

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

Susan Montalvo-Gesser

March 27, 2014

Via Overnight or USPS Delivery

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

RECEIVED  
MAR 28 2014  
PUBLIC SERVICE  
COMMISSION

*In the Matter of:*

Application of Big Rivers Electric Corporation for a  
General Adjustment in Rates – Case No. 2013-00199

Dear Mr. Derouen:

Big Rivers Electric Corporation (“Big Rivers”) hereby files an original and ten (10) copies of the following in the aforementioned docket:

1. Ninth Update to Tab 35 of Big Rivers Application filed June 28, 2013;
2. Sixth Update to its response to Item 3 of the Commission Staff's Third Request for Information dated September 16, 2013.

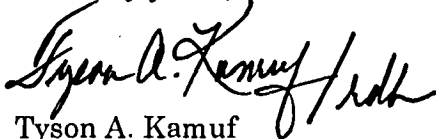
Updates to Item 43 and Item 54 of the Commission Staff's Initial Request for Information were only required through the hearing month, January 2014.

Please confirm the Commission's receipt of this information by having the Commission's date stamp placed on the enclosed additional copy and returning to Big Rivers in the self-addressed, postage paid envelope provided.

I certify that on this date, a copy of this letter and a copy of the updated responses were served on each of the persons on the attached service list by first-class U.S. Mail.

Should you have any questions about this matter, please contact me.

Sincerely yours,

  
Tyson A. Kamuf

C: Billie Richert  
DeAnna Speed

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

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

Lane Kollen  
J. Kennedy & Associates  
570 Colonial Park Drive  
Suite 305  
Roswell, GA 30075

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  
Senior Staff Attorney  
Sierra Club  
85 Second Street  
San Francisco, CA 94105-3441

Laurie Williams  
Associate Attorney  
Sierra Club  
50 F Street, NW, Eighth Floor  
Washington, DC 20001

**BIG RIVERS ELECTRIC CORPORATION**

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

**VERIFICATION**

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

  
Billie J. Richert

COMMONWEALTH OF KENTUCKY )  
COUNTY OF HENDERSON )

SUBSCRIBED AND SWORN TO before me by Billie J. Richert on this  
the 27<sup>th</sup> day of March, 2014.

  
Notary Public, Ky. State at Large  
My Commission Expires 1-12-17



**ORIGINAL**



**RECEIVED**  
MAR 28 2014  
PUBLIC SERVICE  
COMMISSION

Your Touchstone Energy® Cooperative 

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**In the Matter of:**

**APPLICATION OF BIG RIVERS            )  
ELECTRIC CORPORATION FOR A        )    Case No. 2013-00199  
GENERAL ADJUSTMENT IN RATES    )**

**Ninth Updated Response to the Big Rivers Application  
Tab 35 originally filed June 28, 2013**

**Sixth Updated Response to the Commission Staff's  
Third Request for Information dated September 16, 2013**

**FILED:        March 28, 2014**

**ORIGINAL**

**Big Rivers Electric Corporation**  
**Case No. 2013-00199**  
**Forecasted Test Period Filing Requirements**  
*(Forecast Test Year 12ME 01-31-2015; Base Period 12ME 09/30/2013)*

- 1                                    **Tab No. 35 – July 12, 2013**
- 2                                    **First Update Tab No. 35 – July 24, 2013**
- 3                                    **Second Update Tab No. 35 – August 22, 2013**
- 4                                    **Third Update Tab No. 35 – September 20, 2013**
- 5                                    **Fourth Update Tab No. 35 – October 22, 2013**
- 6                                    **Fifth Update Tab No. 35 – November 26, 2013**
- 7                                    **Sixth Update Tab No. 35 – December 23, 2013**
- 8                                    **Seventh Update Tab No. 35 – January 31, 2014**
- 9                                    **Eighth Update Tab No. 35 – February 28, 2014**
- 10                                   **Ninth Update Tab No. 35 – March 28, 2014**

11                                    **Filing Requirement**  
12                                    **807 KAR 5:001 Section 16(12)(o)**  
13                                    **Sponsoring Witness: Billie J. Richert**

14

15    **Description of Filing Requirement:**

16

17                                    *Complete monthly budget variance reports, with narrative*  
18                                    *explanations, for the twelve (12) months prior to the base*  
19                                    *period, each month of the base period, and any subsequent*  
20                                    *months, as they become available.*

21

22    **Response:**

23

24                                    Attached hereto is the monthly variance report for January  
25                                    2014. With its application filed on June 28, 2013, Big Rivers  
26                                    provided monthly variance reports, with narrative  
27                                    explanations, for October 2011 through March, 2013. The  
28                                    April 2013 report was filed with the First Update on July 24,

29

**Big Rivers Electric Corporation**  
**Case No. 2013-00199**  
**Forecasted Test Period Filing Requirements**  
**(Forecast Test Year 12ME 01-31-2015; Base Period 12ME 09/30/2013)**

1                                   **Tab No. 35 – July 12, 2013**  
2                                   **First Update Tab No. 35 – July 24, 2013**  
3                                   **Second Update Tab No. 35 – August 22, 2013**  
4                                   **Third Update Tab No. 35 – September 20, 2013**  
5                                   **Fourth Update Tab No. 35 – October 22, 2013**  
6                                   **Fifth Update Tab No. 35 – November 26, 2013**  
7                                   **Sixth Update Tab No. 35 – December 23, 2013**  
8                                   **Seventh Update Tab No. 35 – January 31, 2014**  
9                                   **Eighth Update Tab No. 35 – February 28, 2014**  
10                                   **Ninth Update Tab No. 35 – March 28, 2014**  
11                                   **Filing Requirement**  
12                                   **807 KAR 5:001 Section 16(12)(o)**  
13                                   **Sponsoring Witness: Billie J. Richert**  
14

15   **Response (continued):**  
16

17                   2013. The May 2013 report was filed with the Second  
18                   Update on August 22, 2013. The June 2013 report was filed  
19                   with the Third Update on September 20, 2013. The July  
20                   2013 report was filed with the Fourth Update on October 22,  
21                   2103. The August 2013 and September 2013 reports were  
22                   filed with the Fifth Update on November 26, 2013. The  
23                   October 2013 report was filed with the Sixth Update on  
24                   December 23, 2013. The November 2013 report was filed  
25                   with the Seventh Update on January 31, 2014. The  
26                   December 2013 report was filed with the Eighth Update on  
27                   February 28, 2014.  
28



Your Touchstone Energy® Cooperative 

**Financial Report**  
**January 2014**  
**(\$ in Thousands)**

**Board Meeting Date: March 21, 2014**





## Summary of Statement of Operations YTD – January

	2014			2013	
	Actual	Budget	Fav/(UnFav) Variance	Actual	Fav/(UnFav) Variance
Revenues	51,951	42,613	9,338	50,999	952
Cost of Electric Service	44,863	37,618	(7,245)	48,867	4,004
Operating Margins	7,088	4,995	2,093	2,132	4,956
Interest Income/Other	152	154	(2)	170	(18)
Net Margins - YTD	7,240	5,149	2,091	2,302	4,938



Your Treasure Energy Cooperative

## Statement of Operations – January Variance to Budget

	Current Month		Variance Fav/(UnFav)	Explanation
	Actual	Budget		
ELECTRIC ENERGY REVENUES	50,955	41,682	9,273	[A] Pages 7, 9-13, 16-21
OTHER OPERATING REVENUE AND INCOME	996	931	65	
<b>TOTAL OPER REVENUES &amp; PATRONAGE CAPITAL</b>	<b>51,951</b>	<b>42,613</b>	<b>9,338</b>	
OPERATION EXPENSE-PRODUCTION-EXCL FUEL	3,483	3,673	190	[A] Pages 8, 14-15, 23
OPERATION EXPENSE-PRODUCTION-FUEL	13,790	14,502	712	[A] Pages 8, 14-15
OPERATION EXPENSE-OTHER POWER SUPPLY	15,234	6,994	(8,240)	[A] Pages 6, 14-15, 23
OPERATION EXPENSE-TRANSMISSION	854	737	(117)	
OPERATION EXPENSE-RTO/ISO	111	86	(25)	
OPERATION EXPENSE-CUSTOMER ACCOUNTS	0	0	0	
CONSUMER SERVICE & INFORMATIONAL EXPENSE	26	50	22	
OPERATION EXPENSE-SALES	5	11	6	
OPERATION EXPENSE-ADMINISTRATIVE & GENERAL	1,956	2,613	657	[B] & [C] Page 23
<b>TOTAL OPERATION EXPENSE</b>	<b>35,461</b>	<b>26,666</b>	<b>(8,795)</b>	
MAINTENANCE EXPENSE-PRODUCTION	2,603	1,806	(797)	[B] & [C] Page 24
MAINTENANCE EXPENSE-TRANSMISSION	263	324	61	
MAINTENANCE EXPENSE-GENERAL PLANT	15	19	4	
<b>TOTAL MAINTENANCE EXPENSE</b>	<b>2,881</b>	<b>2,149</b>	<b>(732)</b>	
DEPRECIATION & AMORTIZATION EXPENSE	3,006	3,184	178	
TAXES	(3)	0	3	
INTEREST ON LONG-TERM DEBT	3,531	3,590	59	
INTEREST CHARGED TO CONSTRUCTION-CREDIT	(17)	(4)	13	
OTHER INTEREST EXPENSE	0	0	0	
OTHER DEDUCTIONS	4	33	29	
<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>44,863</b>	<b>37,816</b>	<b>(7,245)</b>	
<b>OPERATING MARGINS</b>	<b>7,088</b>	<b>4,995</b>	<b>2,093</b>	
INTEREST INCOME	152	154	(2)	
ALLOWANCE FOR FUNDS USED DURING CONST	0	0	0	
OTHER NON-OPERATING INCOME - NET	0	0	0	
OTHER CAPITAL CREDITS & PAT DIVIDENDS	0	0	0	
EXTRAORDINARY ITEMS	0	0	0	
<b>NET PATRONAGE CAPITAL OR MARGINS</b>	<b>7,240</b>	<b>5,149</b>	<b>2,091</b>	

YTD Explanations: [A] Gross Margin, [B] 10% of budgeted line item and \$250,000 or [C] 10% of margin variance and \$500,000.



