COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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APPLICATION OF BIG RIVERS ELECTRIC)	
CORPORATION FOR A GENERAL) CASE NO	
ADJUSTMENT IN RATES SUPPORTED BY) 2013-0019	9
FULLY FORECASTED TEST PERIOD	j	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO BEN TAYLOR AND THE SIERRA CLUB

Ben Taylor and the Sierra Club ("Sierra Club"), pursuant to 807 KAR 5:001, are requested 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 November 22, 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.

Sierra Club shall make timely amendment to any prior responses 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

Sierra Club 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.

- 1. Refer to the Direct Testimony of Frank Ackerman ("Ackerman Testimony") at page 5, lines 17-19, and page 28, lines 26-29. These portions of the testimony refer to granting Big Rivers "short-term rate increases" sufficient to allow it to recalculate the costs and benefits of selling or closing the Wilson and Coleman generating stations.
- a. Provide a specific definition of what Mr. Ackerman means by "short-term rate increases."
- b. Identify the amount of the increase, with all necessary supporting calculations, Mr. Ackerman recommends as being sufficient to allow Big Rivers Electric Corporation ("Big Rivers") to recalculate the costs and benefits of selling or closing the Wilson and Coleman plants.
 - 2. Refer to page 21 of the Ackerman Testimony.
- a. Explain whether this discussion is intended as a recommendation to recognize the transmission revenues cited therein as an adjustment for ratemaking purposes or intended solely to emphasize the contribution these revenues will make to Big Rivers' financial stability, as stated on lines 23-24.

b. At lines 20-21, Mr. Ackerman states, "Once the SSR issue is resolved, BREC will receive approximately \$13.2 million per year in transmission revenues, assuming both smelters continue to operate at full capacity." Explain what is meant by "the SSR issue" and describe Mr. Ackerman's understanding of when it is expected to be resolved.

3. Refer to page 25, lines 3-8, and page 29, lines 5-8, of the Ackerman Testimony.

a. Confirm that on page 25, Mr. Ackerman is indicating that Sierra Club is agreeable to allowing Big Rivers to recover of the cost of debt associated with the Wilson and Coleman plants if such debt remains on Big Rivers' books as an obligation after the sale or closure of those plants.

b. Confirm that by stating that the Commission "should make clear its willingness to allow rates that cover scheduled debt payments after the departure of Wilson and Coleman" on page 29, that Mr. Ackerman is recommending that the Commission do this when it grants the short-term rate increase he refers to on pages 5 and 28 of his testimony.

Jeff Derguen

Executive Director

Public Service Commission

P.O. Box 615

Frankfort, KY 40602

DATED	NOV	1.2	2013	,

cc: Parties of Record

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