

September 12, 2013

Via Federal Express

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

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

RECEIVED
SEP 18 2013
PUBLIC SERVICE
COMMISSION

Re: ***In the Matter of: Application of Big Rivers Electric Corporation for a General Adjustment of Rates***
PSC Case No. 2013-00199

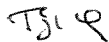
Dear Mr. Derouen:

Enclosed for filing on behalf of Big Rivers Electric Corporation are the following:

1. An original and ten copies of Big Rivers' supplemental responses to Items 52 and 56 of the Attorney General's Initial Request for Information.
2. One sheet that was inadvertently omitted from the attachment to Big Rivers' original response to Item 53 of the Attorney General's Initial Request for Information. This sheet is being filed under a petition for confidential treatment and should be inserted between pages 28 and 29 of the original attachment. For this reason, this sheet is designated as page 28.1.
3. A petition for confidential treatment.

I certify that, on this date, a copy of this letter and a copy of each of the foregoing were served on each of the parties by electronic mail and on each of the persons listed on the attached service list by first class mail. Please call if you have any questions.

Sincerely,



Tyson Kamuf

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

TAK/ej
Enclosures

cc: Billie Richert
DeAnna Speed
Service List

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

Service List
PSC Case No. 2013-00199

Jennifer B. Hans
Lawrence W. Cook
Assistant Attorneys General
1024 Capital Center Dr.
Suite 200
Frankfort, KY 40601

Mr. David Brevitz
3623 SW Woodvalley Terrace
Topeka, KS 66614

Mr. Bion C. Ostrander
1121 S.W. Chetopa Trail
Topeka, KS 66615

Mr. Larry Holloway
830 Romine Ridge
Osage City, KS 66523

Michael L. Kurtz, Esq.
Kurt J. Boehm, Esq.
Boehm, Kurtz & Lowry
36 E. Seventh St., Suite 1510
Cincinnati, Ohio 45202

G. Kelly Nuckols
President and CEO
Jackson Purchase Energy Corporation
2900 Irvin Cobb Drive
P.O. Box 4030
Paducah, KY 42002-4030

Melissa D. Yates
Denton & Keuler, LLP
555 Jefferson Street
Suite 301
Paducah, KY 42001

Burns Mercer
Meade County RECC
1351 Hwy. 79
P.O. Box 489
Brandenburg, Kentucky 40108

Thomas C. Brite, Esq.
Brite & Hopkins, PLLC
83 Ballpark Road
Hardinsburg, KY 40143

Gregory Starheim
President & CEO
Kenergy Corp.
3111 Fairview Drive
P.O. Box 1389
Owensboro, KY 42302-1389

J. Christopher Hopgood, Esq.
318 Second Street
Henderson, Kentucky 42420

Joe Childers
Joe F. Childers & Associates
300 Lexington Building
201 West Short Street
Lexington, Kentucky 40507

Shannon Fisk
Senior Attorney
Earthjustice
1617 John F. Kennedy Blvd., Suite 1675
Philadelphia, PA 19103

Thomas Cmar
Earthjustice
5042 N. Leavitt Street, Suite 1
Chicago, IL 60625

Kristin Henry
Staff Attorney
Sierra Club
85 Second Street
San Francisco, CA 94105

David O'Brien Suetholz
Neal B. Hayes
Kircher Suetholz & Grayson PSC
515 Park Avenue
Louisville, KY 40208

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199**

RECEIVED
SEP 18 2013
PUBLIC SERVICE
COMMISSION

VERIFICATION

I, Billie J. Richert, verify, state, and affirm that I prepared or supervised the preparation of my response to the data request filed with this Verification, and that those responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Billie J. Richert
Billie J. Richert

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Billie J. Richert on this
the 12 day of September, 2013.

Joy P. Wright
Notary Public, Ky. State at Large
My Commission Expires _____

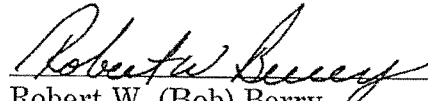
Notary Public, Kentucky State-At-Large
My Commission Expires: July 3, 2014
ID 421951

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199

RECEIVED
SEP 18 2013
PUBLIC SERVICE
COMMISSION

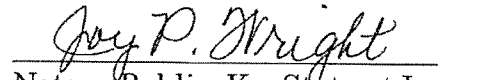
VERIFICATION

I, Robert W. (Bob) Berry, verify, state, and affirm that I prepared or supervised the preparation of my response to data request filed with this Verification, and that those responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.


Robert W. (Bob) Berry

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Robert W. (Bob) Berry on
this the 12 day of September, 2013.


Notary Public, Ky. State at Large
My Commission Expires _____

Notary Public, Kentucky State-At-Large
My Commission Expires: July 3, 2014
ID 421951

1 COMMONWEALTH OF KENTUCKY
2 BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
3
4

5 In the Matter of:

6
7 Application of Big Rivers Electric)
8 Corporation for a General) Case No. 2013-00199
9 Adjustment In Rates)
10

RECEIVED
SEP 13 2013
PUBLIC SERVICE
COMMISSION

11
12 **PETITION OF BIG RIVERS ELECTRIC CORPORATION FOR CONFIDENTIAL**
13 **TREATMENT**
14

15 1. Big Rivers Electric Corporation (“Big Rivers”) hereby petitions the Kentucky
16 Public Service Commission (“Commission”), pursuant to 807 KAR 5:001 Section 13 and KRS
17 61.878, to grant confidential treatment to certain information Big Rivers is filing with its
18 supplemental responses to the Kentucky Office of the Attorney General’s (“AG”) Initial
19 Requests for Information. The information for which Big Rivers seeks confidential treatment is
20 hereinafter referred to as the “Confidential Information.”

21 2. The Confidential Information includes portions of the supplemental responses
22 and/or attachments for the supplemental responses to Items 52 and 53 of the AG’s Initial Request
23 for Information (“AG 1-52” and “AG 1-53,” respectively).

24 3. One (1) copy of the attachments with the confidential information underscored,
25 highlighted with transparent ink, printed on yellow paper, or otherwise marked
26 “CONFIDENTIAL,” is being filed with this petition in a separate sealed envelope marked
27 “CONFIDENTIAL.” A copy of those pages, with the Confidential Information redacted, is
28 being filed with the original version of the supplemental responses and each of the ten (10)
29 copies of the supplemental responses to the information requests filed with this petition. *See* 807
30 KAR 5:001 Sections 13(2)(a)(3), 13(2)(b).

1 4. A copy of the supplemental responses with the Confidential Information redacted
2 has been served on all parties to this proceeding. *See* 807 KAR 5:001 Section 13(2)(c). A copy
3 of the Confidential Information has been served on all parties that have signed a confidentiality
4 agreement.

5 5. The Confidential Information is not publicly available, is not disseminated within
6 Big Rivers except to those employees and professionals with a legitimate business need to know
7 and act upon the information, and is not disseminated to others without a legitimate need to
8 know and act upon the information.

9 6. If and to the extent the Confidential Information becomes generally available to
10 the public, whether through filings required by other agencies or otherwise, Big Rivers will
11 notify the Commission in writing. *See* 807 KAR 5:001 Section 13(10)(b).

12 7. As discussed below, the Confidential Information is entitled to confidential
13 treatment based KRS 61.878(1)(c)(1). *See* 807 KAR 5:001 Section 13(2)(a)(1).