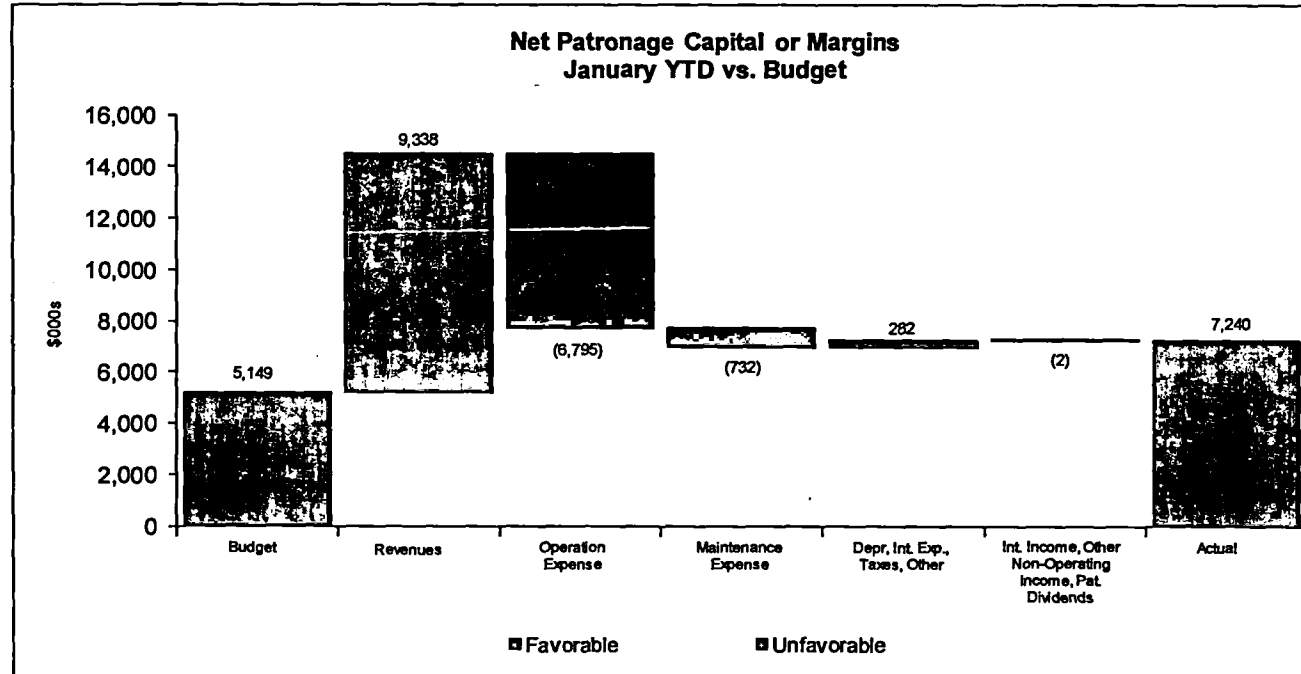
Your Treasure Energy Cooperative

## Statement of Operations – January Variance to Prior-Year

	Current Month		Variance Fav/(UnFav)	Explanation
	Actual	Prior Year		
ELECTRIC ENERGY REVENUES	50,955	50,638	317	[A] Pages 7, 9-13, 16-21
OTHER OPERATING REVENUE AND INCOME	996	361	635	[B] & [C] Page 25
<b>TOTAL OPER REVENUES &amp; PATRONAGE CAPITAL</b>	<b>51,951</b>	<b>50,999</b>	<b>952</b>	
OPERATION EXPENSE-PRODUCTION-EXCL FUEL	3,463	4,375	892	[A] Pages 8, 14-15, 23
OPERATION EXPENSE-PRODUCTION-FUEL	13,790	21,531	7,741	[A] Pages 8, 14-15
OPERATION EXPENSE-OTHER POWER SUPPLY	15,234	9,328	(5,906)	[A] Pages 8, 14-15, 23
OPERATION EXPENSE-TRANSMISSION	854	771	(83)	
OPERATION EXPENSE-RTO/ISO	111	238	127	
OPERATION EXPENSE-CUSTOMER ACCOUNTS	0	0	0	
CONSUMER SERVICE & INFORMATIONAL EXPENSE	28	48	20	
OPERATION EXPENSE-SALES	5	0	(5)	
OPERATION EXPENSE-ADMINISTRATIVE & GENERAL	1,956	1,751	(205)	
<b>TOTAL OPERATION EXPENSE</b>	<b>35,461</b>	<b>38,042</b>	<b>2,581</b>	
MAINTENANCE EXPENSE-PRODUCTION	2,603	3,304	701	[B] & [C] Page 24
MAINTENANCE EXPENSE-TRANSMISSION	263	279	18	
MAINTENANCE EXPENSE-GENERAL PLANT	15	23	8	
<b>TOTAL MAINTENANCE EXPENSE</b>	<b>2,881</b>	<b>3,606</b>	<b>725</b>	
DEPRECIATION & AMORTIZATION EXPENSE	3,006	3,414	408	[B] Page 26
TAXES	(3)	0	3	
INTEREST ON LONG-TERM DEBT	3,531	3,804	273	
INTEREST CHARGED TO CONSTRUCTION-CREDIT	(17)	(34)	(17)	
OTHER INTEREST EXPENSE	0	0	0	
OTHER DEDUCTIONS	4	35	31	
<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>44,863</b>	<b>48,867</b>	<b>4,004</b>	
<b>OPERATING MARGINS</b>	<b>7,088</b>	<b>2,132</b>	<b>4,956</b>	
INTEREST INCOME	152	170	(18)	
ALLOWANCE FOR FUNDS USED DURING CONST	0	0	0	
OTHER NON-OPERATING INCOME - NET	0	0	0	
OTHER CAPITAL CREDITS & PAT DIVIDENDS	0	0	0	
EXTRAORDINARY ITEMS	0	0	0	
<b>NET PATRONAGE CAPITAL OR MARGINS</b>	<b>7,240</b>	<b>2,302</b>	<b>4,938</b>	

YTD Explanations: [A] Gross Margin, [B] 10% of prior year line item and \$250,000 or [C] 10% of prior-year margin and \$500,000.

## Variance Analysis Summary

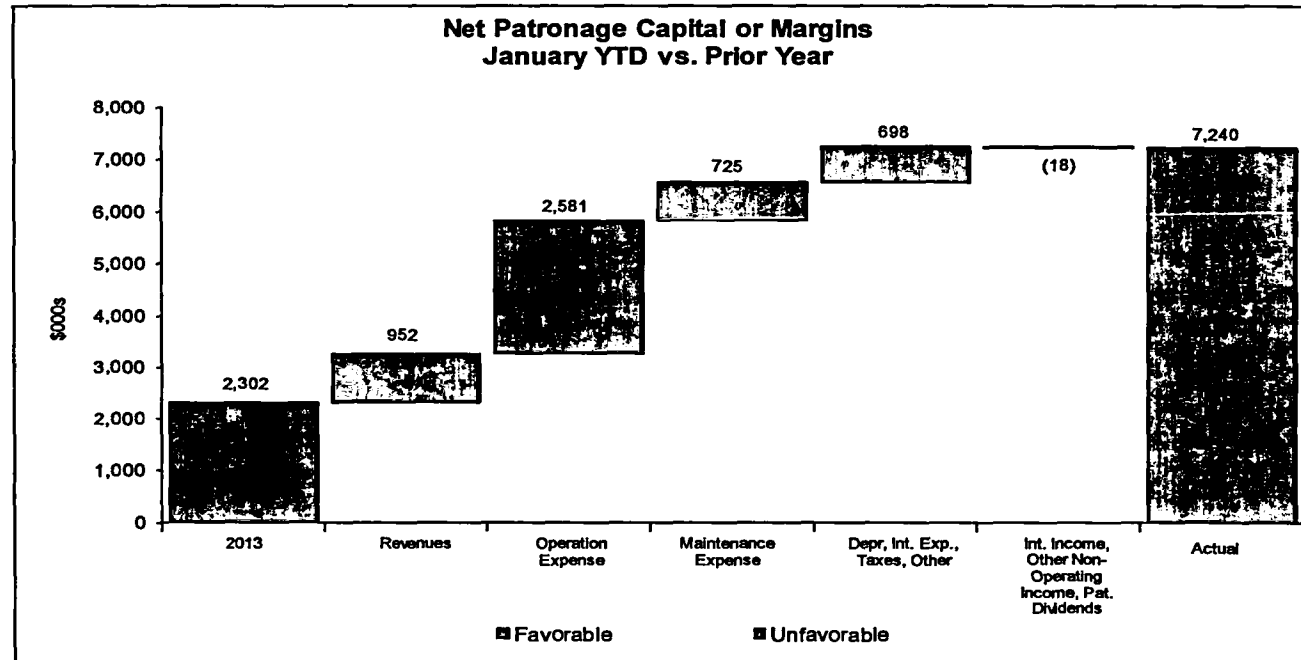


### Financial Commentary

#### Year-to-Date

- January 2014 Margins were \$2,091 favorable to budget.
  - Revenues were favorable \$9,338 primarily due to higher Off-System Sales and higher Rural class volumes (see page 7).
  - Operation Expense was unfavorable \$6,795 driven by higher purchased power (both volume & price).
  - Maintenance Expense was unfavorable \$732 primarily due to timing of maintenance expenses (see page 24).
  - Depreciation/Interest Expense/Other was favorable \$282 primarily due to lower than expected depreciation expense.
  - Interest Income/Patronage was unfavorable \$2.

