

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENERGY CORP. FOR)	CASE NO.
APPROVAL OF FLOW THROUGH RATES)	2013-00385
PURSUANT TO KRS 278.455)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO KENERGY CORP.

Kenergy Corp. ("Kenergy"), pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due no later than December 23, 2013. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kenergy shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Kenergy fails or refuses to furnish all or part of the requested information, it shall

provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to Exhibit 1 of the application, the Public Notice. The fourth page of the notice shows a proposed Residential customer deposit of \$330 "Before Accelerated MRSM & RER Credit" and \$251 "After Accelerated MRSM & RER Credit."

a. State whether it is Kenergy's intention to charge the current Residential customer deposit of \$251 if the Commission approves Big Rivers Electric Corporation's ("Big Rivers") proposal to credit the increase requested in Case No. 2013-00199¹ through the Member Rate Stability Mechanism ("MRSM") and Rural Economic Reserve ("RER") tariffs until the funds are depleted. If not, explain.

b. State whether it is Kenergy's intention to charge a Residential customer deposit of \$330 after the funds are depleted if the Commission approves Big Rivers' proposal. If not, explain.

c. Provide the supporting calculation for the \$330 customer deposit amount.

2. Provide Exhibits JDG-1 through JDG-6 of the application in Excel spreadsheet format with the formulas intact and unprotected and all rows and columns accessible.

¹ Case No. 2013-00199, Application of Big Rivers Electric Corporation for a General Adjustment in Rates Supported by Fully Forecasted Test Year, filed Jun. 28, 2013.

3. Refer to page 2 of the Direct Testimony of Jack D. Gaines (“Gaines Testimony”) wherein Mr. Gaines states that the test year for the application is the year ended November 30, 2012. Explain why a more current test year was not selected.

4. Refer to pages 5-8 of the Gaines Testimony wherein Mr. Gaines discusses proposed changes to Kenergy's MRSM and RER tariffs. Refer also to Kenergy's proposed tariffs filed as Exhibit 3 of the application, Second Revised Sheet Nos. 28, 28A, 29, and 29A.

a. Given that Kenergy's current MRSM tariff language defines W_MRSM as the “...amount credited by the Kenergy's wholesale power supplier,” and as proposed by Big Rivers, the amount credited to Kenergy by Big Rivers will reflect the credit for the increase requested in Case No. 2013-00199, explain why a change to Kenergy's MRSM tariff is necessary.

b. Given that Kenergy's current RER tariff language defines W_RER as the “...amount credited by the Kenergy's wholesale power supplier,” and as proposed by Big Rivers, the amount credited to Kenergy by Big Rivers will reflect the credit for the increase requested in Case No. 2013-00199, explain why a change to Kenergy's RER tariff is necessary.

5. Refer to page 8 of the Gaines Testimony, lines 3-12, wherein Mr. Gaines discusses Kenergy's 20 direct-served customers.

a. Provide a copy of the contract under which each direct-served customer is provided service or, alternatively, provide the location of the contract on the Commission's website.

b. Refer to lines 6-8. Mr. Gaines states that of the 17 customers served under Schedule 35 only 16 are served under special contract. Identify the customer not served under special contract and explain why a special contract was not executed for this customer.

6. Refer to Kenergy's proposed tariff filed as Exhibit 3 of the application.

a. Refer to Seventh Revised Sheet No. 5, Rate Schedule 5 – Three Phase Demand (Non-Residential).

(1) Confirm that the energy charge for the “Next 200 KWH per KW, per KWH” should be \$.07604 as shown in the Public Notice filed as Exhibit 1 of the application instead of the \$.07605 shown on this page. If this cannot be confirmed, explain.

(2) Confirm that the energy charge for the “All Over 400 KWH per KW, per KWH” should be \$.06731 as shown in the Public Notice filed as Exhibit 1 of the application instead of the \$.06732 shown on this page. If this cannot be confirmed, explain.

b. Refer to Second Revised Sheet No. 34B, Rate Schedule 34 – Large Industrial Customers Served Under Special Contract – Class B with Self-Generation. Explain the reason the text change shown on this page is being proposed.

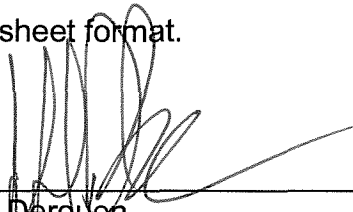
c. Refer to Second Revised Sheet No. 35A, Rate Schedule 35 – Large Industrial Customers Served Under Special Contract – Class C. Explain the reason the text change shown on this page is being proposed.

d. Refer to First Revised Sheet Nos. 42, 42A, 42B, and 42C. Explain the reason the text changes shown on these pages are being proposed.

7. In Case No. 2013-00199, Big Rivers is proposing to delete its Large Industrial Customer Expansion tariff. Explain why Kenergy is not proposing to delete its Schedule 41, Large Industrial Customers Served Under Special Contract for All Loads Subject to the Big Rivers Large Industrial Customer Expansion Rate, as well as references to Schedule 41 that appear throughout its tariff.

8. Explain why Kenergy is not proposing to delete or alter Schedule 33, Smelter Customers Served Under Special Contracts – Class A, which references providing service to the aluminum smelters under a 2009 agreement.

9. On November 12, 2013, in Case No. 2013-00199, Big Rivers provided in response to Item 1 of Commission Staff's Third Request for Information, Exhibit Wolfram-5.1, which provided revised proposed rates for Big Rivers. For all Kenergy exhibits that would be affected, provide revised versions reflecting Big Rivers' revised proposed rates in both hard copy and Excel spreadsheet format.



Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DEC 12 2013
DATED _____

cc: Parties of Record

Case No. 2013-00385

J. Christopher Hopgood
Dorsey, King, Gray, Norment & Hopgood
318 Second Street
Henderson, KENTUCKY 42420

Gregory J Starheim
President and CEO
Kenergy Corp.
6402 Old Carydon Road
P. O. Box 18
Henderson, KY 42419