14 **A. Big Rivers Faces Actual Competition**

15 8. KRS 61.878(1)(c)(1) protects “records confidentially disclosed to an agency or
16 required by an agency to be disclosed to it, generally recognized as confidential or proprietary,
17 which if openly disclosed would permit an unfair commercial advantage to competitors of the
18 entity that disclosed the records.”

19 9. As a generation and transmission (“G&T”) cooperative, Big Rivers competes in
20 the wholesale power market to sell energy that it produces in excess to its members’ needs. This
21 includes not only the over-the-counter day-ahead and over-the-counter hourly markets to which
22 Big Rivers has access by virtue of its membership in Midcontinent Independent System
23 Operator, Inc. (“MISO”), but also for direct, bilateral long-term agreements with other utilities
24

1 and industrial customers. Big Rivers' ability to successfully compete in these markets is
2 dependent upon a combination of its ability to: 1) obtain the maximum price for the power it
3 sells, and 2) keep its cost of production as low as possible. Fundamentally, if Big Rivers' cost of
4 producing a unit of power increases, its ability to sell that unit in competition with other electric
5 utilities is adversely affected.

6 10. Big Rivers also competes for reasonably priced credit in the credit markets, and
7 its ability to compete is directly impacted by its financial results. Lower revenues and any events
8 that adversely affect Big Rivers' gross margins will adversely affect its financial results and
9 potentially impact the price it pays for credit. A competitor armed with Big Rivers' proprietary
10 and confidential information will be able to indirectly increase Big Rivers' costs or decrease Big
11 Rivers' revenues, which could in turn affect Big Rivers' creditworthiness. A utility the size of
12 Big Rivers that operates G&T facilities will always have periodic cash and borrowing
13 requirements for both anticipated and unanticipated needs. Big Rivers expects to be in the credit
14 markets on a regular basis in the future, and it is thus imperative that Big Rivers improve and
15 maintain its credit profile.

16 11. Accordingly, Big Rivers has competitors in both the power and capital markets,
17 and its Confidential Information should be protected to prevent the imposition of an unfair
18 competitive advantage as contemplated by KRS 61.878(1)(c)(1).

19 **B. The Confidential Information is Generally Recognized as Confidential or**
20 **Proprietary**

21
22 12. The Confidential Information for which Big Rivers seeks confidential treatment
23 under KRS 61.878(1)(c)(1) is generally recognized as confidential or proprietary under
24 Commonwealth of Kentucky case and Commission precedent.

1 13. The Confidential Information which supplements the response to AG 1-52
2 includes financial reports presented to Big Rivers’ Internal Risk Management Committee and
3 contains Big Rivers’ budget forecasts, projections of off-system sales prices and volumes,
4 planned outage information, projected cost of service (including variable operating costs), and
5 projected gross and operating margins.

6 14. The Confidential Information which supplements the response to AG 1-53
7 includes minutes from meetings of the Big Rivers Board of Directors. Big Rivers is submitting a
8 single page labeled “28.1” that was inadvertently omitted from Big Rivers’ original response to
9 AG 1-53 that it filed on September 3, 2013. This page should be inserted between pages 28 and
10 29 of the original attachment for the response to AG 1-53.

11 15. Public disclosure of the Confidential Information would reveal detailed
12 information relating to Big Rivers’ projected variable operating and maintenance (O&M) costs
13 for production factors such as fuel, reagent, disposal, and emission allowances; transmission
14 costs; projected margins; and projected off-system sales price, volume, and revenue. This
15 information provides insight into Big Rivers’ cost of producing power and would indicate the
16 prices at which Big Rivers is willing to buy or sell power and the aforementioned production
17 factors. The Confidential Information is also indicative of the market conditions Big Rivers
18 expects to encounter and its ability to compete with competitors. Big Rivers expends
19 considerable resources internally and to obtain information from consulting firms in order to
20 accurately project its cost of service. The Commission has previously granted confidential
21 treatment to similar information. *See, e.g., In the Matter of: Application of Big Rivers Electric*
22 *Corporation for a General Adjustment in Rates*, Order, P.S.C. Case No. 2012-00535 (April 25,
23 2013) (the “April 25 Confidentiality Order”); *In the Matter of: Application of Big Rivers Electric*

1 *Corporation for a General Adjustment in Rates*, Order, P.S.C. Case No. 2012-00535 (August 14,
2 2013); *In the Matter of: Application of Big Rivers Electric Corporation for Approval of its 2012*
3 *Environmental Compliance Plan, for Approval of its Amended Environmental Cost Recovery*
4 *Surcharge Tariff, for Certificates of Public Convenience and Necessity, and for Authority to*
5 *Establish a Regulatory Account*, Letter, P.S.C. Case No. 2012-00063 (August 15, 2012).

6 16. Public disclosure of information relating to Big Rivers' planned outages would
7 reveal when Big Rivers' generation levels will drop due to maintenance and construction and
8 when Big Rivers will have to resort to purchased power to meet its native load. The Commission
9 has previously granted confidential treatment to similar information. *See, e.g.*, April 25
10 Confidentiality Order, P.S.C. Case No. 2012-00535; P.S.C. Administrative Case No. 387, Letter
11 (July 20, 2010).

12 17. Finally, public disclosure of the Confidential Information would reveal details of
13 meetings of the Board of Directors and Big Rivers' fundamental financial data and projections.
14 Information such as this which bears upon a company's detailed inner workings is generally
15 recognized as confidential or proprietary. *See, e.g., Hoy v. Kentucky Indus. Revitalization*
16 *Authority*, 907 S.W.2d 766, 768 (Ky. 1995) ("It does not take a degree in finance to recognize
17 that such information concerning the inner workings of a corporation is 'generally recognized as
18 confidential or proprietary'"). Additionally, the Commission has previously granted confidential
19 treatment to this type of information. *See, e.g.*, April 25 Confidentiality Order, P.S.C. Case No.
20 2012-00535 (granting confidential treatment to minutes of the Big Rivers Board of Directors); *In*
21 *the Matter of: An Examination of the Application of the Fuel Adjustment Clause of East*
22 *Kentucky Power Cooperative, Inc. From November 1, 2011 Through April 30, 2012*, Order,
23 P.S.C. Case No. 2012-00319 (February 21, 2013).

1 **C. Disclosure of the Confidential Information Would Result in an Unfair**
2 **Commercial Advantage to Big Rivers' Competitors**

3
4 18. Disclosure of the Confidential Information would grant Big Rivers' competitors
5 an unfair commercial advantage. As discussed above in Section A, Big Rivers faces actual
6 competition in both the short- and long-term wholesale power markets and in the credit markets.
7 It is highly likely that Big Rivers' ability to compete in these markets would be adversely
8 affected if the Confidential Information was publicly disclosed, and Big Rivers seeks protection
9 from such undue competitive injury.

10 19. The Confidential Information includes material such as Big Rivers' projections of
11 fuel, reagent, disposal, emission allowances, and transmission costs, and purchased power prices.
12 If this information is publicly disclosed, market participants will have considerable insight into
13 the prices at which Big Rivers is willing to buy and sell fuel and other production factors and
14 they will be able to manipulate the bidding processes for these commodities. As a direct result,
15 this will impair Big Rivers' ability to generate power at competitive rates and compete
16 effectively in the wholesale power markets. Furthermore, any competitive pressure that
17 adversely affects Big Rivers' revenue and margins will make the company appear less
18 creditworthy and impair its ability to effectively compete in the national and regional credit
19 markets. These market effects were recognized in P.S.C. Case No. 2003-00054, in which the
20 Commission granted confidential treatment to bids submitted to Union Light, Heat & Power
21 ("ULH&P"). There, ULH&P argued, and the Commission implicitly accepted, that if the bids it
22 received were publicly disclosed, contractors on future work could use the bids as a benchmark,
23 which would likely lead to the submission of higher bids. *In the Matter of: Application of the*
24 *Union Light, Heat and Power Company for Confidential Treatment*, Order, PSC Case No. 2003-
25 00054 (August 4, 2003). The Commission also implicitly accepted ULH&P's further argument

1 that the higher bids would lessen ULH&P's ability to compete with other energy suppliers. *Id.*
2 Similarly, manipulation of the bidding process by Big Rivers' potential fuel and power suppliers
3 will lead to higher costs and/or lower revenues to Big Rivers and would place Big Rivers at an
4 unfair competitive disadvantage in the wholesale power market and credit markets.

