenced matter. Please call if you have any questions.

Sincerely,



Tyson Kamuf

TAK/ej
Enclosures

cc: Albert Yockey
Ralph Ashworth
G. Kelly Nuckols
Gregory J. Starheim
Burns E. Mercer

Telephone (270) 926-4000
Telecopier (270) 683-6694

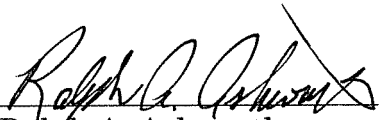
100 St. Ann Building
PO Box 727
Owensboro, Kentucky
42302-0727

BIG RIVERS ELECTRIC CORPORATION

**AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE
ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS
ELECTRIC CORPORATION FOR THE TWO-YEAR
BILLING PERIOD ENDING JULY 31, 2011
CASE NO. 2012-00262**

VERIFICATION

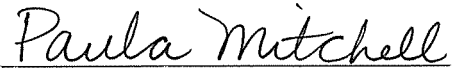
I, Ralph A. Ashworth, verify, state, and affirm that the data request response filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Ralph A. Ashworth

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

30th SUBSCRIBED AND SWORN TO before me by Ralph A. Ashworth on this the
day of August, 2012.



Notary Public, Ky. State at Large
My Commission Expires 1-12-13

ORIGINAL



Your Touchstone Energy® Cooperative 

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

AN EXAMINATION BY THE PUBLIC)	
SERVICE COMMISSION OF THE)	
ENVIRONMENTAL SURCHARGE)	Case No.
MECHANISM OF BIG RIVERS ELECTRIC)	2012-00262
CORPORATION FOR THE TWO-YEAR)	
BILLING PERIOD ENDING JULY 31, 2011)	

**Response to Commission Staff's
Second Request for Information
dated August 22, 2012**

FILED: August 31, 2012

ORIGINAL

BIG RIVERS ELECTRIC CORPORATION

**AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION
OF THE ENVIRONMENTAL SURCHARGE MECHANISM
OF BIG RIVERS ELECTRIC CORPORATION
FOR THE TWO-YEAR BILLING PERIOD ENDING JULY 31, 2011
CASE NO. 2012-00262**

**Response to Commission Staff's
Second Request for Information
dated August 22, 2012**

August 31, 2012

1 **Item 1) Refer to the response to Item 3 from Commission Staffs**
2 **Requests for Information from the Telephonic Informal Technical**
3 **Conference of August 7, 2012 (“Commission Staffs IC Request”). Starting**
4 **at line 15, page 1 of 3, it states, “[t]he information (for non-dedicated**
5 **delivery point customers) included for Jackson Purchase Energy**
6 **Corporation and Meade County Rural Electric Cooperative Corporation,**
7 **in the attachment to Big Rivers’ response to Item 2 of the Commission**
8 **Staffs Initial Request for Information dated July 2, 2012 (Case No. 2012-**
9 **00262), agrees to the information previously filed in Case No. 2010-00368.”**

10

11 **a. Is the information in Case No. 2012-00262 for non-**
12 **dedicated delivery point customers in the attachment to**
13 **Big Rivers’ response to Item 2 from Commission Staffs**
14 **Initial Request for Information in agreement with the**
15 **schedules filed November 10, 2010 or December 10, 2010 in**
16 **Case No. 2010-00368?**

17 **b. Refer to the response to Commission Staffs IC Request,**
18 **Item 3, page 3 of 3. It states, “[a]ttached as Exhibit E, is a**
19 **revised non-dedicated delivery schedule for Case No. 2011-**
20 **00085 reflecting the correction of the errors discussed**
21 **above.” How did Big Rivers determine that the amounts**
22 **previously filed in Case No. 2011-00085 were incorrect?**

23

BIG RIVERS ELECTRIC CORPORATION
AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION
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CASE NO. 2012-00262

Response to Commission Staff's
Second Request for Information
dated August 22, 2012

August 31, 2012

1 **Response)** The non-dedicated delivery point schedules which Big Rivers filed on
2 July 18, 2012, in response to Item 2 of Commission Staff's Initial Request for
3 Information dated July 2, 2012, assumed that all of Big Rivers' Member
4 Cooperatives reported Environmental Surcharge information on a two-month lag
5 timetable. Following that assumption, Big Rivers filed, on August 17, 2012, the
6 revised schedules to Item 3 of the Commission Staff's Requests for Information
7 from the Telephonic Informal Technical Conference of August 7, 2012. Due to
8 turnover in accounting and finance staff responsible for these filings, current Big
9 Rivers' personnel had assumed that a two-month lag was used by all Member
10 Cooperatives in reporting this information.