## Variance Analysis Summary



### Financial Commentary

#### Year-to-Date

- January 2014 margins were \$4,938 favorable compared to 2013.
  - Revenues were favorable \$952 primarily due to Other Operating Revenue related to Century transmission revenue which is offset by the same amount in total Operation Expense - Administrative & Generation (see page 25).
  - Operation Expense was favorable \$2,581 due to lower fuel costs associated with Coleman under SSR, partially offset by higher purchased power.
  - Maintenance Expense was favorable \$725 due to the Century and SSR agreements for running Coleman (see page 24).
  - Depreciation/Interest Expense/Other was favorable \$698 due to the PSC order to defer Coleman depreciation (see page 26).
  - Interest Income/Patronage was unfavorable \$18.



**Revenue  
YTD January**

	Actual 2014	Budget 2014	Variance	Actual 2013	2013 Variance
<b>MWh Sales</b>					
Rural	282,316	232,021	50,295	235,718	46,598
Large Industrial	81,524	78,415	3,109	82,265	(741)
Smelter	284,900	259,661	25,239	630,197	(345,297)
Off-System/Other	232,764	197,888	34,876	188,069	44,705
<b>Total</b>	<b>881,504</b>	<b>767,985</b>	<b>113,519</b>	<b>1,136,239</b>	<b>(254,735)</b>
<b>Revenue - \$/MWh</b>					
Rural	68.75	69.50	(0.75)	49.41	19.34
Large Industrial	54.38	56.16	(0.78)	43.36	11.03
Smelter	56.10	55.93	0.17	48.35	7.75
Off-System/Other	47.82	33.89	13.93	26.33	21.49
<b>Total</b>	<b>57.80</b>	<b>54.27</b>	<b>3.53</b>	<b>44.57</b>	<b>13.23</b>
<b>Revenue - Thousands of \$</b>					
Rural	19,408	16,127	3,281	11,646	7,762
Large Industrial	4,433	4,325	108	3,566	867
Smelter	15,983	14,523	1,460	30,473	(14,490)
Off-System/Other	11,131	6,707	4,424	4,952	6,179
<b>Total</b>	<b>50,955</b>	<b>41,682</b>	<b>9,273</b>	<b>50,637</b>	<b>318</b>

**Revenue Price / Volume Analysis  
January 2014**

	Price / Volume		
	Price	Volume	Total
Rural	(216)	3,497	3,281
Large Industrial	(62)	170	108
Smelter	48	1,412	1,460
Off-System/Other	3,242	1,182	4,424
<b>Total</b>	<b>3,012</b>	<b>6,261</b>	<b>9,273</b>



**Variable Operations Cost  
YTD January**

	Actual 2014	Budget 2014	Variance	Actual 2013	2013 Variance
<b>Variable Operations (VO) Cost - \$/MWh</b>					
Rural	30.30	27.80	(2.50)	25.54	(4.76)
Large Industrial	30.30	27.80	(2.50)	25.54	(4.76)
Smelter	31.69	27.80	(3.89)	26.68	(5.01)
Off-System/Other	35.98	27.36	(8.62)	27.09	(8.89)
<b>Total</b>	<b>32.25</b>	<b>27.68</b>	<b>(4.57)</b>	<b>26.43</b>	<b>(5.82)</b>
<b>VO Cost - Thousands of \$</b>					
Rural	8,554	6,450	(2,104)	6,020	(2,534)
Large Industrial	2,470	2,180	(290)	2,101	(369)
Smelter	9,028	7,218	(1,810)	16,812	7,784
Off-System/Other	8,375	5,413	(2,962)	5,095	(3,280)
<b>Total</b>	<b>28,427</b>	<b>21,261</b>	<b>(7,166)</b>	<b>30,028</b>	<b>1,601</b>

**YTD January 2014  
Variable Operations Expense**

	Actual	Budget	Fav/(UnFav)	Price Variance		Volume Variance	
				Fav/(UnFav)	Fav/(UnFav)	Fav/(UnFav)	Fav/(UnFav)
Reagent	2,426	2,563	137	29	108	137	
Fuel	17,439	17,757	318	(480)	798	318	
Purchased Power	9,067	941	(8,126)	(4,298)	(3,828)	(8,126)	
Non-FAC PPA (Non-Smelter)	(505)	0	505	505	0	505	
	<b>28,427</b>	<b>21,261</b>	<b>(7,166)</b>	<b>(4,244)</b>	<b>(2,922)</b>	<b>(7,166)</b>	



Your Touchable Energy<sup>®</sup> Cooperative

**Gross Margin  
YTD January**

	Actual 2014	Budget 2014	Variance	Actual 2013	2013 Variance
<b>Gross Margin - \$/MWh</b>					
Rural	38.45	41.70	(3.25)	23.87	14.58
Large Industrial	24.08	27.36	(3.28)	17.81	6.27
Smelter	24.41	28.13	(3.72)	21.67	2.74
Off-System/Other	11.84	6.53	5.31	(0.76)	12.60
<b>Total</b>	<b>25.55</b>	<b>26.59</b>	<b>(1.04)</b>	<b>18.14</b>	<b>7.41</b>
<b>Gross Margin - Thousands of \$</b>					
Rural	10,854	9,677	1,177	5,626	5,228
Large Industrial	1,963	2,145	(182)	1,465	498
Smelter	6,955	7,305	(350)	13,661	(6,706)
Off-System/Other	2,756	1,294	1,462	(143)	2,899
<b>Total</b>	<b>22,528</b>	<b>20,421</b>	<b>2,107</b>	<b>20,609</b>	<b>1,919</b>

**Gross Margin  
Price / Volume Analysis  
January 2014**

	Price / Volume		
	Price	Volume	Total
Rural	(919)	2,096	1,177
Large Industrial	(265)	83	(182)
Smelter	(1,057)	707	(350)
Off-System/Other	1,227	235	1,462
	(1,014)	3,121	2,107