5 20. Potential market power purchasers can use the information related to Big Rivers'
6 projected off-system sales and revenues and planned outages to know when Big Rivers will have
7 excess power to sell into the wholesale market and can use that information to manipulate their
8 bids, leading to lower revenues to Big Rivers and placing it at an unfair competitive disadvantage
9 in the credit markets.

10 21. Additionally, public disclosure of the prices of fuel, reagent, disposal, emission
11 allowances, and other variable cost information will give the other G&Ts and power marketers
12 with which Big Rivers competes in the wholesale power market insight into Big Rivers' cost of
13 producing power and need for power and energy during the periods covered by the Confidential
14 Information. Knowledge of this information will give those G&Ts and marketers an unfair
15 competitive advantage because they will be able to use that information to potentially underbid
16 Big Rivers in wholesale transactions. It will also give potential buyers of power from Big Rivers
17 and suppliers of power to Big Rivers a competitive advantage because they will be able to
18 manipulate their bids to buy or sell power in order to maximize their revenues, thereby driving
19 up Big Rivers' costs or reducing its revenues and impairing Big Rivers' ability to effectively
20 compete in the wholesale power and credit markets.

21 22. Finally, the Commission has consistently recognized that board minutes, internal
22 strategic planning information, and related materials are entitled to confidential treatment, as
23 these documents typically relate to the company's economic status and business strategies. *See,*

1 e.g., *Marina Management Servs. v. Cabinet for Tourism, Dep't of Parks*, 906 S.W.2d 318, 319
2 (Ky. 1995) (unfair commercial advantage arises simply from “the ability to ascertain the
3 economic status of the entities without the hurdles systemically associated with the acquisition of
4 such information about privately owned organizations”); *In the Matter of: The Joint Application*
5 *of Duke Energy Corp., Cinergy Corp., Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc.,*
6 *Diamond Acquisition Corp., and Progress Energy, Inc., for Approval of the Indirect Transfer of*
7 *Control of Duke Energy Kentucky, Inc.*, P.S.C Case No. 2011-00124 (Dec. 5, 2011); *In the*
8 *Matter of: The Joint Petition of Kentucky-American Water Co., Thames Water Aqua Holdings*
9 *GmbH, RWE Aktiengesellschaft, Thames Water Aqua U.S. Holdings, Inc., and Am. Water Works*
10 *Co., Inc. for Approval of a Change in Control of Kentucky-American Water Co.*, P.S.C. Case No.
11 2006-00197 (Aug. 29, 2006) (holding that board of director minutes is confidential because
12 competitors could use it to gain unfair competitive advantage).

13 23. Accordingly, the public disclosure of the information that Big Rivers seeks to
14 protect would provide Big Rivers’ competitors with an unfair commercial advantage.

15 **D. Time Period**
16

17 24. Big Rivers requests that the Confidential Information remain confidential for a
18 period of five (5) years from the date of this petition, which should allow sufficient time for the
19 projected data to become historical and sufficiently outdated that it could not be used to
20 determine similar confidential information at that time or to competitively disadvantage Big
21 Rivers. *See* 807 KAR 5:001 Section 13(2)(a)(2).

22 **E. Conclusion**
23

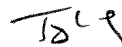
24 25. Based on the foregoing, the Confidential Information is entitled to confidential
25 treatment pursuant to 807 KAR 5:001 Section 13 and KRS 61.878(1)(c)(1). If the Commission

1 disagrees that Big Rivers' Confidential Information is entitled to confidential treatment, due
2 process requires the Commission to hold an evidentiary hearing. *Utility Regulatory Comm'n v.*
3 *Kentucky Water Serv. Co., Inc.*, 642 S.W.2d 591 (Ky. App. 1982).

4 WHEREFORE, Big Rivers respectfully requests that the Commission grant this petition
5 and classify and treat as confidential the Confidential Information.

6 On this the 12th day of September, 2013.

7 Respectfully submitted,
8

9
10 

11 _____
12 James M. Miller
13 Tyson Kamuf
14 SULLIVAN, MOUNTJOY, STAINBACK
15 & MILLER, P.S.C.
16 100 St. Ann Street
17 P. O. Box 727
18 Owensboro, Kentucky 42302-0727
19 Phone: (270) 926-4000
20 Facsimile: (270) 683-6694
21 jmiller@smsmlaw.com
22 tkamuf@smsmlaw.com

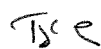
23
24 Edward T. Depp
25 DINSMORE & SHOHL LLP
26 101 South Fifth Street
27 Suite 2500
28 Louisville, KY 40202
29 Phone: (502) 540-2347
30 Facsimile: (502) 585-2207
31 tip.depp@dinsmore.com
32

33
34 *Counsel for Big Rivers Electric Corporation*
35
36

Certificate of Service

I certify that a true and accurate copy of the foregoing was served by Federal Express or by first class mail upon the persons listed on the service list accompanying this petition, on or before the date this petition is filed with the Kentucky Public Service Commission.

On this the 12th day of September, 2013,



Tyson Kamuf

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199**

**Response to the Office of the Attorney General's
Initial Request for Information
dated August 19, 2013**

September 3, 2013

- 1 **Item 52)** *Identify the members of Big Rivers' Internal Risk Management Committee*
- 2 *a. Please provide copies of the minutes of any such committees from January*
- 3 *2011 to present, and any documents referenced in those minutes.*
- 4 *b. Provide copies of documents used and/or reviewed by the Committee from*
- 5 *January 2012 to present.*

- 6
- 7 **Response)** Please see Big Rivers' original response to this item dated September 3, 2013.
- 8 *a. Please see Big Rivers' original response to this item dated September 3, 2013.*
- 9 *b. The Attorney General has agreed to limit this subpart to seek only copies of*
- 10 *documents used and/or reviewed by the Internal Risk Management Committee*
- 11 *regarding the following items identified in the company's own minutes of this*
- 12 *committee:*
- 13 *i. "2013 Forecast Accuracy Review," as identified on p. 2 of the Internal*
- 14 *Risk Management Committee Minutes attached to Big Rivers' original*
- 15 *response to AG 1-52, which pertains to the July 13, 2013, meeting of*
- 16 *the committee;*
- 17 *ii. "2013 FDE Re-Forecast (5+7)," same page;*
- 18 *iii. "2013 Financial Forecast (5+7)," same page;*

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199**

**Response to the Office of the Attorney General's
Initial Request for Information
dated August 19, 2013**

September 3, 2013

- 1 iv. “May 2013 YTD Labor & Labor Overhead ‘Roll-up’ Report,” same
2 page;
3 v. Any other documents pertaining to the subjects identified in (i) – (iii),
4 above, in any and all subsequent meetings of this committee in 2013;
5 and
6 vi. Sale of the parking lot, as identified on page 3 of the Internal Risk
7 Management Committee Minutes attached to Big Rivers’ original
8 response to AG 1-52.

