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Commonwealth of Kentucky
Public Service Commission
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

December 19, 2013

TO: DIVISION OF FILINGS

RE: 2013-00199

Application of Big Rivers Electric Corporation for a General Adjustment in Rates
Supported by Fully Forecasted Test Period

Please file in the administrative record of the above-referenced case the enclosed public meeting notes, which were recorded by Commission Staff at the public meeting in Henderson, Kentucky, on December 16, 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

QN:kar
Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG RIVERS ELECTRIC)	
CORPORATION FOR A GENERAL)	CASE NO.
ADJUSTMENT IN RATES SUPPORTED BY)	2013-00199
FULLY FORECASTED TEST PERIOD)	

MINUTES OF THE INFORMATION SESSION AND PUBLIC HEARING
HENDERSON COMMUNITY COLLEGE
HENDERSON, KENTUCKY
DECEMBER 16, 2013, 5:00 P.M.

A public information session and public hearing was conducted at Henderson Community College in Henderson, Kentucky, on December 16, 2013. Andrew Melnykovich, Public Information Officer for the Public Service Commission, conducted the information session introducing the Commission and Commission Staff, and explained the procedure and protocol for the information session and the public hearing. Mr. Melnykovich then presented an overview of the legal basis, criteria, and review process for the Commission's consideration of applications for a base rate increase. The presentation included a general overview of the instant application and concluded with a question-and-answer period.

At the conclusion of the information session and after a short intermission, Chairman David Armstrong initiated the public hearing portion of the meeting, providing a brief overview of the case at bar, the parties involved, and setting forth the procedure and protocol for the taking of comments. Chairman Armstrong then invited the public to make comments to the Commission regarding Big Rivers Electric Corporation's ("Big

Rivers”) application for a base rate increase. The following individuals spoke at the public meeting:

1. Larry Heistand – Mr. Heistand is a Kenergy customer and indicated that it appears that there have been rate increases every six months. Mr. Heistand states that he is retired and on a fixed income and that any electric rate increase would negatively impact his level of spending as well as cause businesses to lay off employees. Mr. Heistand stated that Big Rivers needs to cut costs through attrition and promote from within rather than continuing to hire externally. Lastly, Mr. Heistand recommended that Big Rivers be granted much less of an increase than what the company requested.

2. Peggy Nance – Ms. Nance stated that Century was able to get cheaper rates and that Century is expanding and hiring additional employees but the remaining Big Rivers’ customers are having to bear the burden of that decision and that Century got off scott-free.

3. Lora Bloom – Ms. Bloom stated that she is a Kenergy customer and an employee of Domtar. Ms. Bloom indicated that any increase in Big Rivers’ electric rates would have a negative impact on Domtar’s ability to maintain its profitability.

4. Richard Basham – Mr. Basham is a Kenergy customer and states that Big Rivers’ rate increase would cause his Kenergy’s bills to also increase. Mr. Basham stated that he is a 32-year employee of Domtar and an increase in electric rates would impact Domtar’s competitive advantage especially in attracting internal capital investments. Mr. Basham is also a member of the Hancock County Industrial Foundation, noting that Hancock County is very industrial intensive and that Big Rivers’

rate increase would impact the current industrial concerns in Hancock County and negatively impact the county's economic development efforts.

5. Chuck Stagg – Mr. Stagg is a Kenergy customer and stated that Big Rivers used to be one of the lowest providers of electricity in the nation. However, currently Big Rivers' rates are far less competitive than that of Kentucky Utilities Company. Mr. Stagg stated that the smelter risk has always been a known issue to Big Rivers. Mr. Stagg requests the Commission to scrutinize all of Big Rivers expenses and return the company to being a low cost producer of electricity.

6. Harvey Clayton – Mr. Clayton is a Domtar employee and states that the paper company is under enormous stress to reduce cost.

7. Pam Hazelwood – Ms. Hazelwood is a Kenergy customer and wanted to know if the rate increase Big Rivers is asking is fair, just, and reasonable. Ms. Hazelwood stated that her electric bills have increased even though she has unplugged all of the appliances in her house. Ms. Hazelwood stated that Big Rivers should also be required to economize its business rather than placing the burden on its customers with rate increases.

8. Michael Hunter – Mr. Hunter is a Domtar employee and had moved to western Kentucky from Pennsylvania because of the quality of life in the area and the attractive cost of living. Mr. Hunter states that the rate increase will impact the local economy for the worse and that Big Rivers, as a cooperative, is a non-profit organization that should be focused on its cost structure.

9. Glen Hazelwood – Mr. Hazelwood has only this question to ask: Why does Big Rivers need \$74 million per year in profit?

