

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BIG RIVERS ELECTRIC CORPORATION'S NOTICE )  
OF CHANGES IN RATES AND TARIFFS FOR ) CASE NO. 90-128  
WHOLESALE ELECTRIC SERVICE )

O R D E R

IT IS ORDERED that Big Rivers Electric Corporation ("Big Rivers") shall file the original and 12 copies of the following information with the Commission by August 16, 1990, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately.

1. Provide a detailed explanation, including all assumptions and workpapers, of the derivation of the pro forma

level of non-firm inter-system sales of 742,220,000 KWH included in Exhibit 5, Entry 1, of the application.

2. Provide a detailed explanation, including all assumptions and workpapers, of the derivation of the pro forma KWH billing units for industrial loads as shown in Exhibit 5, Entry 3, of the application.

3. For Entry 4 of Exhibit 5, provide the following information:

a. A detailed explanation of the derivation of the pro forma MWH generation for each generating station. This explanation should detail all assumptions made by Big Rivers and should include all workpapers which support the pro forma generation levels.

b. An explanation of the use of March 1990 costs for coal and oil in the calculation of the pro forma fuel costs. This explanation should address the use of March's costs as opposed to costs from another month or actual test-year costs.

4. For Entry 2 of Exhibit 5, provide the following information:

a. An explanation of the derivation of the FAC rates of .0939 and .0945 mills used in the revenue calculations for NSA and Alcan, respectively.

b. An explanation of the derivation of the supplemental power energy charge of 19.25 mills used for NSA and Alcan.

5. Entry 14 of Exhibit 5 includes pro forma supplemental power energy revenue of \$6,868,436 and \$1,701,881 for NSA and

Alcan, respectively. These amounts reflect an energy rate of 19.6456 mills per KWH. Provide a detailed explanation, including workpapers, of the derivation of this rate.

6. a. Provide the calculation with supporting workpapers of the normalized demand revenue for industrial loads of \$15,612,726 shown on Exhibit 4, page 2 of 3. This should identify all loads, including those adjusted in Entry 3, which are included at a rate other than \$8.80.

b. Provide a similar calculation, with workpapers, of the pro forma demand revenue for industrial loads of \$18,028,954 shown in Entry 14 of Exhibit 5. Identify all loads included at a rate other than \$10.15.

7. a. Identify those customers that presently are served from industrial delivery points as defined in the proposed tariff section A.1. - Billing Demand.

b. Provide the KW demand for each customer that makes up the total normalized industrial billing demand of 1,842,849 KW.

8. Provide, in the same format as in Exhibit 4, a schedule which shows the combined rural and industrial loads for each of the four member cooperatives; or, alternatively, a breakdown of the industrial loads by member cooperative.

9. Provide the following information regarding the KW billed for rural loads as shown Exhibit 4.

a. An explanation of whether the 4,237,332 KW billed shown on pages 1 and 2 represents test year actual billing demand as defined in Big River's tariffs approved in Case No. 90-021.

b. A detailed explanation of any manner in which the 4,237,332 KW deviates from being a summary of test year billing demands based on the ratcheted peak for the months of January through November 1989 and the lower of November or December demands for the month of December 1989.

c. A detailed explanation of whether the demand of 4,013,627 KW shown on page 3 represents actual test year billing demands recalculated to reflect coincident peak demands as included in the proposed tariffs.

d. A detailed explanation of any manner in which the demand of 4,013,627 reflects any adjustments other than the recalculation described in Part (c) above.

10. For each of the four member cooperatives, provide the following information:

a. The actual non-coincident peak demands for rural loads recorded for each month of the test year.

b. The actual coincident peak demands for rural loads recorded for each month from January 1988 through June 1990.

11. Provide the following information regarding the proposed tariff language for billing demand at rural delivery points:

a. A detailed explanation of how the ratcheted demands for December 1989 were derived.

b. Assuming the rates requested are approved effective January 1, 1991, explain how the January 1991 demand will be affected by the December 1989 demands and the 3 percent limitation.

c. By January 1991, the 11 preceding months will be February through December 1990. Explain how the demand levels for these months will affect the January 1991 demands.

12. a. Provide detailed support for the derivation of the off-peak period of 10:00 PM to 6:00 AM included in the proposed time-of-day tariff. This support should include all workpapers, assumptions, and analyses used to determine the off-peak period, along with a narrative description of how the determination was made.

b. Provide a detailed explanation for the proposed 125 percent energy rate proposed for TDR energy, including all workpapers, assumptions, and analyses used in developing the 125 percent level.

c. Provide a hypothetical example of how the demand and energy billing would be calculated for a customer served on the proposed time-of-day rate.

d. Provide the results of any analysis Big Rivers has performed on the potential revenue impact of the proposed time-of-day rate.

e. Provide a narrative description of any billing demand modifications which Big Rivers considered, for possible changes to its tariffs, other than the modifications proposed in the application.

13. Provide an analysis which reflects the difference in the outstanding balance of the Total Government Debt Note of April 30, 1990 of \$877,676,917.56 and the total payoff amount of

\$1,087,955,068.20. Provide the same analysis at the end of the test period.

14. Provide complete detailed workpapers supporting the pro forma adjustments contained in Exhibit 5.

15. Provide the depreciation schedule in Exhibit 5, entry 6, for the beginning of the test year.

16. Provide an analysis of the test-year actual wheeling cost on Exhibit 5, entry 8.

17. Provide a detailed analysis, by employee classification, of the 1989 Actual and Pro forma payroll included in Exhibit 5, entry 9.

18. Provide a breakdown of the following accounts at the end of the test period.

a. Temporary Investments.

b. Deferred Debits.

c. Accounts Payable.

d. Deferred Credits.

19. Provide complete details, including a copy of the computer model and data base, for Exhibit 14, Updated Financial Forecast model. Provide a version on computer data disc of Exhibit 14, for the period from the test year through 1997.

20. Provide a detailed explanation of the information included in Exhibit 9 to the application. Include a thorough discussion of all assumptions and adjustments used in this exhibit.

21. Provide a complete list of all periodic reports required to be submitted to all of Big Rivers' creditors for purposes of

monitoring the financial condition and compliance with the debt restructuring agreement. Also provide copies of any such reports which have not been filed in a part of this case.

22. With reference to the response to Item 49 of the Commission's data request dated June 5, 1990, explain how the costs and/or savings associated with the recommendations of the management audit have been reflected in Big Rivers' determination of revenue requirements. If not reflected, explain why.

Done at Frankfort, Kentucky, this 2nd day of August, 1990.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director