9 In accordance with this limitation, Big Rivers states as follows:

- 10 i. Please see the attachment to this response, which is provided under a
11 petition for confidential treatment.
12 ii. Please see the attachment to this response, which is provided under a
13 petition for confidential treatment.
14 iii. Please see the attachment to this response, which is provided under a
15 petition for confidential treatment.
16 iv. Please see the attachment to this response, which is provided under a
17 petition for confidential treatment.

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199**

**Response to the Office of the Attorney General's
Initial Request for Information
dated August 19, 2013**

September 3, 2013

1 v. Big Rivers objects to this subpart on the grounds that it is overly
2 broad, unduly burdensome, and not reasonably calculated to lead to the
3 discovery of admissible evidence.

4 vi. There are no documents responsive to this subpart.

5

6 **Witness)** Mark A. Bailey

Big Rivers Electric Corporation
IRMC Meeting - July 11, 2013
May 2013 - Forecast Accuracy Calculation

	4+8 Forecast May	Actual May	Accuracy
Gross Margin (Revenues less Variable Expenses)	20,342,425	21,142,055	96.1%
Plus:			
Other revenues (not gross margin related)	233,860	290,824	75.6%
Interest Income/Patronage	156,147	165,318	94.1%
Less:			
Other operating expenses (not gross margin related)	21,883,697	21,336,528	97.5%
Margins	(1,151,265)	261,669	0.0%

Reconciliation (in millions)	
May Forecast	\$ (1.20)
Changes from Forecast:	Fav/(UnFav)
Gross Margin	0.8
Labor	0.5
Production O&M	-0.4
G&A Non-Labor	0.6
Other Operating Expenses	0
Total Changes	1.5
Actual Margins	\$ 0.30

	4+8 Forecast May	Actual May	Accuracy
Revenues	48,866,803	50,292,425	97.1%
Variable Expenses	28,524,378	29,150,370	97.8%
Gross Margin	20,342,425	21,142,055	96.1%
Operating expenses (not gross margin related)	21,883,697	21,336,528	97.5%
Other revenues (not gross margin related)	233,860	290,824	75.6%
Interest Income/Patronage	156,147	165,318	94.1%
Net Margins	(1,151,265)	261,669	0.0%

BIG RIVERS ELECTRIC CORPORATION
2013 FDE RE-FORECAST
 5+7

Org	Department Name	Sr Staff	FULL-YEAR BUDGET	FULL-YEAR RE-FORECAST	VARIANCE TO BUDGET F(1)	ANNUALIZED ACTUAL	VARIANCE TO RE-FORECAST F(1)	ACTUAL REMAINING		Re-forecast vs. Budget Variance Explanation
								Total	7 mos.	
001	President and CEO	M Bailey						148,332		Reduction of NRECA dues
010	Vice President Administrative Services	J Haner						210,698		Employee Benefit Analysis (\$29k) & US Treasury 5-yr Fling (\$6k)
011	Vice President Accounting, Rates and CFO	B Richert						373,209		Budget of ORG 0018 - VP Governmental Relations absorbed in ORG 001 President and CEO; ORG 0011 - CFO/VP Accounting, ORG 0216 - Director Rates & Tariffs and ORG 312 Governmental relations; reclassifications to ORG 312
012	Chief Operating Officer	B Berry						159,561		
014	Vice President System Operations	D Crockett						102,532		Reduction in Professional Services \$49k, Dues & Assessments \$29k
015	Director Communications & Community Relations	M Bailey						80,338		Annual report production \$12k Goodwill/Institutional Advertising \$11k
016	Vice President Environmental Services and Construction	E Robeson						39,160		
019	Formerly Vice President Governmental Relations & ERM	B Richert						40,225		Budget separated between ORG 0011 and ORG 0216 - Director Rates & Tariffs
020	Fuels & Power Accounting	B Richert						0		
022	Director Fuels Procurement	B Berry						146,107		
025	Vice President Energy Services	L Barron						141,501		Reduction in Subscriptions \$7k, PCI Software services \$116k, IRP Deferral \$193k, Legal \$12k, Travel/Training \$20k
060	Safety Production	B Berry						63,919		Industrial Hygiene during H2 outage and Safety Incentive Awards (\$13k)
110	Corporate Files	J Haner						6,425		
150	Safety and Training	J Haner						28,631		Misc Favorability \$11k
151	Security-Sebrea	B Berry						104,032		Misc Favorability \$10k
152	Security-Coleman	B Berry						66,548		
153	Security-Wilson	B Berry						65,657		
170	General Services	J Haner						177,033		
190	Manager Marketing & Member Relations	L Barron						349,272		
200	Manager Budgets	B Richert						0		
201	Manager General Accounting	B Richert						8,143		Office supplies unfavorability
211	Director Finance	B Richert						4,231		
21	Director Rates & Tariffs	B Richert						13,274		Budget of ORG 0019 - VP Governmental Relations absorbed in ORG 001 President and CEO, ORG 0011 - CFO/VP Accounting, ORG 0216 - Director Rates & Tariffs and ORG 312 Governmental relations
22	Manager Employment & Benefits	J Haner						74,865		Reduction in employment aids \$76k & recruiting \$50k due to hiring freeze. Also favorable \$46k in education reimbursement
25	Director Supply Chain	E Robeson						83,438		
300	Director Information Systems & Technology	B Richert						928,341		
301	Manager Application Development	B Richert						339,175		
302	Manager Business Systems Infrastructure	B Richert						867,742		
310	Manager Environmental	E Robeson						212,309		
31	Enterprise Risk Management	M Bailey						586		Variance due to reductions in conferences and seminars; reimbursable expenses, software support services
312	Governmental Relations	M Bailey						113,560		
355	Real Estate	D Crockett						4,129		
370	Manager Engineering & Energy Control	D Crockett						90,247		
405	Energy Control excl MISO	D Crockett						26,660		
420	Manager Transmission System	D Crockett						558,921		Across the board reductions of 10%
500	Central Machine Shop	B Berry						35,517		
550	Red & Station Two	B Berry						9,015,642		
650	Coleman Station	B Berry						3,957,491		
750	Green Station	B Berry						3,467,867		
850	Wilson Station	B Berry						3,425,824		
TOTAL								25,531,142		

Gross Share of City's Share of HMP&L SII
 2013-00199
 (a)(b)&(d)
 Page 2 of 3

Prepared: 7/1/2013

BIG RIVERS ELECTRIC CORPORATION
Labor and Labor Overheads Report
Actual vs. Budget
YTD May 31, 2013

CONFIDENTIAL
 Summary


Org	Department Name	Responsible Party	Total YTD Labor Expense		
			Actual	Budget	Variance F/(U)
0001	President and CEO	M Bailey	1,423,669	1,544,062	120,393
0012	Chief Operating Officer	B Berry	19,862,840	20,984,876	1,122,036
0011	Vice President Accounting, Rates and CFO	B Richert	2,254,021	2,253,372	(649)
0010	Vice President Administrative Services	J Haner	634,173	660,194	26,021
0014	Vice President System Operations	D Crockett	2,018,712	2,201,705	182,993
0016	Vice President Environmental Services and Construction	E Robeson	1,433,130	1,509,642	76,512
0025	Vice President Energy Services	L Barron	507,061	514,632	7,571
<i>Total (see Note below)</i>			28,133,606	29,668,483	1,534,877

Labor and labor overhead expenses are favorable to budget primarily due to open positions, lower overtime than expected at the generating stations and more labor charged to capital/receivable than budgeted. Consequently, related burden expense is lower than budget due to functional accounting, although total burdens are on target with budget.

