

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BIG RIVERS ELECTRIC CORPORATION S )  
PURCHASE AND SALES TARIFFS FOR ) CASE NO. 99-354  
COGENERATORS AND SMALL POWER )  
PRODUCERS )

O R D E R

IT IS ORDERED that Willamette Industries, Inc. ( Willamette ) shall file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due no later than November 10, 1999. 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 previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to Willamette s Petition to Intervene at Paragraphs 9, 10, 11, and 12. Those paragraphs refer to the requirements set out in the Public Utilities Regulatory Policy Act of 1978 ( PURPA ), the regulations of the Federal Energy Regulatory Commission ( FERC ), and the Commission s regulation governing cogeneration which

all indicate that rates for sales to qualifying facilities shall be just and reasonable, and shall not discriminate against the qualifying facility in comparison to the rates charged to other customers. Willamette contends that Big Rivers proposed tariff for the provision of supplemental service and back-up service is discriminatory and departs from cost-based rate-making.

a. Provide a more detailed narrative description of how Big Rivers proposed sales tariff departs from cost-based rate-making.

b. Provide a more detailed narrative description of how Big Rivers proposed sales tariff is discriminatory to a qualifying facility in comparison to the rates charged to other customers.

2. In Paragraph 4 of its Petition to Intervene, Willamette makes reference to reasonable cogeneration standby rates, such as those Willamette pays at its other paper mills with cogeneration. Provide the tariffs for the cogeneration standby rates that Willamette pays at its other mills with cogeneration.

3. Refer to Paragraph 14(b) of Willamette's Petition to Intervene. The paragraph indicates that Willamette believes Big Rivers should be willing to allow cogenerators access to acquire market-based power at market-based rates rather than charge high fixed supplementary, maintenance, back-up, and excess demand charged to cogenerators on its system.

a. Do any other Willamette paper mills operate under a provision that allows its cogenerators access to market-based power at market-based rates? If yes, provide the tariffs and/or contracts under which those cogenerators are served by their utility.

b. If the response in part (a) is no, explain in detail how Willamette anticipates such a rate mechanism would be designed and implemented.

Done at Frankfort, Kentucky, this 29<sup>th</sup> day of October, 1999.

By the Commission

ATTEST:

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Executive Director