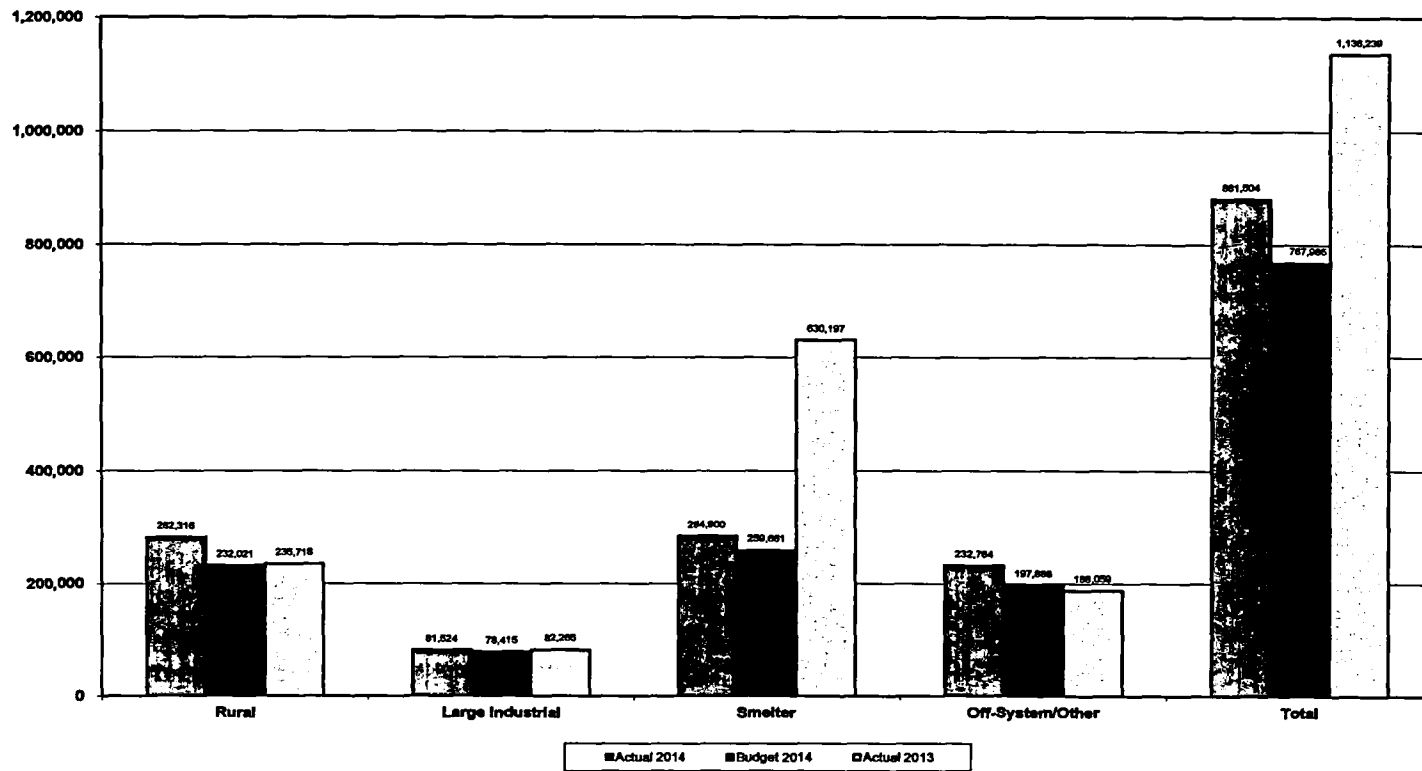
Your Touchstone Energy® Cooperative

### Member Rate Stability Mechanism YTD January

	Actual 2014	Budget 2014	2014 Variance	Actual 2013	2013 Variance		Actual 2014	Budget 2014	2014 Variance	Actual 2013	2013 Variance
<b>MRSM - \$/MWh</b>						<b>Net Revenue - \$/MWh</b>					
Rural	(9.34)	(10.54)	1.20	(6.07)	(3.27)	Rural	59.41	58.96	0.45	43.34	16.07
Large Industrial	(8.44)	(9.63)	1.19	(5.74)	(2.70)	Large Industrial	45.94	45.53	0.41	37.61	8.33
Total	(9.14)	(10.31)	1.17	(5.98)	(3.16)	Total	56.39	55.57	0.82	41.86	14.52
<b>MRSM - Thousands of \$</b>						<b>Net Revenue - Thousands of \$</b>					
Rural	(2,636)	(2,445)	(191)	(1,430)	(1,206)	Rural	16,772	13,682	3,090	10,216	6,556
Large Industrial	(688)	(755)	67	(472)	(216)	Large Industrial	3,745	3,570	175	3,094	651
Total	(3,324)	(3,200)	(124)	(1,902)	(1,422)	Total	20,517	17,252	3,265	13,310	7,207

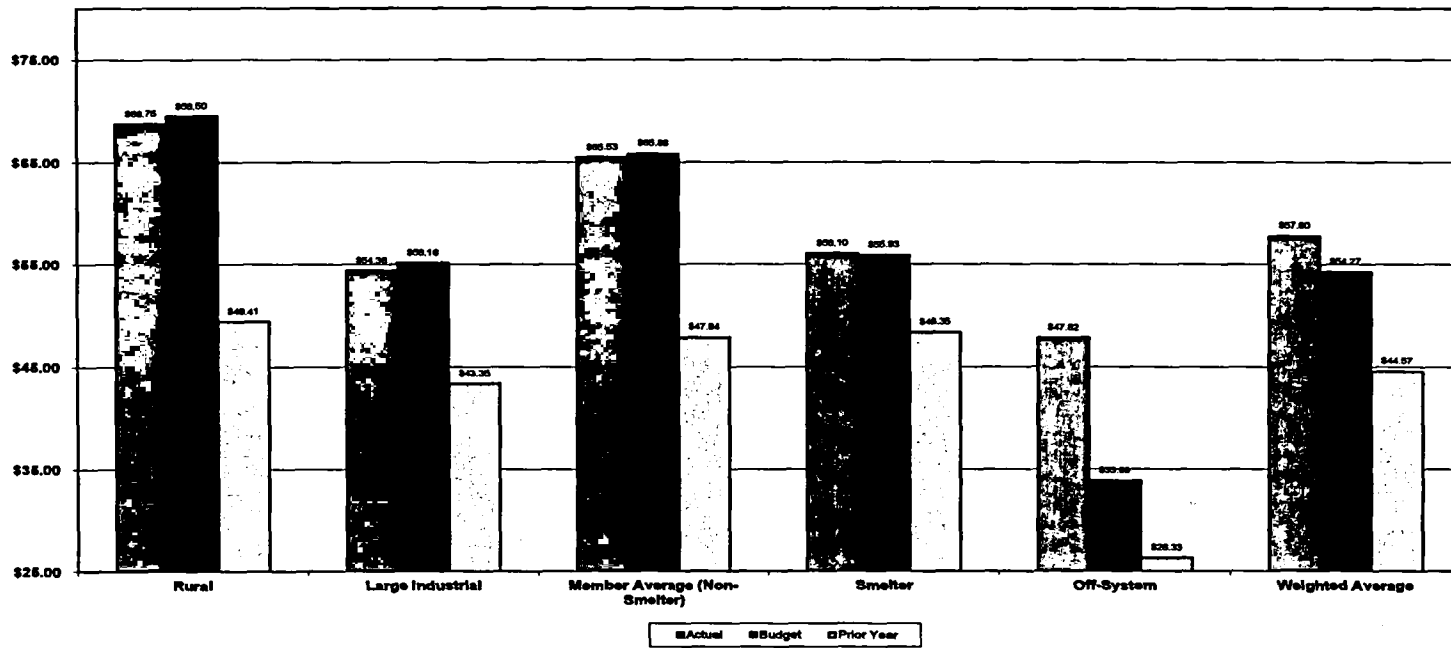
<u>Economic Reserve Balance</u>			
<u>Cumulative-to-Date</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Original Deposit	\$ 157,000		
Interest Earnings	3,378		
Withdrawals	(102,605)		
Ending Balance 1/31/2014	\$ 57,773	\$ 56,209	\$ 1,564
<u>Year-to-Date</u>			
Beg. Balance 1/1/2014	\$ 59,708		
Interest Earnings	7		
Withdrawals	(1,942)		
Ending Balance 1/31/2014	\$ 57,773	\$ 56,209	\$ 1,564

# MWH Sales YTD – January



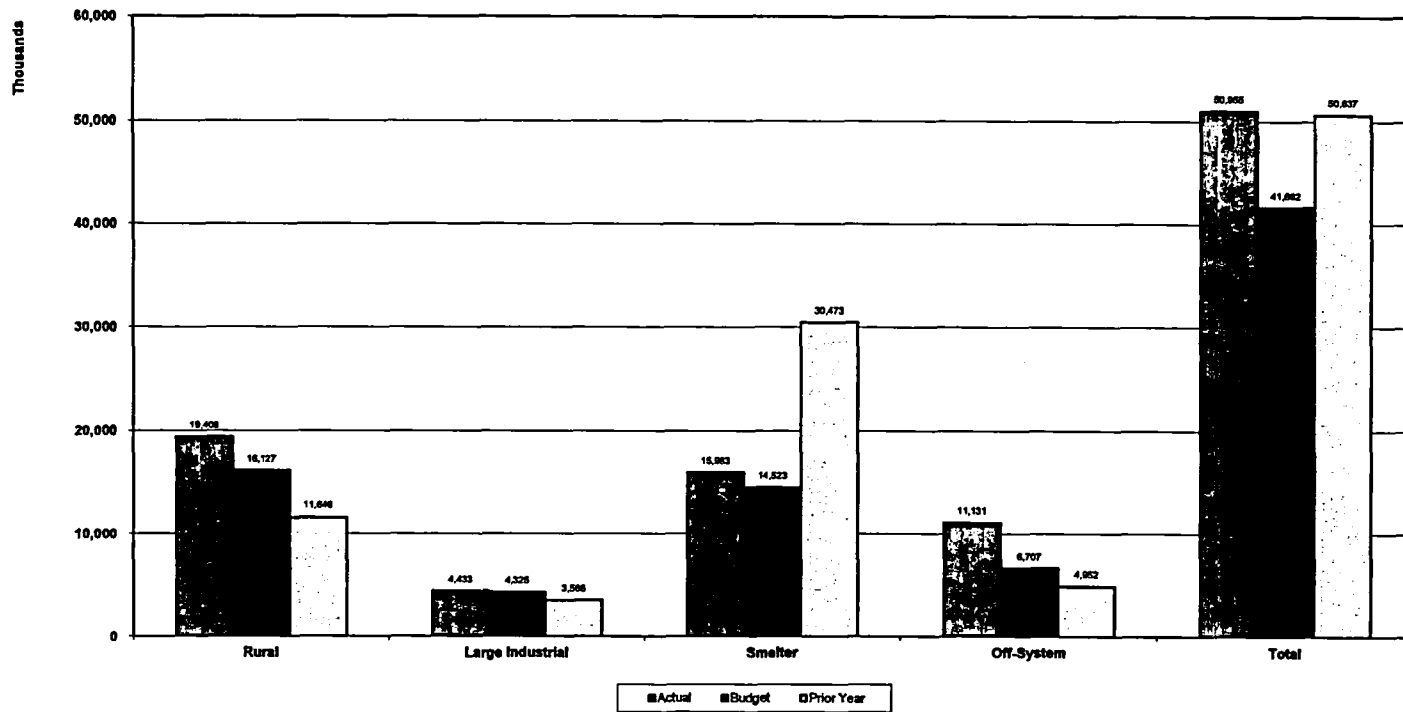
Favorable       Budget  
 Unfavorable       Prior Year