Note: Excludes the City's share of Station Two, capitalized amount, and post employment benefits.

DATE of REPORT: June 28, 2013



Your Touchstone Energy® Cooperative 

2013 Financial Forecast (5+7)

Date Prepared: 7/8/2013



Major Assumptions

- OSS price is [REDACTED] in the forecast, compared to [REDACTED] in the budget. Off-system volumes have increased [REDACTED] to [REDACTED].
- Incorporates rates and retroactive adjustment [\$1.4 million] per January 29, 2013 order in PSC 2011-00036.
- \$58.8 million bonds are paid with cash in May. Demand rate for Rural is lowered from \$16.95 requested in the rate case to \$16.57 and from \$12.41 to \$12.03 for Large Industrial to account for the lower revenue requirement related to the amended financing case (revenue requirement lowered \$4.4 million in the test period).
- Assumes rates requested in PSC 2012-00535, less the lower revenue requirement related to paying the \$58.8 million bonds with cash and the re-hearing order in Case No. 2011-00036.
- Assumes smelters pay \$2.95 TIER adjustment charge for entire year.
- Transmission expense is [REDACTED] higher than budget driven by higher MISO Transmission Expansion Plan and MISO Multi-Value Project expenses (Schedule 26 and 26a).
- [REDACTED]
- Wilson operates for all of 2013. Coleman is expense/revenue neutral beginning in September.
- This forecast achieves a [REDACTED] TIER vs [REDACTED] TIER in the budget.



Net Margins Budget to Forecast - Summary

In Millions

Budget \$ 4.95

<u>Changes from Budget</u>	<u>Fav/(UnFav)</u>	
	\$ 6.70	Gross Margin
	\$ 2.70	Interest Income/Expense
	\$ (0.12)	Insurance
	\$ 0.14	Depreciation
	\$ 0.21	Line of Credit Fees
	\$ [REDACTED]	Transmission Expenses
	\$ [REDACTED]	Transmission Revenues
	\$ (0.54)	MISO Administration Fees
	\$ [REDACTED]	FDE
	\$ 1.12	Labor & Labor Overheads
	\$ (0.22)	\$58.8 Bond expense write-off
	\$ (0.27)	Allowance for doubtful accounts
	\$ (0.42)	CoBank Revolver write-off
	\$ [REDACTED]	Production O&M
	\$ 0.05	Other
	\$ [REDACTED]	

3

5+7 Forecast \$ [REDACTED]



Statement of Operations

4

BIG RIVERS ELECTRIC CORPORATION
STATEMENT OF OPERATIONS
5+7 Forecast

	2013 Forecast	2013 Budget	Variance Fav/(UnFav)
Revenues			
Rural	139,205,125	143,328,343	(4,123,218)
Large Industrial	47,317,285	46,237,381	1,079,904
Smelter	296,900,065	302,822,448	(5,922,383)
Off-System/Other	██████████	██████████	██████████
Other Electric Revenue-Power Supply	██████████	██████████	██████████
Rent from Electric Property	24,000	24,000	0
Other Electric Revenues	1,423,415	1,522,500	(99,085)
Total Operating Revenue	██████████	██████████	██████████
Cost of Electric Service			
Fuel	██████████	██████████	██████████
Reagent & Allowances	██████████	██████████	██████████
Purchased Power	██████████	██████████	██████████
Non-FAC PPA - NonSmelter	(2,348,526)	(2,239,378)	109,148
Power Supply Transmission Reservation	██████████	██████████	██████████
Production Expense Non-Labor	██████████	██████████	██████████
Emission Fees	██████████	██████████	██████████
MISO Administrative Fees	4,561,031	4,025,960	(535,071)
ACES/IPJM FEES	2,197,352	2,205,000	7,648
TVA & MISO Transmission Fees	██████████	██████████	██████████
G&A Expense Non-Labor	14,378,492	14,815,021	436,529
Transmission Expense Non-Labor	██████████	██████████	██████████
Labor & Labor Overhead	67,673,508	68,797,644	1,124,136
Property Tax	3,884,527	3,891,708	7,181
Insurance	3,665,621	3,544,280	(121,341)
Line of Credit Fees	209,627	421,856	212,229
Amortization of upfront LOC Fees	63,305	57,560	(5,745)
Amortization of Professional/ECP Expenses	255,351	256,364	1,013
Amortization of Rate Case Expenses	187,333	176,220	(11,113)
Amortization of Severance Package Expenses	306,667	306,667	0
HMPL G&A Agreement	659,174	573,372	(85,802)
Hanson Lease	5,521	5,520	(1)
Depreciation & Amortization Expense	45,510,687	45,655,509	144,822
Income Taxes	2,462	885	(1,577)
Interest on Long-Term Debt	43,532,784	46,305,685	2,772,901
Interest Charged to Construction-Credit	(816,788)	(772,744)	44,044
Amortization of Debt Expense	1,123,917	492,049	(631,868)
Allowance for Doubtful Accounts	268,710	0	(268,710)
Inventory/Other	(40,795)	0	40,795
Total Cost of Electric Service	544,051,978	543,776,993	(274,985)
Operating Margins	██████████	██████████	██████████
Interest Income	1,909,267	2,019,002	(109,735)
Other Capital Credits & Pat. Dividends	1,305,225	1,271,325	33,900
Net Patronage Capital or Margins	██████████	██████████	██████████
Gross Margin	██████████	██████████	██████████



Revenues

5+7 Forecast

	2013 Forecast	2013 Budget	Difference
MWh Sales			
Rural	2,364,043	2,409,830	(45,787)
Large Industrial	996,246	943,027	53,219
Smelter	5,847,731	5,820,541	27,190
Off-System	██████████	██████████	██████████
Total	██████████	██████████	██████████
MWh Reconciliation			
Generation	██████████	██████████	██████████
SEPA	██████████	██████████	██████████
Market	██████████	██████████	██████████
Available	██████████	██████████	██████████
Losses	██████████	██████████	██████████
Sales	██████████	██████████	██████████
Loss Factor	-0.82%	-0.99%	0.17%
Revenue - \$/MWh			
Rural	58.88	59.48	(0.60)
LI	47.50	49.03	(1.53)
Smelters	50.77	52.03	(1.26)
Off-System	██████████	██████████	██████████
Total	██████████	██████████	██████████
Revenue - \$			
Rural	139,205,125	143,328,343	(4,123,218)
LI	47,317,285	46,237,381	1,079,904
Smelters	296,900,065	302,822,448	(5,922,383)
Off-System	██████████	██████████	██████████
Total	██████████	██████████	██████████



Variable Expenses

5+7 Forecast

Variable Operation Expense - \$	<u>2013</u> Forecast	<u>2013</u> Budget	Difference
Fuel Cost			
Pur. Pwr in FAC			
Pur. Pwr. in Non-FAC PPA			
Reagent & Allowances			
Regulatory A/C			
Total			

Variable Operation Rate - \$/MWh	
FAC and ES	
Non-FAC PPA	
Regulatory Account	

Variable Operation - \$/MWh	
Rural	
LI	
Smelter	
Off-System	
Total	

Var. Oper. Allocation by Class - \$	
Rural	
LI	
Smelter	
Off-System	
Total	

6



Gross Margin

5+7 Forecast

Gross Margin - \$/MWh	2013 Forecast	2013 Budget	Difference
Rural	32.49	32.01	0.48
LI	21.09	21.56	(0.47)
Smelter	23.61	23.89	(0.28)
Off-System	████████	████████	████████
Total	████████	████████	████████

