

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

VIA FED EX OVERNIGHT DELIVERY

November 26, 2012

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

\*Also Licensed in Indiana

Re: Case No. 2012-00487  
Filing Deficiencies

Dear Mr. DeRouen:

By letter to me dated November 20, 2012 ("Deficiency Letter"), Ms. Linda Faulkner, Filings Division Director, advised that the Public Service Commission ("Commission") Staff rejected the filing in the above-referenced matter on the basis of two deficiencies. We respectfully suggest that the two deficiencies identified relate to requirements that are not applicable to the Big Rivers Electric Corporation ("Big Rivers") application in this matter.

The Deficiency Letter lists the first deficiency as being pursuant to:

KRS 278.020(4):

*The names and qualifications of operating personnel and any other evidence to show new owners have financial, technical and managerial abilities to operate system, e.g., income tax records, financial statements, etc.*

The text of the requirement listed, which is found in KRS 278.020(5), has to do with the acquisition or transfer of ownership or control of a utility under the jurisdiction of the Commission. Big Rivers is not seeking to transfer ownership or control of the utility under KRS 278.020; it is only proposing to grant an easement (transfer control of an easement), which is a utility asset that cost more than the threshold amount in KRS 278.218, the statute under which the application is filed. Since Big Rivers is only conveying control of a discrete asset, which does not in any respect relate to transferring control of the utility, the filing requirement found in KRS 278.020(5) is not applicable to the Big Rivers application.

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

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

The Deficiency Letter lists the second filing deficiency as being:

Checklist items to be filed with an Application of Transfer:

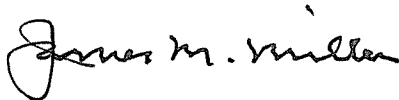
2. *An adoption notice pursuant to 807 KAR 5:011, Section 11*

Here again, an adoption notice is required pursuant to 807 KAR 5:011, Section 11, when there is a “change of ownership or control of a utility, or when a utility or part of its business is transferred from the operating control of one company to that of another . . . .” The regulation requires that the adoption notice show that the acquiring utility is “adopting, ratifying, and making its own all rates, rules, classifications, and administrative regulations of the former operating utility, on file with the Commission and effective at the time of such change of ownership or control.”

The transaction proposed by Big Rivers in its application will not change ownership or control of Big Rivers or a part of its business, Big Rivers is still an operating utility, and there are no rates, rules, classifications, or administrative regulations of Big Rivers that relate in any respect to the easement rights Big Rivers proposes to grant to Vectren Energy Delivery of Indiana, Inc. For these reasons, this second filing requirement cited as a deficiency does not apply to Big Rivers’ application.

Given the clarifications stated in this letter, we respectfully request on behalf of Big Rivers that the filing deficiencies cited in the deficiency letter be withdrawn. Please contact me if any questions remain about the nature of Big Rivers’ application.

Sincerely yours,

A handwritten signature in black ink that reads "James M. Miller". The signature is written in a cursive style with a large initial "J" and a distinct "M".

James M. Miller