11 While preparing the response to this request for information, Big
12 Rivers' finance staff discussed the Environmental Surcharge ("ES") filing process
13 with each of Big Rivers' Member Cooperatives (*i.e.*, Jackson Purchase Energy
14 Corporation, Kenergy Corp., and Meade County Rural Electric Cooperative
15 Corporation). Based on these discussions, and review of each Member's actual
16 monthly filings, Big Rivers determined that its Members use different lag periods
17 for their respective ES filings. Jackson Purchase Energy Corporation files its
18 monthly Environmental Surcharge reports with a three-month lag, Kenergy Corp.
19 files its monthly Environmental Surcharge reports with a two-month lag, and
20 Meade County Rural Electric Cooperative Corporation files its monthly
21 Environmental Surcharge reports with a one-month lag. Therefore, Big Rivers
22 hereby attaches the non-dedicated delivery point schedules reflecting these
23 respective lag periods. These schedules align with the monthly schedules filed by

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1 the Member Cooperatives. Big Rivers also notes that these revisions in no way
2 have impacted the billings to its Member Cooperatives' Retail Members.

3

4 a. The information for non-dedicated delivery point customers in
5 the attachment to Big Rivers' response to Item 2 from
6 Commission Staffs Initial Request for Information dated July 2,
7 2012, agreed with the schedules filed November 10, 2010, in
8 Case No. 2010-00368.

9 b. Please see the discussion above.

10

11

12 **Witness)** Ralph A. Ashworth

13

BIG RIVERS ELECTRIC CORPORATION
Response to Commission Staff's Information Request
Dated August 22, 2012

Case No. 2012-00262

KENERGY CORP. ENVIRONMENTAL SURCHARGE: TWO YEAR REVIEW NON-DEDICATED DELIVERY POINT CUSTOMERS					
(a)	(b)	(c)	(d)	(e)	(f)
Mo/Yr	Big Rivers Electric Invoice ES Amount for Service Month (Line 13.A. per Filing)	(Over)/Under Recovery from column (f)	Total Recoverable column (b) + (c)	ES Amount Billed to Kenergy's Customers (Line 11 per Filing)	(Over)/Under Recovery (column (d) 2nd preceding month less column (e) current month)
12	Jul-09	\$ 132,656	\$ 132,656		
13	Aug-09	\$ 253,472	\$ 253,472		
14	Sept-09	\$ 187,791	\$ (10,707)	\$ 143,363	\$ (10,707)
15	Oct-09	\$ 190,629	\$ 29,217	\$ 224,255	\$ 29,217
16	Nov-09	\$ 168,228	\$ 11,911	\$ 165,173	\$ 11,911
17	Dec-09	\$ 260,790	\$ (19,291)	\$ 239,137	\$ (19,291)
18	Jan-10	\$ 262,063	\$ (45,704)	\$ 225,843	\$ (45,704)
19	Feb-10	\$ 205,976	\$ (10,821)	\$ 252,320	\$ (10,821)
20	Mar-10	\$ 191,619	\$ 19,648	\$ 196,711	\$ 19,648
21	Apr-10	\$ 170,087	\$ 26,898	\$ 168,257	\$ 26,898
22	May-10	\$ 196,406	\$ 20,428	\$ 190,839	\$ 20,428
23	Jun-10	\$ 267,131	\$ (26,494)	\$ 223,479	\$ (26,494)
24	Jul-10	\$ 311,711	\$ (52,576)	\$ 269,410	\$ (52,576)
25	Aug-10	\$ 297,403	\$ (10,516)	\$ 251,153	\$ (10,516)
26	Sep-10	\$ 214,535	\$ (8,945)	\$ 268,080	\$ (8,945)
27	Oct-10	\$ 179,028	\$ 38,924	\$ 247,963	\$ 38,924
28	Nov-10	\$ 246,574	\$ 22,494	\$ 183,096	\$ 22,494
29	Dec-10	\$ 306,397	\$ (37,524)	\$ 255,476	\$ (37,524)
30	Jan-11	\$ 268,235	\$ (82,168)	\$ 351,236	\$ (82,168)
31	Feb-11	\$ 193,924	\$ 4,672	\$ 264,201	\$ 4,672
32	Mar-11	\$ 188,832	\$ 24,720	\$ 161,347	\$ 24,720
33	Apr-11	\$ 178,729	\$ 21,494	\$ 177,102	\$ 21,494
34	May-11	\$ 153,190	\$ 20,070	\$ 193,482	\$ 20,070
35	Jun-11	\$ 247,066	\$ (18,298)	\$ 218,521	\$ (18,298)
36	Jul-11	\$ 285,991	\$ (33,530)	\$ 206,790	\$ (33,530)
37	Aug-11	\$ 265,771	\$ (22,290)	\$ 251,058	\$ (22,290)
38	Sep-11	\$ 164,119	\$ 22,335	\$ 230,126	\$ 22,335
39	Oct-11	\$ 198,801	\$ 41,309	\$ 202,172	\$ 41,309