Gross Margin - \$			
Rural	76,808,114	77,137,406	(329,292)
LI	21,007,948	20,335,195	672,753
Smelter	138,052,940	139,061,773	(1,008,833)
Off-System	████████	████████	████████
Total	████████	████████	████████



Your Endless Energy Cooperative

Forecast Detail

Revenues	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	2013	2013	Variance
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Forecast	Budget		
Rural	11,645,694	12,407,677	10,710,458	8,056,602	8,824,652	11,002,574	12,173,306	13,293,456	13,272,936	10,651,857	12,282,304	14,883,609	139,205,125	143,328,343	(4,123,218)	
Large Industrial	3,565,986	3,452,183	3,622,622	3,496,166	4,149,316	3,985,119	3,745,835	4,185,293	4,377,306	4,348,853	4,162,203	4,226,301	47,317,285	46,237,381	1,079,904	
Smelter	30,473,437	28,214,040	31,115,125	30,016,254	30,948,517	29,977,773	30,819,115	25,115,680	15,198,466	15,244,004	14,668,120	15,109,535	295,900,065	302,822,448	(5,922,383)	
Off-System/Other	4,952,414	5,152,545	4,873,895	6,344,920	6,369,941	3,869,078	3,610,904	7,649,755								
Other Electric Revenue-Power Supply	218,314	191,441	214,553	207,176	188,277	197,000	197,000	197,000								
Rent from Electric Property	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	24,000	0	
Other Electric Revenues	141,421	156,707	103,964	96,376	100,547	74,400	125,000	125,000								
Total Operating Revenue	50,999,268	49,576,593	50,642,618	48,219,495	50,583,248	49,107,644	50,673,161	50,568,184	125,000	125,000	125,000	125,000	1,423,415	1,522,500	(99,085)	
Cost of Electric Service																
Fuel	24,428,765	22,518,861	22,512,823	20,972,238	21,475,956	21,514,290	25,893,617	25,354,975								
Reagent & Allowances	2,462,454	2,280,427	2,243,595	2,374,058	2,278,069	2,488,504	2,610,605	2,764,755								
Purchased Power	3,499,221	2,214,629	4,131,411	3,922,188	5,617,364	3,373,049	793,758	777,343								
Non-FAC PPA - NonSmelter	(361,865)	(224,877)	(236,213)	(229,070)	(221,019)	(226,074)	(401,262)	(249,421)	(16,427)	(54,600)	(58,823)	(68,785)	(2,348,526)	(2,239,378)	109,148	
Power Supply Transmission Reservation	308,590	278,772	308,454	298,504	218,177	310,747	235,000	235,000								
Production Expense Non-Labor	3,087,091	2,416,078	2,941,747	3,827,686	4,442,760	3,008,045	3,668,698	3,289,022								
Emission Fees	115,115	115,115	115,115	115,115	115,115	123,784	123,784	123,784								
MISO Administrative Fees	476,883	428,760	435,135	445,485	387,375	383,116	409,786	399,884	280,373	310,731	294,568	309,935	4,561,031	4,025,960	(535,071)	
ACES/PJM FEES	181,803	181,803	181,803	181,803	181,803	188,333	183,333	183,333	183,333	183,333	183,333	183,337	2,197,352	2,205,000	7,648	
TVA & MISO Transmission Fees	150,770	573,337	364,919	365,363	371,697	357,134	361,702	338,575								
G&A Expense Non-Labor	604,953	1,481,969	1,029,230	902,721	879,596	1,019,702	2,170,414	1,120,656	1,210,044	1,160,795	1,056,735	1,741,677	14,378,492	14,815,021	436,529	
Transmission Expense Non-Labor	88,764	152,688	118,383	126,340	72,746	304,250	304,250	234,250								
Labor & Labor Overhead	5,749,844	5,656,812	5,648,308	5,526,753	5,677,091	5,537,004	5,820,793	6,184,135	5,383,388	6,522,567	5,313,107	4,653,906	67,673,508	68,797,644	1,124,136	
Property Tax	324,309	317,128	324,309	324,309	324,309	324,309	324,309	324,309	324,309	324,309	324,309	324,309	3,884,527	3,891,708	7,181	
Insurance	297,400	297,535	297,274	297,274	297,274	311,266	311,266	311,266	311,266	311,266	311,266	311,266	3,665,621	3,544,280	(121,341)	
Line of Credit Fees	2,083	20,576	68,580	2,083	66,117	2,083	2,083	20,987	2,083	2,083	20,782	2,083	209,627	421,856	212,229	
Amortization of upfront LOC Fees	2,288	0	11,328	0	15,703	11,328	0	0	11,328	0	0	11,328	63,305	57,580	(5,745)	
Amortization of Professional/ECP Expenses	21,761	19,655	21,761	21,059	21,761	21,336	21,336	21,336	21,336	21,336	21,336	21,336	255,351	256,364	1,013	
Amortization of Rate Case Expenses	0	0	0	0	0	0	0	0	46,833	46,833	46,833	46,833	187,333	176,220	(11,113)	
Amortization of Severance Package Expenses	0	0	0	0	0	0	0	0	76,667	76,667	76,667	76,667	306,667	306,667	0	
HMPL G&A Agreement	49,895	48,942	68,529	52,845	52,718	55,178	55,178	55,178	55,178	55,178	55,178	55,178	659,174	573,372	(85,802)	
Hanson Lease	460	460	460	460	460	460	460	460	460	460	460	460	5,521	5,520	(1)	
Depreciation & Amortization Expense	3,682,123	3,682,125	3,727,344	3,698,579	3,697,334	3,760,533	3,768,554	3,775,448	3,918,680	3,925,001	3,935,112	3,939,655	45,510,687	45,655,509	144,822	
Income Taxes	0	0	95	2,367	0	0	0	0	0	0	0	0	0	2,462	885	
Interest on Long-Term Debt	3,804,045	3,496,431	3,793,713	3,693,583	3,796,200	3,502,365	3,600,693	3,600,695	3,496,596	3,617,818	3,521,256	3,609,379	43,532,784	46,305,685	2,772,901	
Interest Charged to Construction-Credit	(33,593)	(36,508)	(36,917)	(28,867)	(24,967)	(60,372)	(79,521)	(40,534)	(60,049)	(103,341)	(135,347)	(178,772)	(816,788)	(772,744)	44,044	
Amortization of Debt Expense	31,564	29,509	31,564	30,545	743,030	33,676	34,419	34,419	33,676	34,419	33,676	34,419	1,123,917	492,049	(631,868)	
Allowance for Doubtful Accounts	0	0	0	62,966	0	68,719	0	0	77,363	0	0	59,662	268,710	0	(268,710)	
Inventory/Other	(107,757)	(10,148)	76,166	11,879	177	0	0	0	(2,778)	(2,778)	(2,778)	(2,778)	(40,795)	0	40,795	
Total Cost of Electric Service	48,866,966	45,938,881	48,176,919	46,998,267	50,486,848	46,412,784	50,213,257	48,858,855								
Operating Margins	2,132,302	3,637,712	2,465,699	1,221,227	96,401	2,695,160	459,904	1,709,329								
Interest Income	169,429	165,145	168,357	162,106	165,318	155,178	155,030	154,468	155,374	154,431	153,340	151,091	1,909,267	2,019,002	(109,735)	
Other Capital Credits & Pat. Dividends	0	0	783,330	0	0	0	0	8,000	513,895	0	0	0	1,305,225	1,271,325	33,900	
Net Patronage Capital or Margins	2,301,731	3,802,857	3,417,386	1,383,333	261,719	2,850,338	614,933	1,871,797								
Net Patronage Capital or Margins (Prior Year)	2,051,591	83,420	(4,348,534)	21,512	2,012,692	1,794,486	2,773,009	1,481,610								
Gross Margin	20,608,958	22,437,405	21,670,482	20,874,529	21,142,055	21,684,775	21,452,442	21,596,533								