No other member of the public wished to make a comment. The public hearing was then adjourned. All persons in attendance were asked to sign in and provide their home address for the record. The sign-in sheet is attached hereto as Appendix A.

APPENDIX A

1

PUBLIC MEETING - SIGN-IN SHEET

Big Rivers Electric Corp. – Case No. 2013-00199

Henderson – December 18, 2013

PLEASE PRINT LEGIBLY

Name	Address	DO YOU WISH TO SPEAK?
1 Steve Henry	3038 Hidden Lake Pt, Owensboro, KY	YES <input checked="" type="radio"/> NO
2 Chuck Stinnett	The Gleaner Henderson KY	YES <input checked="" type="radio"/> NO
3 Larry Heistand	7184 Larue Rd Henderson Ky	<input checked="" type="radio"/> YES NO
4 Mark Bailey	4008 Shady Hollow Dr. " "	YES <input checked="" type="radio"/> NO
5 Bob Beep	6683 Bancroft Owensboro	YES <input checked="" type="radio"/> NO
6 Tim West	3819 Wood Trace Owensboro 42303	YES <input checked="" type="radio"/> NO
7 Charlie Hiatt	8550 Hwy 2096 Henderson 42452	YES <input checked="" type="radio"/> NO
8 Renee Beasley Jones	1505 St Marys Ave Olney, KY	YES <input checked="" type="radio"/> NO
9 Marty Little	201 THIRD ST. Henderson, KY	YES <input checked="" type="radio"/> NO
10 PEGGY W. NANTZ	10064 Hwy. 136 E. HENDERSON	<input checked="" type="radio"/> YES NO

2

PUBLIC MEETING - SIGN-IN SHEET

Big Rivers Electric Corp. – Case No. 2013-00199

Henderson – December 18, 2013

PLEASE PRINT LEGIBLY

Name	Address	DO YOU WISH TO SPEAK?	
1 Billie RICHERT	EVANSVILLE, IN	YES	<input checked="" type="radio"/> NO
2 JOHN ALBERT	Henderson, KY	YES	<input checked="" type="radio"/> NO
3 Bill Denton	Henderson, Ky	YES	<input type="radio"/> NO
4 Bruce ABBOTT	Henderson, Ky	YES	<input checked="" type="radio"/> NO
5 Mike Nagal	Waverly Ky.	YES	<input type="radio"/> NO
6 Chris HOPGOS	Henderson, Ky	YES	<input checked="" type="radio"/> NO
7 Dan Dyrup	Quersboro Ky	YES	<input checked="" type="radio"/> NO
8 Greg Starheim	Henderson, KY	YES	<input checked="" type="radio"/> NO
9 Tip Depp	Covisville, KY	YES	<input checked="" type="radio"/> NO
10 Rachel Bledsue	Zou. KY	YES	<input checked="" type="radio"/> NO

PUBLIC MEETING - SIGN-IN SHEET

Big Rivers Electric Corp. – Case No. 2013-00199

Henderson – December 18, 2013

PLEASE PRINT LEGIBLY

Name	Address	DO YOU WISH TO SPEAK?
1. Sharla Austin-Darnell	Calhoun, KY	YES <input checked="" type="radio"/> NO
2. Pamela & Glenn Hazelwood	Henderson, KY 77	YES NO
3. Harvey Clayton	Tell City IN ?	YES NO
4. Michael Hunter	Owensboro Ky ?	YES NO
5. Lora Bloom	Lewisport, Ky	<input checked="" type="radio"/> YES NO
6. Richard A. Bastan	HAWESVILLE	<input checked="" type="radio"/> YES NO
7. Travis Stewart	Henderson KY	YES <input checked="" type="radio"/> NO
8. Quah St	STARD HENDERSON	<input checked="" type="radio"/> YES NO
9. Owen Reeves	Henderson, KY	YES NO ?
10. Brad Schneider	Henderson Ky.	YES <input checked="" type="radio"/> NO

(4)

PUBLIC MEETING - SIGN-IN SHEET

Big Rivers Electric Corp. – Case No. 2013-00199

Henderson – December 18, 2013

PLEASE PRINT LEGIBLY

Name	Address	DO YOU WISH TO SPEAK?	
1 Larry Cook	Frankfort 1024 Capital Center Dr.	YES	<input checked="" type="radio"/> NO
2 Allan Eyre	631 Mallard Ln Henderson	YES	<input checked="" type="radio"/> NO
3 Bill Stephens	WSON Radio Henderson	YES	<input checked="" type="radio"/> NO
4		YES	NO
5		YES	NO
6		YES	NO
7		YES	NO
8		YES	NO
9		YES	NO
10		YES	NO