BIG RIVERS ELECTRIC CORPORATION
Response to Commission Staff's Information Request
Dated August 22, 2012

Case No. 2012-00262

JACKSON PURCHASE ENERGY CORPORATION ENVIRONMENTAL SURCHARGE: TWO YEAR REVIEW NON-DEDICATED DELIVERY POINT CUSTOMERS					
(a)	(b)	(c)	(d)	(e)	(f)
Mo/Yr	Big Rivers Electric Invoice ES Amount for Service Month (Line 13.A. per Filing)	(Over)/Under Recovery from column (f)	Total Recoverable column (b) + (c)	ES Amount Billed to JPEC's Customers (Line 11 per Filing)	(Over)/Under Recovery (column (d) 3rd preceding month less column (e) current month)
12	Jul-09	\$ 76,268	\$ 76,268	\$ 76,268	
13	Aug-09	\$ 145,395	\$ 145,395	\$ 145,395	
14	Sep-09	\$ 106,638	\$ 106,638	\$ 106,638	
15	Oct-09	\$ 103,076	\$ 106,385	\$ 72,959	\$ 3,309
16	Nov-09	\$ 90,752	\$ 125,998	\$ 110,149	\$ 35,246
17	Dec-09	\$ 143,372	\$ 165,741	\$ 84,269	\$ 22,369
18	Jan-10	\$ 140,679	\$ 112,154	\$ 134,910	\$ (28,525)
19	Feb-10	\$ 107,542	\$ 34,088	\$ 199,452	\$ (73,454)
20	Mar-10	\$ 102,962	\$ 113,033	\$ 155,670	\$ 10,071
21	Apr-10	\$ 94,101	\$ 116,868	\$ 89,387	\$ 22,767
22	May-10	\$ 109,912	\$ 117,542	\$ 26,458	\$ 7,630
23	Jun-10	\$ 151,977	\$ 170,010	\$ 95,000	\$ 18,033
24	Jul-10	\$ 179,949	\$ 124,828	\$ 171,989	\$ (55,121)
25	Aug-10	\$ 171,248	\$ 122,308	\$ 166,482	\$ (48,940)
26	Sep-10	\$ 119,364	\$ 96,372	\$ 193,002	\$ (22,992)
27	Oct-10	\$ 99,597	\$ 113,801	\$ 110,624	\$ 14,204
28	Nov-10	\$ 133,941	\$ 179,532	\$ 76,717	\$ 45,591
29	Dec-10	\$ 165,291	\$ 185,525	\$ 76,138	\$ 20,234
30	Jan-11	\$ 144,991	\$ 97,853	\$ 160,939	\$ (47,138)
31	Feb-11	\$ 106,243	\$ 12,966	\$ 272,809	\$ (93,277)
32	Mar-11	\$ 104,279	\$ 116,163	\$ 173,641	\$ 11,884
33	Apr-11	\$ 99,503	\$ 126,239	\$ 71,117	\$ 26,736
34	May-11	\$ 84,395	\$ 87,091	\$ 10,270	\$ 2,696
35	Jun-11	\$ 144,106	\$ 158,539	\$ 101,730	\$ 14,433
36	Jul-11	\$ 161,441	\$ 114,631	\$ 173,049	\$ (46,810)
37	Aug-11	\$ 150,142	\$ 118,507	\$ 118,726	\$ (31,635)
38	Sep-11	\$ 91,106	\$ 51,858	\$ 197,787	\$ (39,248)
39	Oct-11	\$ 108,148	\$ 138,123	\$ 84,656	\$ 29,975