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199**

**Supplemental Response to the Office of the Attorney General's
Initial Request for Information
dated August 19, 2013**

September 13, 2013

1 **Item 56)** *Identify and describe all current written contracts in place which were*
2 *entered into or amended from January 1, 2013 to the current date between the Company,*
3 *other Cooperatives, member-owners Jackson Purchase Energy Corporation, Kenergy*
4 *Corp., and Meade County Rural Electric Cooperative Corporation, affiliates, related*
5 *parties, third parties, employees, vendors, consultants, customers, maintenance*
6 *arrangements and other arrangements with smelters, contracts for rent or lease of*
7 *administrative buildings and other generation and other plant facilities, management fees*
8 *paid to member-owners and other entities, debt holders, and all others that affect revenues,*
9 *expenses, assets, liabilities, operations and other matters impacting the company.*
10 *Similarly, identify and describe any informal agreements that may be in place (such as*
11 *commonly understood terms, conditions or amounts between parties). If certain contracts*
12 *are voluminous or the Company has questions regarding their relevance or importance to*
13 *the AG, the Company should contact the Office of Attorney General regarding these*
14 *matters. This information should be updated throughout the proceeding. The Company*
15 *should provide a summary of each contract that includes the following information at the*
16 *minimum:*
17

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199**

**Supplemental Response to the Office of the Attorney General's
Initial Request for Information
dated August 19, 2013**

September 13, 2013

- 1 a. *The name and description of the entity that has a contract (or informal*
2 *agreement) with the Company.*
- 3 b. *A description of the services, products and economic transactions between*
4 *the Company and the entity.*
- 5 c. *Summarize the general purpose of contract/agreement, terms, conditions,*
6 *rates/prices, and financial amounts to be paid and received by each*
7 *contracting entity over the term of the arrangement.*
- 8 d. *Identify the term/length of the contract, including the beginning and ending*
9 *date of current contract/agreement. Explain if it is anticipated the current*
10 *contract will be replaced by a new contract/agreement and explain why or*
11 *why not.*
- 12 e. *Explain if there was a prior contract/agreement in place.*
- 13 f. *Summarize major changes in terms, conditions, rates/prices and other*
14 *financial arrangements between the current and prior contract/agreement.*
- 15 g. *Explain all terms and fees for early contract termination.*
- 16 h. *Explain if the contract/agreement rates/prices and financial amounts are*
17 *based on negotiations, historical embedded costs, incremental costs, or fair*
18 *market value (and provide related supporting documentation if available).*

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2013-00199**

**Supplemental Response to the Office of the Attorney General's
Initial Request for Information
dated August 19, 2013**

September 13, 2013

1 *i. Explain if the contract is considered to be confidential or public and explain*
2 *why if it is considered to be confidential.*

3

4 **Response)** Although not waiving any right to pursue additional information, the Attorney
5 General has agreed to limit this request such that it requests only that Big Rivers identify
6 payments to outside vendors over \$1 million since January 1, 2013, with “outside vendors”
7 being providers of goods or services to Big Rivers. In accordance with this limitation, please
8 see the attachment to this response.

9

10 **Witnesses)** Billie J. Richert and Robert W. Berry

Big Rivers Electric Corporation
Case No. 2013-00199
2013 Invoices >= \$1.0 Million

Invoice Number	Invoice Date	Vendor Name	Amount	G/L Date	Expense Type	Description
686-213-1	02/25/2013	ALLIANCE COAL LLC	1,522,479	02/27/2013	0699	FUEL
686-213-2	03/11/2013	ALLIANCE COAL LLC	1,098,344	03/13/2013	0699	FUEL
686-413-2	05/10/2013	ALLIANCE COAL LLC	1,157,769	05/22/2013	0699	FUEL
633-12/12-2	01/10/2013	ALLIANCE COAL LLC	1,721,071	01/11/2013	0699	FUEL
633-113-2	02/11/2013	ALLIANCE COAL LLC	1,174,525	02/13/2013	0699	FUEL
633-813-1	08/26/2013	ALLIANCE COAL LLC	1,130,090	08/28/2013	0699	FUEL
633-313-1	03/25/2013	ALLIANCE COAL LLC	1,051,813	03/26/2013	0699	FUEL
633-413-2	05/10/2013	ALLIANCE COAL LLC	1,126,145	05/22/2013	0699	FUEL
633-513-1	05/28/2013	ALLIANCE COAL LLC	1,160,206	05/30/2013	0699	FUEL
633-713-2	08/12/2013	ALLIANCE COAL LLC	1,024,591	08/14/2013	0699	FUEL
633-213-1	02/25/2013	ALLIANCE COAL LLC	1,126,261	02/27/2013	0699	FUEL
13787	08/29/2013	CARGILL POWER MARKETS LLC	1,600,000	08/30/2013	0699	RETURN OF MARGAIN CALL FUNDS
1121905790	01/10/2013	CHEMICAL LIME CO	1,054,392	01/11/2013	0699	LIME
1131900406	02/11/2013	CHEMICAL LIME CO	1,015,431	02/13/2013	0699	LIME
1131901107	04/10/2013	CHEMICAL LIME CO	1,229,223	04/15/2013	0699	LIME
1131900772	03/11/2013	CHEMICAL LIME CO	1,077,228	03/13/2013	0699	LIME
A/C 00050949 MAR-13	03/28/2013	COBANK	4,360,874	03/28/2013	0591	UNUSED COMMITMENT FEE ON LOC & INTEREST AND PRINCIPAL PMT ON COBANK SERIES 2012A TERM LOAN
13647	06/24/2013	COBANK	4,335,110	06/30/2013	0590	INTEREST & PRINCIPAL PMT ON COBANK SERIES 2012A TERM LOAN
13647	06/24/2013	COBANK	4,335,110	06/30/2013	0591	INTEREST & PRINCIPAL PMT ON COBANK SERIES 2012A TERM LOAN
A/C 00050949 MAR-13	03/28/2013	COBANK	4,360,874	03/28/2013	0590	UNUSED COMMITMENT FEE ON LOC & INTEREST AND PRINCIPAL PMT ON COBANK SERIES 2012A TERM LOAN
A/C 00050949 MAR-13	03/28/2013	COBANK	4,360,874	03/28/2013	0592	UNUSED COMMITMENT FEE ON LOC & INTEREST AND PRINCIPAL PMT ON COBANK SERIES 2012A TERM LOAN

Big Rivers Electric Corporation
Case No. 2013-00199
2013 Invoices >= \$1.0 Million

