

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. 10265
WHOLESALE ELECTRIC SERVICE)

O R D E R

IT IS ORDERED that Alcan Aluminum Corporation ("Alcan") shall file an original and 12 copies of the following information with the Commission with a copy to all parties of record no later than October 14, 1988. If the information cannot be provided by this date, Alcan should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission. Alcan shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each item of information requested.

1. Provide Alcan's contract and actual demand for each month of the test year and through September 30, 1988.

2. With reference to the statement on page 4 of Mr. Brubaker's Testimony that Alcan's third pot line would produce approximately \$26 million of additional revenue at the variable rate of 32 mills per KWH, provide the following information:

a. Workpapers supporting the manner in which the \$26 million was calculated. Include an explanation of any assumptions underlying the calculation.

b. An explanation of the manner in which the revenue associated with Alcan's contract demand was incorporated in the calculation of the \$26 million.

3. Schedule 1 of Exhibit MEB-1() reflects an increase in total revenue of \$13,668,362 by comparing Projected 1987 revenues with Actual 1987 revenues. Using the expenses from the sources cited in this exhibit, provide the change in cash flow. Include supporting workpapers.

4. With reference to Schedule 2 of Exhibit MEB-1(), provide the following information:

a. Detailed workpapers supporting the calculation of the Pro Forma 1988 revenue of \$244,687,671 for the aluminum smelters and of \$80,822,437 for the other members.

b. Provide the change in cash flow between the Projected 1988 data and the Pro Forma 1988 data using the expenses from the same sources for this schedule.

5. With reference to the recommendation on page 10 of Mr. Brubaker's Testimony explain in detail the consideration given to the following:

a. Big Rivers' cash flow. Indicate periods considered.

b. The price of aluminum.

c. The debt payments required under the Restructuring Agreement.

d. The smelters' demand for electricity: contract, actual, and projected. Indicate periods considered.

Done at Frankfort, Kentucky this 29th day of September, 1988.

PUBLIC SERVICE COMMISSION


For The Commission

ATTEST:

Executive Director