# Revenue - \$/MWh Sold YTD – January



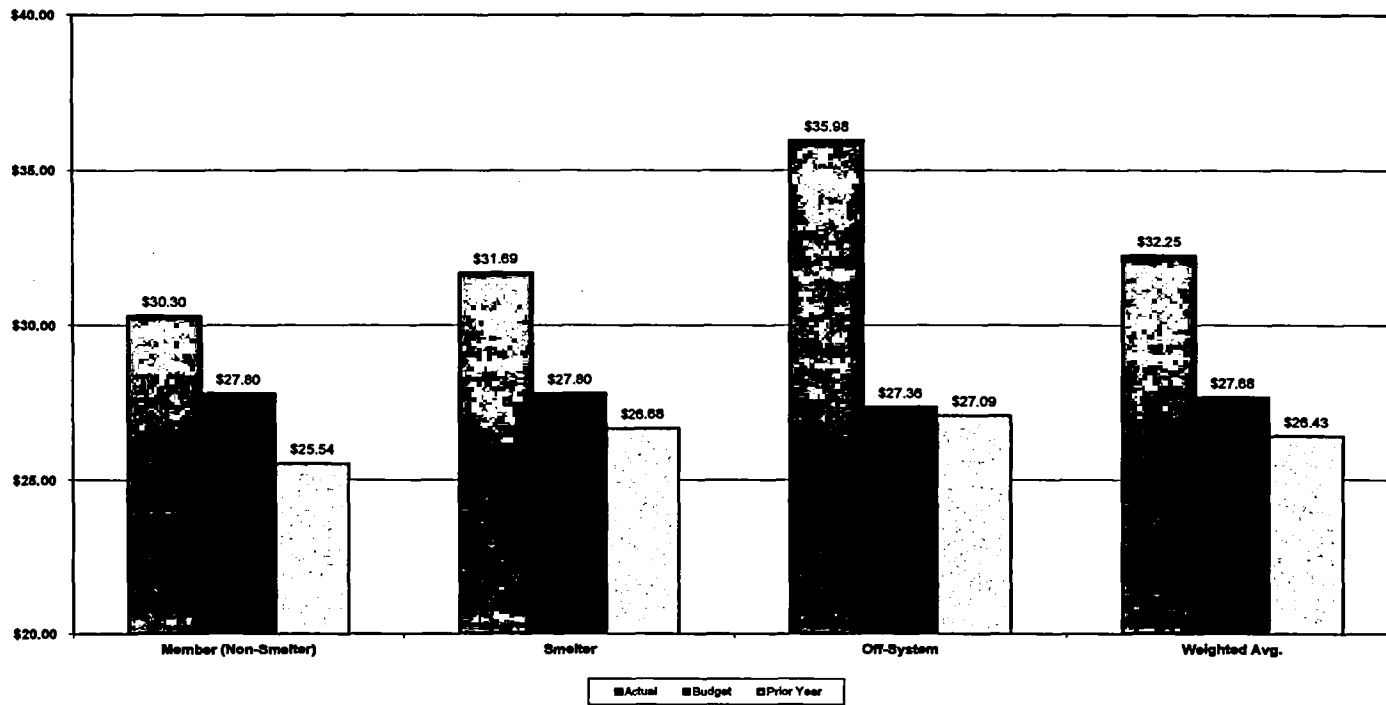
Favorable       Budget  
 Unfavorable     Prior Year

# Revenue YTD - January



Favorable       Budget  
 Unfavorable       Prior Year

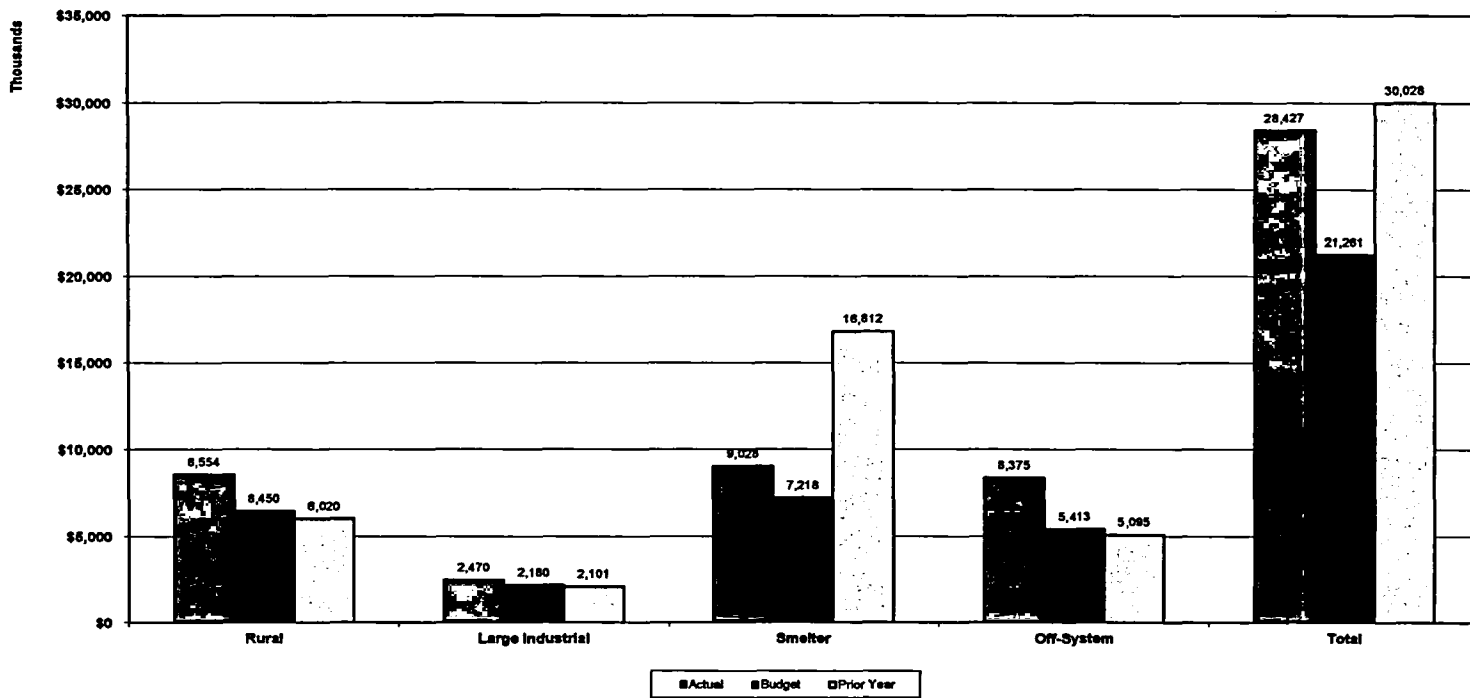
## Variable Operations - \$/MWh Sold YTD – January



