

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| NOTICE OF AMENDMENTS TO EXISTING |) | |
| TARIFFS OF BIG RIVERS ELECTRIC |) | |
| CORPORATION AND KENERGY CORP. |) | CASE NO. |
| TO IMPLEMENT A VOLUNTARY REAL-TIME |) | 2007-00164 |
| PRICING PILOT PROGRAM FOR LARGE |) | |
| COMMERCIAL AND INDUSTRIAL CUSTOMERS |) | |

FIRST DATA REQUEST OF COMMISSION STAFF TO
BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.

Big Rivers Electric Corporation (“Big Rivers”) and Kenergy Corp. (“Kenergy”) (collectively “the Companies”) are requested, pursuant to 807 KAR 5:001, to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on June 5, 2007. Each copy of the data requested should be placed in a bound volume with each item tabbed. Responses to requests for information shall be appropriately indexed, for example, Item 1(a), Sheet 2 of 6, and shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be under oath or, for representatives of a public or private corporation, a partnership, an association or a governmental agency, be accompanied by a signed certification of the preparer or 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.

The Companies shall make timely amendment to any prior response if they obtain information upon the basis of which they know that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which the Companies fail to furnish all or part of the requested information, the Companies shall provide a written explanation of the specific grounds for their failure to furnish.

Careful attention shall be given to copied material to ensure its legibility. 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.

1. Refer to page 1, paragraph 1 of Big Rivers' and Kenergy's Notice which states that "pricing will be based on market pricing scheduled a day or week ahead."

a. How will Big Rivers and Kenergy determine the day-ahead or week-ahead price?

b. How will these prices be communicated to customers?

2. Refer to page 3, paragraphs 7 and 8 of Big Rivers' and Kenergy's Notice.

a. Explain why Big Rivers and Kenergy determined that real-time pricing should only be offered to customers served under Kenergy's Rate Schedule 41, large customers served under special contract for all loads subject to the Big Rivers Large Industrial Customer Expansion Rate.

b. Explain why the customers served under Kenergy's Schedule 2 – 3 Phase Demand and Schedule 3 – 3 Phase Demand tariffs will not be eligible for the RTP pilot.

c. Page 3 does not continue on page 4. Provide the information missing between page 3, line 23 and page 4, line 1.

3. Refer to pages 3 and 4, paragraph 8 of Big Rivers' and Kenergy's Notice which states, "[i]f the customer is served from the distribution system, Kenergy will provide the load profile meter, which currently costs approximately \$800 for the equipment. Use of a load profile meter will involve additional labor costs for meter reading since the meter reader must download the meter data each month, a process that can take up to 30 minutes. However, if the customer is served from the transmission system, Big Rivers will provide the load profile meter and will be subject to the additional costs."

a. Do Kenergy and Big Rivers intend to charge the cost of the load profile meters and additional meter reading costs to the RTP customers? If yes, will these costs be an up-front charge or be in the form of a monthly program charge?

b. Do any of Kenergy's customers, including those directly served by Big Rivers, have load profile meters or other meters capable of capturing the information necessary for the RTP Pilot?

4. Refer to page 4, paragraph 8, lines 8 through 10 of Big Rivers' and Kenergy's Notice which states, "Since costs will vary on a case-by-case basis, Big Rivers and Kenergy have chosen to implement the real-time pricing pilot by requiring a special contract to be negotiated between Big Rivers, Kenergy, and the retail customer." Explain in detail why Big Rivers and Kenergy cannot offer the real-time pricing program by standard tariffs.

5. Provide a discussion of the specific items Big Rivers and Kenergy anticipate being included in the special contracts.

6. In his April 20, 2007 testimony on behalf of East Kentucky Power Cooperative, Inc. ("EKPC"), William A. Bosta stated that EKPC and Big Rivers had discussions concerning real-time pricing programs.

a. Explain why Big Rivers and EKPC ultimately opted for separate approaches and pilot programs.

b. Explain what factors prompted Big Rivers and EKPC to propose such seemingly different pilot programs.

c. Have Big Rivers and Kenergy drafted a contract under which RTP pricing is to be offered? If yes, provide a copy of the contract.

d. Does Kenergy plan to use a historical customer baseline load to recover embedded costs like EKPC? If no, explain how embedded costs will be recovered.

7. What is the source of the power Big Rivers and Kenergy will sell under the real-time pricing program, the market or the contract with Western Kentucky Energy ("WKE")?

8. Refer to Exhibit B of Big Rivers' and Kenergy's Application. Kenergy's Amended Rate Schedule provides amended pages 41D and 41E and indicates that there are text changes on these pages. Show with cross-outs and underlines the text that is being changed on these pages.

9. In Schedule 10 of Big Rivers' proposed tariff, applicability of the tariff is limited to purchases made by a member cooperative initiating service after August 31,

1999. Explain the significance of the date limiting participation. Include in the explanation whether the “unwinding” of Big Rivers and WKE will negate this requirement when completed.

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line extending to the right.

Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

Dated: May 21, 2007

cc: Parties of Record

