

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG RIVERS)	
ELECTRIC CORPORATION FOR)	CASE NO.
ENFORCEMENT OF RATE AND SERVICE)	2019-00269
STANDARDS)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO BIG RIVERS ELECTRIC CORPORATION

Big Rivers Electric Corporation (BREC), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on June 29, 2020. The Commission directs BREC to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

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.

BREC shall make timely amendment to any prior response if BREC 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 BREC fails or refuses to furnish all or part of the requested information, BREC 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, BREC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to BREC's response to Commission Staff's Initial Request for Information (Staff's Initial Request), Item 1.a.

- a. If known, provide how Henderson calculated the 18.87 percent share of its costs for the long-term remediation of the ash ponds.

b. To the extent Henderson's position regarding its obligation for the ash pond costs remains as stated in the response, provide BREC's position with respect to Henderson's calculation of the cost allocation.

c. To the extent Henderson's position regarding BREC's continued use of the joint facilities in accordance with the terms of the Station Two contracts remains as stated in the response, state whether BREC would agree that this issue has been resolved.

2. Refer to BREC's response to Staff's Initial Request, Item 4, pages 3–4 of 6, regarding the flue gas desulfurization (FGD) system at Station Two. Explain in more detail how the joint use of the FGD system greatly reduced the cost of that system at Station Two.

3. Refer to BREC's response to Staff's Initial Request, Item 5, and BREC's revised response to Staff's Initial Request, Item 7(d). State which capacity values were used to allocated costs between BREC and Henderson.

4. Refer to BREC's response to Staff's Initial Request, Item 7(a), and BREC's revised response to Staff's Initial Request, Item 7(d). For the years in which Henderson's capacity reservation was deficient by more than 5 megawatts (MW), explain whether and how the maximum change in Henderson's capacity reservation affects the capacity amounts used to allocate costs between BREC and Henderson.

5. Refer to BREC's response to Staff's Initial Request, Items 9(a) and 9(b). Explain when and how BREC communicated the severance package availability to nonbargaining employees.

6. Refer to BREC's response to Staff's Initial Request, Item 12, regarding the \$3.1 million in savings in 2015 resulting from the disposal and storage of the Station Two coal combustion waste at the Green landfill. State whether the \$3.1 million is attributable to the waste associated with Henderson's allocation of capacity at Station Two or whether the \$3.1 million is in connection with the entire waste generated by the Station Two in 2015.

7. Refer to BREC's response to Staff's Initial Request, Item 15, in which BREC states that "[t]he Green landfill is not a joint-use facility, even though all of the Station Two ash pond dredgings stored at the Green landfill are a joint use facility solely owned by Henderson."

a. Identify each provision in any relevant contract that supports this contention.

b. Explain each basis for BREC's contention that the landfill is not a joint-use facility but that the ash pond dredgings themselves are a joint-use facility.

c. Describe how BREC's determined the amounts charged or allocated to Henderson for transporting and depositing the waste from Station Two in the Green landfill at the time the waste was transported to and deposited in the landfill as distinguished from any costs that were charged or allocated to Henderson for the ongoing operation and maintenance of the landfill.

d. If, for the sake of this example only, neither the Green Landfill nor the ash pond dredgings stored at the Green landfill were a joint-use facility as that term

is used in the relevant contracts, state whether there would be any basis under the existing contracts for requiring Henderson to pay for ongoing operations and maintenance at the Green Landfill, and, if so, explain why.

8. Refer to BREC's response to Staff's Initial Request, Item 17. Explain how the interest charges will be calculated and when they will be applied.



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cc: Parties of Record

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