Favorable       Budget  
 Unfavorable       Prior Year

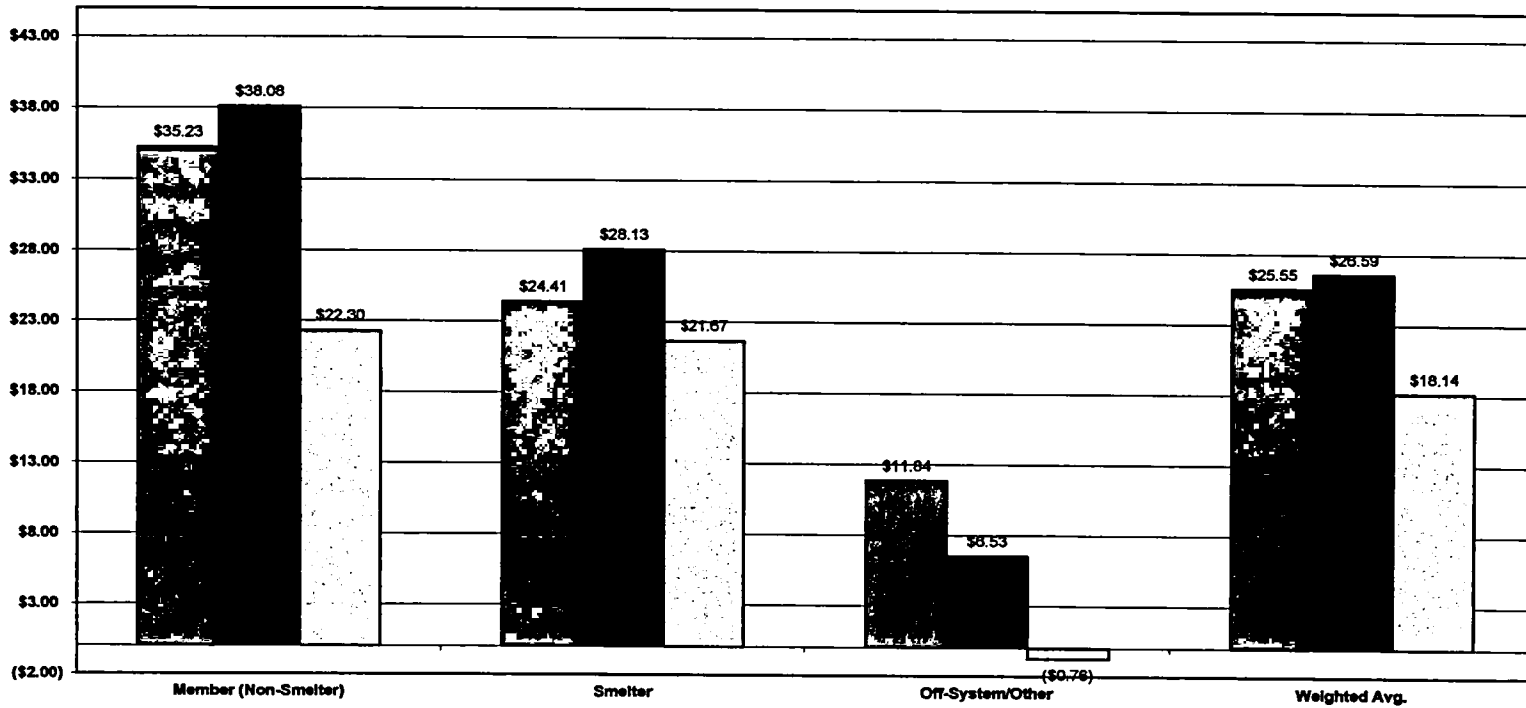


# Variable Operations Cost YTD – January



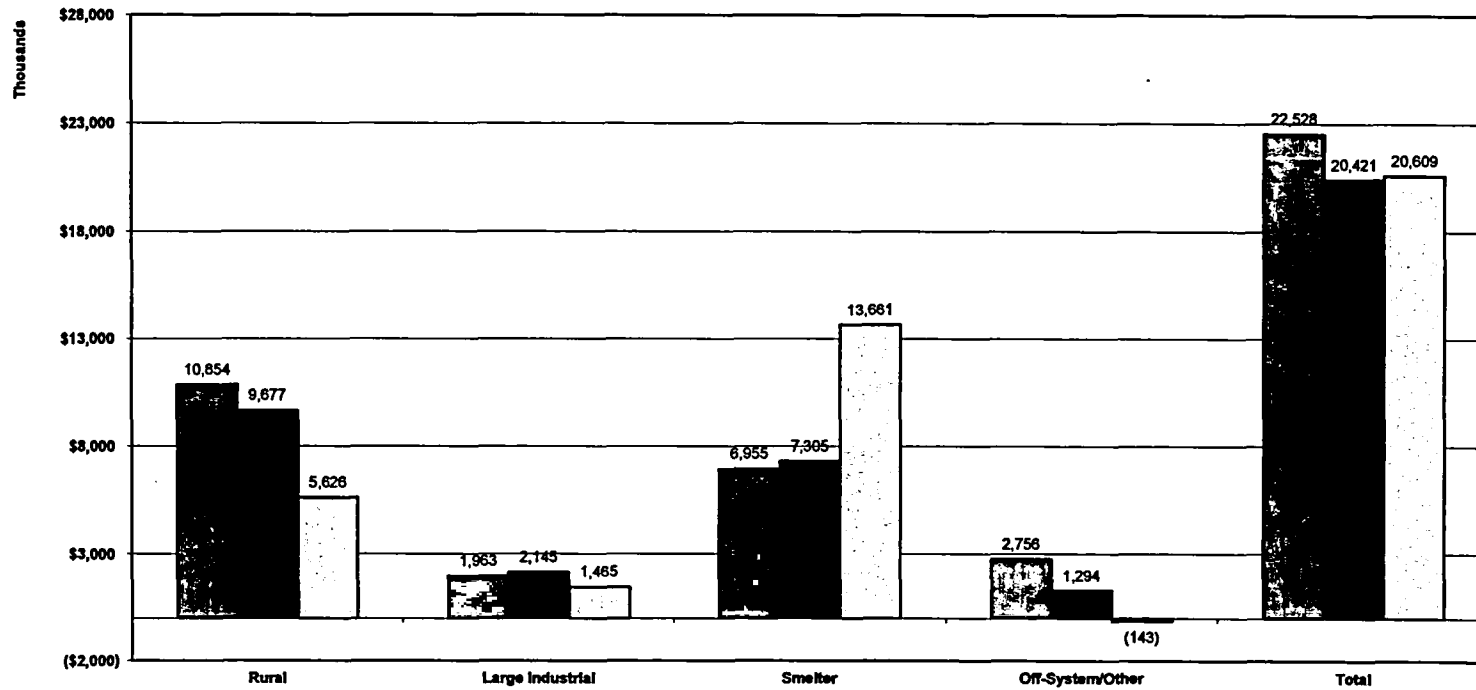
■ Favorable      ■ Budget  
 ■ Unfavorable    □ Prior Year

