

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF KENERGY CORP.)
AND BIG RIVERS ELECTRIC CORPORATION) CASE NO.
FOR APPROVAL OF CONTRACTS AND FOR A) 2013-00221
DECLARATORY ORDER)

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO BIG RIVERS ELECTRIC CORPORATION

Big Rivers Electric Corporation ("Big Rivers"), pursuant to 807 KAR 5:001, is to file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due on or before July 11, 2013. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

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

Big Rivers shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

Big Rivers fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to page 13 of the application. Beginning at line 1, Big Rivers states that “[p]art of this process also includes the approvals Big Rivers must obtain to be authorized by its creditors to enter into a transaction with Kenergy for Century Kentucky.”

a. Provide the names of the creditors from whom Big Rivers must obtain approval and the status of those approvals.

b. In the event that any of the creditors impose conditions or restrictions on Big Rivers in return for granting the needed authorizations, provide copies of all written documents referencing the conditions or restrictions.

2. Refer to page 10 of 49 of the Direct Testimony of Robert W. Berry (“Berry Testimony”). Starting at line 6, Mr. Berry states that Big Rivers has applied to the Midwest Independent Transmission System Operator, Inc. (“MISO”) for the establishment of a new commercial pricing “node,” the “Hawesville Node”. State whether this approval has been received. If no, state when a decision by MISO is expected.

3. Refer to Exhibit 4 of the application, the Electric Service Agreement.

a. Refer to page 24. Section 8.1, Metering Facilities, states that "Kenergy will provide or cause to be provided metering facilities at the Delivery Point that measure Hourly kW, kWh, kilovars, kilovar-hours and voltage-hours." State whether the metering facilities are already in place as a result of Kenergy providing service to Century under the 2009 Retail Electric Service Agreement ("2009 Retail Agreement"). If no, explain why the metering facilities are not currently necessary and provide the estimated cost of installing and maintaining the metering facilities.

b. Refer to page 25. Section 9.2, Facilities Provided by Kenergy, states that "Kenergy shall install and maintain, or shall cause to be installed and maintained, any and all interconnection equipment, metering, or substation equipment, and other equipment, including switching and protective equipment but excluding the Capacitor Additions and the Protective Relays, necessary to deliver Energy to Century at the Delivery Point." State whether this equipment is already in place as a result of Kenergy providing service to Century under the 2009 Retail Agreement. If no, explain why the equipment is not currently necessary and provide the estimated cost of installing and maintaining the equipment.

4. Refer to Exhibit 12 of the application, the Security and Lockbox Agreement. Paragraph 7 on page 5 relates to fees and charges associated with the Lockbox Account. Provide the estimated annual fees for the Lockbox Account and state whether Big Rivers will be reimbursed by Century for the fees.

5. Refer to page 10 of the application, line 20. Should the "10,000,000 kW of demand" be corrected to "10,000 kW of demand"?

6. Refer to page 2, lines 3-5, of Big Rivers' compliance filing made on June 26, 2013. What is the amount of "Base Load" that has been calculated by MISO?

7. The application, page 10, lines 13-15, requests Commission approval of the Century Transaction pursuant to KRS 278.160(1) and 807 KAR 5:011, Section 13. However, both the Electric Service Agreement, Article 18.2, and the Arrangement Agreement, Article 18.2, provide that, "the Parties hereby agree that the courts of the Commonwealth of Kentucky will have exclusive jurisdiction over any and all disputes" Explain in detail why a contract between a Commission regulated utility and a customer that sets forth rates and terms and conditions of service is not within the exclusive jurisdiction of the Commission.

8. The application, page 11, lines 8-9, requests Commission approval of the Alternate Service Agreement pursuant to KRS 278.160(1) and 807 KAR 5:011, Section 13. However, the Alternate Service Agreement, Addendum 5.40, titled "Jurisdiction and Venue," provides that "[v]enue of any action, legal or equitable, having as its basis the enforcement or interpretation of this contract, shall be Henderson County, Kentucky." Explain in detail why a contract between a Commission regulated utility and a customer that sets forth rates and terms and conditions of service is not within the exclusive jurisdiction of the Commission.

9. Refer to page 39, lines 16-20, of the Berry Testimony. Identify the exact locations of each of the acknowledgements referenced in the Berry Testimony.

a. Explain what is meant by the term "tariff service" that Century is acknowledging that it would not be entitled to receive from Kenergy if a Century Transaction document is terminated.

b. Has Kenergy entered into any agreement, or does Kenergy intend to enter into any agreement, that does or will affect Kenergy's rights and obligations to provide retail electric service to Century pursuant to KRS 278.016 to 278.018?

10. Refer to Exhibit 4 of the application, page 35, Section 14.4, titled "Post-Termination Obligation." In the absence of a contractual obligation for Kenergy to serve Century, will Kenergy still have a legal obligation to serve Century? If yes, explain the basis for that legal obligation and explain why Century would not have a right to receive service from Kenergy at rates based on Kenergy's average cost of electric power.



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DATED JUL 02 2013

cc: Parties of Record

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