BIG RIVERS ELECTRIC CORPORATION
Response to Commission Staff's Information Request
Dated August 22, 2012

Case No. 2012-00262

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION ENVIRONMENTAL SURCHARGE: TWO YEAR REVIEW NON-DEDICATED DELIVERY POINT CUSTOMERS					
(a)	(b)	(c)	(d)	(e)	(f)
Mo/Yr	Big Rivers Electric Invoice ES Amount for Service Month (Line 13.A. per Filing)	(Over)/Under Recovery from column (f)	Total Recoverable column (b) + (c)	ES Amount Billed to MCRECC's Customers (Line 11 per Filing)	(Over)/Under Recovery (column (d)1st preceding month less column (e) current month)
12	Jul-09	\$ 47,307	\$ 47,307	\$	\$
13	Aug-09	\$ 91,992	\$ (3,960)	\$ 51,267	\$ (3,960)
14	Sep-09	\$ 67,075	\$ 13,732	\$ 74,300	\$ 13,732
15	Oct-09	\$ 73,477	\$ 3,006	\$ 77,801	\$ 3,006
16	Nov-09	\$ 68,063	\$ (6,809)	\$ 83,292	\$ (6,809)
17	Dec-09	\$ 112,332	\$ (28,180)	\$ 89,434	\$ (28,180)
18	Jan-10	\$ 116,417	\$ (7,947)	\$ 92,099	\$ (7,947)
19	Feb-10	\$ 92,559	\$ 7,490	\$ 100,980	\$ 7,490
20	Mar-10	\$ 79,213	\$ 26,869	\$ 73,180	\$ 26,869
21	Apr-10	\$ 65,510	\$ 25,924	\$ 80,158	\$ 25,924
22	May-10	\$ 72,893	\$ (10,309)	\$ 101,743	\$ (10,309)
23	Jun-10	\$ 98,353	\$ (22,927)	\$ 85,511	\$ (22,927)
24	Jul-10	\$ 116,038	\$ (3,674)	\$ 79,100	\$ (3,674)
25	Aug-10	\$ 109,272	\$ (1,359)	\$ 113,723	\$ (1,359)
26	Sep-10	\$ 79,023	\$ 23,879	\$ 84,034	\$ 23,879
27	Oct-10	\$ 69,354	\$ 16,987	\$ 85,915	\$ 16,987
28	Nov-10	\$ 101,359	\$ (20,064)	\$ 106,405	\$ (20,064)
29	Dec-10	\$ 138,048	\$ (43,982)	\$ 125,277	\$ (43,982)
30	Jan-11	\$ 120,297	\$ 959	\$ 93,107	\$ 959
31	Feb-11	\$ 83,975	\$ 23,147	\$ 98,109	\$ 23,147
32	Mar-11	\$ 78,979	\$ 19,514	\$ 87,608	\$ 19,514
33	Apr-11	\$ 69,631	\$ 7,506	\$ 90,987	\$ 7,506
34	May-11	\$ 57,737	\$ (4,789)	\$ 81,926	\$ (4,789)
35	Jun-11	\$ 88,908	\$ (10,893)	\$ 63,841	\$ (10,893)
36	Jul-11	\$ 104,974	\$ (16,512)	\$ 94,527	\$ (16,512)
37	Aug-11	\$ 96,473	\$ 13,138	\$ 75,324	\$ 13,138
38	Sep-11	\$ 60,123	\$ 26,053	\$ 83,558	\$ 26,053
39	Oct-11	\$ 76,715	\$ 2,321	\$ 83,855	\$ 2,321