## Gross Margin - \$/MWh YTD – January



Favorable      Budget  
 Unfavorable      Prior Year

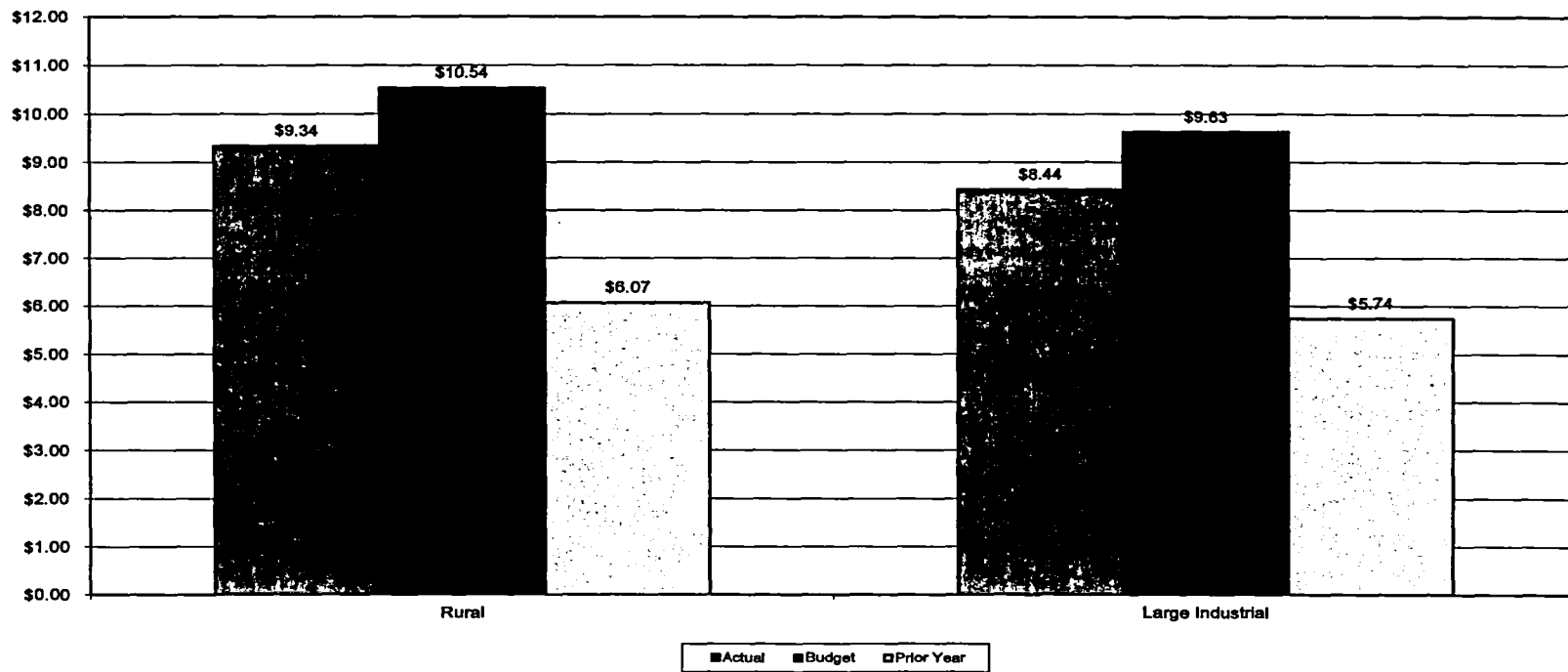
# Gross Margin YTD – January



■ Favorable      ■ Budget  
 ■ Unfavorable    □ Prior Year

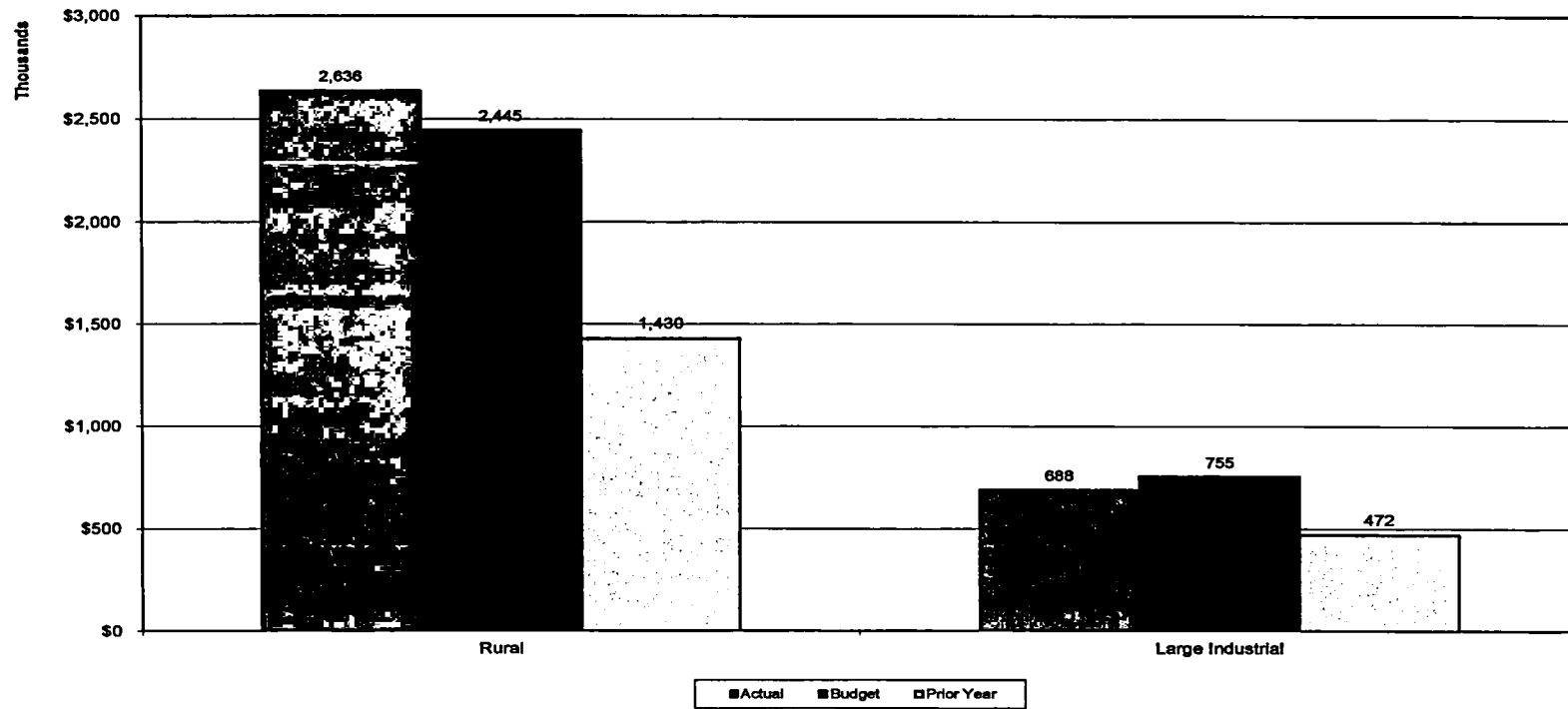


# MRSM - \$/MWh YTD - January



Favorable       Budget  
 Unfavorable       Prior Year

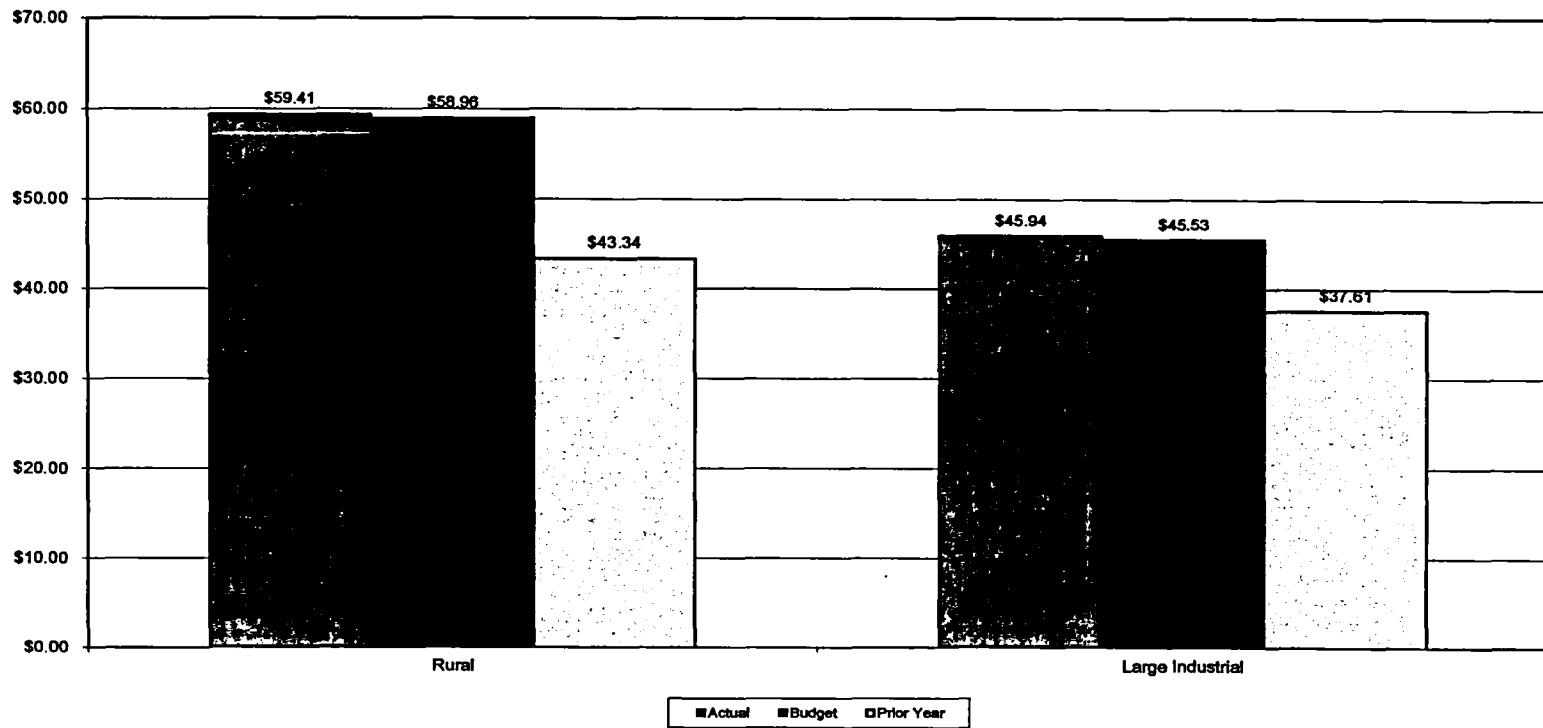
# MRSM YTD - January



Favorable       Budget  
 Unfavorable       Prior Year



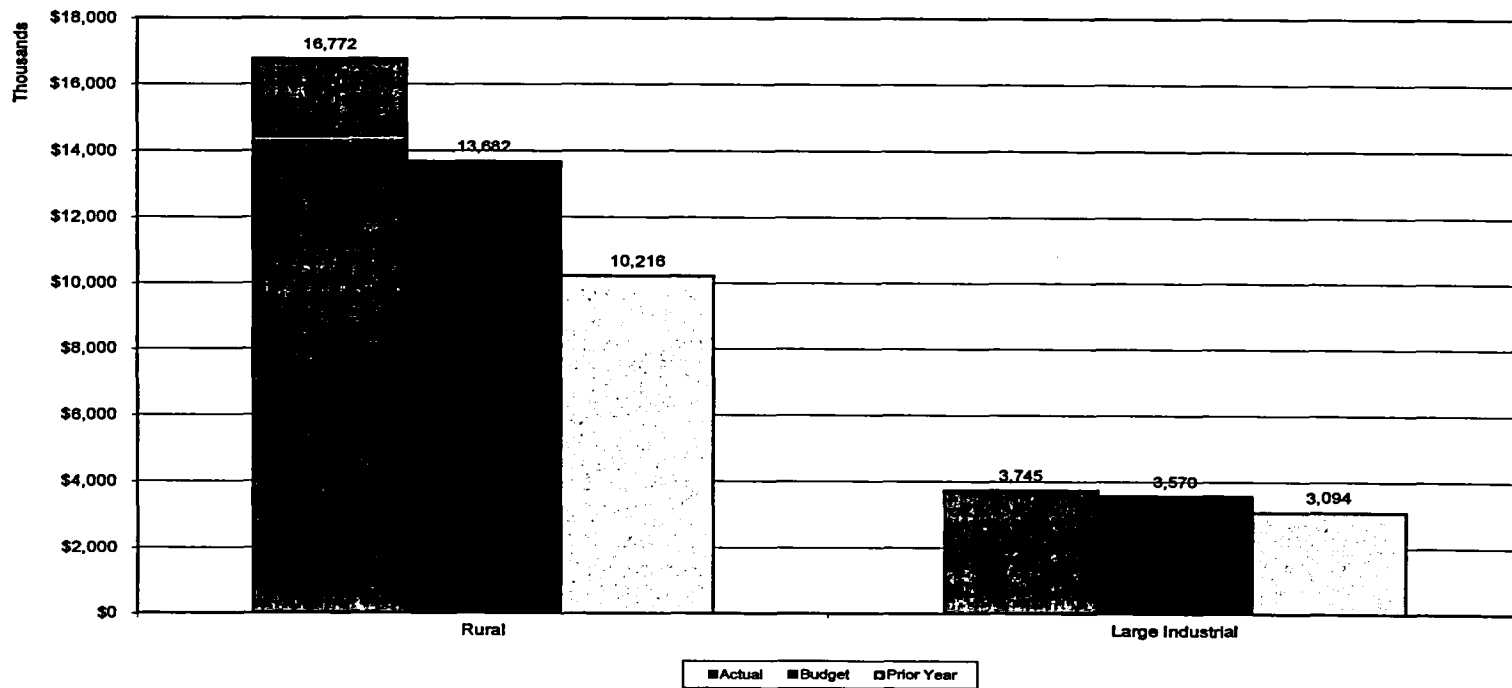
# Net Revenue Less MRSM - \$/MWh YTD – January