Invoice Number	Invoice Date	Vendor Name	Amount	G/L Date	Expense Type	Description
13646	06/28/2013	JPMORGAN CHASE BANK	2,500,000	06/30/2013	0699	CREDIT SUPPORT-CASH DEPOSIT UNDER MISO CASH COLLATERAL AGREEMENT
767-713-2	08/12/2013	KENAMERICAN RESOURCES INC	1,448,906	08/14/2013	0699	FUEL
90005269	08/26/2013	KENAMERICAN RESOURCES INC	1,545,798	08/28/2013	0699	FUEL
767-213-2	03/11/2013	KENAMERICAN RESOURCES INC	1,210,431	03/13/2013	0699	FUEL
767-413-2	05/10/2013	KENAMERICAN RESOURCES INC	1,266,034	05/22/2013	0699	FUEL
767-613-2	07/10/2013	KENAMERICAN RESOURCES INC	1,094,299	07/17/2013	0699	FUEL
767-713-1	07/25/2013	KENAMERICAN RESOURCES INC	1,483,528	07/30/2013	0699	FUEL
1290081	07/02/2013	MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC	1,295,393	07/15/2013	0699	MARKET INVOICE
13396	02/26/2013	NRUCFC	7,637,019	02/28/2013	0590	INTEREST AND PRINCIPAL PMT ON CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 12/1/12-3/1/13
13593	05/29/2013	NRUCFC	7,707,722	05/31/2013	0590	INTEREST/PRINCIPAL PMTS 3/1-6/1/13
13791	08/30/2013	NRUCFC	6,820,681	08/30/2013	0590	INTEREST & PRINCIPAL PMTS CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 6/10/13-9/1/13
13791	08/30/2013	NRUCFC	6,820,681	08/30/2013	0591	INTEREST & PRINCIPAL PMTS CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 6/10/13-9/1/13
13396	02/26/2013	NRUCFC	7,637,019	02/28/2013	0590	INTEREST AND PRINCIPAL PMT ON CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 12/1/12-3/1/13
13593	05/29/2013	NRUCFC	7,707,722	05/31/2013	0590	INTEREST/PRINCIPAL PMTS 3/1-6/1/13
13593	05/29/2013	NRUCFC	7,707,722	05/31/2013	0591	INTEREST/PRINCIPAL PMTS 3/1-6/1/13
13396	02/26/2013	NRUCFC	7,637,019	02/28/2013	0591	INTEREST AND PRINCIPAL PMT ON CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 12/1/12-3/1/13

Big Rivers Electric Corporation
Case No. 2013-00199
2013 Invoices >= \$1.0 Million

Invoice Number	Invoice Date	Vendor Name	Amount	G/L Date	Expense Type	Description
13791	08/30/2013	NRUCFC	6,820,681	08/30/2013	0591	INTEREST & PRINCIPAL PMTS CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 6/10/13-9/1/13
13396	02/26/2013	NRUCFC	7,637,019	02/28/2013	0591	INTEREST AND PRINCIPAL PMT ON CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 12/1/12-3/1/13
13791	08/30/2013	NRUCFC	6,820,681	08/30/2013	0590	INTEREST & PRINCIPAL PMTS CFC 2012 REFINANCE & EQUITY NOTES SERIES 2012B 6/10/13-9/1/13
13593	05/29/2013	NRUCFC	7,707,722	05/31/2013	0591	INTEREST/PRINCIPAL PMTS 3/1-6/1/13
695-113-1	01/25/2013	PATRIOT COAL SALES LLC	1,170,533	01/28/2013	0699	FUEL
752-113-2	02/11/2013	PATRIOT COAL SALES LLC	1,207,309	02/13/2013	0699	FUEL
752-813-1	08/26/2013	PATRIOT COAL SALES LLC	1,392,664	08/28/2013	0699	FUEL
752-713-2	08/12/2013	PATRIOT COAL SALES LLC	1,250,463	08/14/2013	0699	FUEL
752-613-2	07/10/2013	PATRIOT COAL SALES LLC	1,233,302	07/17/2013	0699	FUEL
752-613-1	06/25/2013	PATRIOT COAL SALES LLC	1,559,241	06/30/2013	0699	FUEL
752-513-2	06/10/2013	PATRIOT COAL SALES LLC	1,222,451	06/10/2013	0699	FUEL
752-513-1	05/28/2013	PATRIOT COAL SALES LLC	1,264,996	05/30/2013	0699	FUEL
752-413-2	05/10/2013	PATRIOT COAL SALES LLC	1,203,830	05/22/2013	0699	FUEL
752-413-1	04/25/2013	PATRIOT COAL SALES LLC	1,060,784	04/29/2013	0699	FUEL
752-313-2	04/10/2013	PATRIOT COAL SALES LLC	1,280,972	04/15/2013	0699	FUEL
695-12/12-2	01/10/2013	PATRIOT COAL SALES LLC	1,327,399	01/11/2013	0699	FUEL
752-213-1	02/25/2013	PATRIOT COAL SALES LLC	1,391,740	02/27/2013	0699	FUEL
752-213-2	03/11/2013	PATRIOT COAL SALES LLC	1,148,328	03/13/2013	0699	FUEL
763-213-1	02/25/2013	SEBREE MINING, LLC (ONTON NO. 9 MINE)	1,329,457	02/27/2013	0699	FUEL
717-713-2	08/12/2013	SEBREE MINING, LLC (ONTON NO. 9 MINE)	1,158,653	08/14/2013	0699	FUEL
717-713-1	07/25/2013	SEBREE MINING, LLC (ONTON NO. 9 MINE)	1,343,636	07/30/2013	0699	FUEL

Big Rivers Electric Corporation
Case No. 2013-00199
2013 Invoices >= \$1.0 Million

Invoice Number	Invoice Date	Vendor Name	Amount	G/L Date	Expense Type	Description
717-513-2	06/10/2013	SEBREE MINING, LLC (ONTON NO. 9 MINE)	1,241,734	06/10/2013	0699	FUEL
717-413-2	05/10/2013	SEBREE MINING, LLC (ONTON NO. 9 MINE)	1,634,540	05/22/2013	0699	FUEL
717-313-1	03/25/2013	SEBREE MINING, LLC (ONTON NO. 9 MINE)	1,250,220	03/26/2013	0699	FUEL
717-313-2	04/10/2013	SEBREE MINING, LLC (ONTON NO. 9 MINE)	1,257,910	04/15/2013	0699	FUEL
13467	04/01/2013	U S DEPARTMENT OF AGRICULTURE	1,128,037	04/02/2013	0591	QTRLY INTEREST PMT ON RUS SERIES A NOTE
13648	07/01/2013	U S DEPARTMENT OF AGRICULTURE	1,153,386	07/02/2013	0591	QTRLY INTEREST PMT ON RUS SERIES A NOTE
B-13-2239	06/07/2013	U S DEPT OF ENERGY	1,145,685	06/30/2013	0699	MAY-13
B-13-1105	02/07/2013	U S DEPT OF ENERGY	1,212,482	02/27/2013	0699	JAN-13
B-13-1389	03/06/2013	U S DEPT OF ENERGY	1,090,403	03/27/2013	0699	FEB-13
B-13-2805	08/06/2013	U S DEPT OF ENERGY	1,119,910	08/29/2013	0699	JULY-13
B-13-1673	04/05/2013	U S DEPT OF ENERGY	1,094,401	04/30/2013	0699	MAR-13
13679	06/10/2013	US BANK	2,499,000	07/17/2013	0591	INTEREST ON 2010A SERIES PC BONDS 1/15-7/14/13
13592	05/29/2013	US BANK	58,800,000	05/31/2013	0590	1983 SERIES PC BONDS-TOTAL PRINCIPAL PMT
13247	01/15/2013	US BANK	2,499,000	01/16/2013	0591	INTEREST ON 2010A SERIES PC BONDS 7/15/12-1/14/13