Favorable       Budget  
 Unfavorable       Prior Year



# Net Revenue Less MRSM YTD - January



■ Favorable      ■ Budget  
 □ Unfavorable   □ Prior Year



## Non-Variable Production and Other Power Supply – Operations

January YTD

		Variance		Variance
<u>Actual</u>	<u>Budget</u>	<u>Fav/(Unfav)</u>	<u>2013 Actual</u>	<u>Fav/(Unfav)</u>
4,080	3,908	(172)	5,205	1,125

**Current-Year Variances**

Station-Two Plant O&M	<u>Fav/(UnFav)</u>
Labor	(169)
Power Supply transmission reservation	(150)
Other (Depreciation, Property Taxes/Insurance, Plant Operations)	73
Non-Variable Production and Other Power Supply - Operations	74
	<u>(172)</u>

**Prior-Year Variances**

	<u>Fav/(UnFav)</u>
Power Supply transmission reservation	72
Plant Operations expense non-labor (WL, GN, CL)	234
Labor	827
Other (Depreciation, Property Taxes, Plant Operations expense, Station-Two)	(8)
Non-Variable Production and Other Power Supply - Operations	<u>1,125</u>



## **Operation Expense – Administrative & General**

	<b>Variance</b>		
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Fav/(Unfav)</u></b>
<b>January YTD</b>	<b>1,956</b>	<b>2,613</b>	<b>657</b>

The favorable variance is due to timing of professional service expenses associated with IS, Energy Services, Accounting and Administrative Services.



## Maintenance Expense – Production

	<u>Actual</u>	<u>Budget</u>	<u>Variance Fav/(Unfav)</u>	<u>2013 Actual</u>	<u>Variance Fav/(Unfav)</u>
<b>January YTD</b>	<b>2,603</b>	<b>1,806</b>	<b>(797)</b>	<b>3,304</b>	<b>701</b>

The unfavorable variance as compared to budget is due to timing of maintenance expenses at Green; and Wilson maintenance as Wilson is scheduled to run through March 2014. The favorable variance as compared to prior-year is due to Coleman running under SSR in 2014.



## Other Operating Revenue and Income

	<u>Actual</u>	<u>2013 Actual</u>	<u>Variance Fav/(Unfav)</u>
<b>January YTD</b>	<b>996</b>	<b>361</b>	<b>635</b>

Other Operating Revenue and Income is favorable to prior-year due to Century transmission revenue which is offset by the same amount in total Operation Expense - Administrative & General.





## Depreciation & Amortization Expense

	<u>Actual</u>	<u>2013</u>	<u>Variance</u> <u>Fav/(Unfav)</u>
<b>January YTD</b>	<b>3,006</b>	<b>3,414</b>	<b>408</b>

This favorable variance compared to prior-year is due to the deferral of Coleman depreciation per the Commission's order in Case Number 2012-00535.



## North Star – YTD January

	2014			2013	
	Actual	Budget	Fav/(UnFav) Variance	Actual	Fav/(UnFav) Variance
Total Cost of Electric Service	44,863	37,618	(7,245)	48,867	4,004
Other Operating Revenues & Income	(996)	(931)	65	(361)	635
Smelter Avoidable Base Charge	0	0	0	0	0
Off-System Sales/Other	(11,131)	(6,707)	4,424	(4,952)	6,179
Interest Income	(152)	(154)	(2)	(170)	(18)
Other Non-Operating Income	0	0	0	0	0
Other Capital Credits & Pat. Dividends	0	0	0	0	0
	<b>32,584</b>	<b>29,826</b>	<b>(2,758)</b>	<b>43,384</b>	<b>10,800</b>

Member MWh	648,740	570,097	78,643	948,181	(299,441)
------------	---------	---------	--------	---------	-----------

North Star - \$/kWh	0.050227	0.052317	0.002090	0.045754	(0.004473)
---------------------	----------	----------	----------	----------	------------



## TIER

	<u>Actual</u>	<u>Budget</u>	<u>Fav/(Unfav)</u>
Interest on Long-Term Debt	3,531	3,590	59
Net Margins	7,240	5,149	2,091
TIER - YTD January	3.05	2.43	0.62
TIER (12 months ending 01/31)	1.32	1.13	0.19

### Notes:

**TIER = (Net Margins + Interest on Long-Term Debt) divided by Interest on Long-Term Debt**



## Capital Expenditures\*

### Year-to-Date

	Actual	Budget	Fav/(UnFav)
IS	106	264	158
Generation	1,263	2,305	1,042
Transmission	218	491	273
Other	3	53	50
ECP	96	601	505
<b>Total</b>	<b>1,686</b>	<b>3,714</b>	<b>2,028</b>

**Explanation:**

IS was favorable \$158 due to the timing of expenditures associated with the Meade County ERP Replacement and the Keri Door System Replacement projects.

Generation was favorable by \$1,042 due to timing of capital expenditures. Green Station was favorable \$1,407 largely due to cancellation of G1 projects including the CT Header and Side Mount SS Cell Valves, Mill Rating Dampers and ID Outlet Fan Dampers. Wilson Station was favorable \$130 due to timing associated with the Layup Equipment project. Station-Two was unfavorable \$369 largely due to timing of the H1-“B” 4160V Switchgear project. Coleman Station was unfavorable \$126 due to timing of the Layup Equipment project.

Transmission was favorable \$273 primarily due to timing of the White Oak Substation and Buttermilk Falls kV Line projects.

Other was favorable \$50 due to timing of vehicle replacement purchases.

ECP was favorable \$505 due to timing of the MATS project.

\* Gross of the City’s share of Station Two. Includes capitalized interest.



## Cash & Temporary Investments

	<u>Actual</u>	<u>Budget</u>	<u>Fav/(Unfav)</u>	<b>2013</b> <u>Actual</u>	<u>Fav/(Unfav)</u>
<b>January 31st</b>	<b>101,002</b>	<b>86,921</b>	<b>14,081</b>	<b>112,287</b>	<b>(11,285)</b>

The January 31, 2014 cash balance compared to budget is favorable due to beginning balance favorability of \$10.1m and by changes in working capital.

The unfavorable variance to prior-year is due to paying off the 1983 pollution control bonds; offset by the reduction in capital expenditures and by changes in working capital.

<u>Lines of Credit</u> <u>As of January 31st</u>	
Original Amount	\$ 50,000
Letters of Credit Outstanding	(8,425)
Advances Outstanding	0
Available Lines of Credit	\$ 41,575

**BIG RIVERS ELECTRIC CORPORATION**

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

***Sixth Updated* Response to  
Commission Staff's Third Request for Information  
dated September 16, 2013**

**September 30, 2013**

***First Update* October 22, 2013**

***Second Update* November 26, 2013**

***Third Update* December 23, 2013**

***Fourth Update* January 31, 2014**

***Fifth Update* February 28, 2014**

***Sixth Update* March 28, 2014**

1 **Item 3) Refer to the response to Item 10 of Staff's Second Request.**

2

3 **a. Refer to the response to part a. Provide the reserve funds**  
4 **balances as of August 31, 2013. Consider this a**  
5 **continuing request to provide the updated balances of**  
6 **each of the reserve funds on a monthly basis throughout**  
7 **this proceeding.**

8 **b. Refer to the response to part b. The response states that**  
9 **the offset for the Rural class would be \$23.76 per MWh.**  
10 **Confirm that the offset for the Large Industrial class**  
11 **would be \$15.80 per MWh. If this cannot be confirmed,**  
12 **provide the amount and how it was calculated.**

13 **c. Refer to the attachment to the response to part c, page 2 of**  
14 **3, the Wholesale columns. Explain why the "Rate After**  
15 **Depletion" would not be the same under each of the three**  
16 **scenarios shown.**

17

18

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

**Sixth Updated Response to**  
**Commission Staff's Third Request for Information**  
**dated September 16, 2013**

**September 30, 2013**  
**First Update October 22, 2013**  
**Second Update November 26, 2013**  
**Third Update December 23, 2013**  
**Fourth Update January 31, 2014**  
**Fifth Update February 28, 2014**  
**Sixth Update March 28, 2014**

1

2 **Response)**

3

4

5

6

7

8

9

10

11

12

13 **Witness) Billie J. Richert**

14

- a. As of February 28, 2014, the balance of the Economic Reserve is \$54,422,343.15 and the balance of the Rural Economic Reserve is \$65,394,811.98. Big Rivers will provide monthly updates throughout this proceeding.
- b. Big Rivers' prior response, filed on September 30, 2013, remains unchanged.
- c. Big Rivers' prior response, filed on September 30, 2013, remains unchanged.