

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF BIG	)	
RIVERS ELECTRIC CORPORATION AND	)	
JACKSON PURCHASE ENERGY	)	
CORPORATION FOR APPROVAL AND	)	
CONFIDENTIAL TREATMENT OF A SPECIAL	)	CASE NO.
CONTRACT AND COST ANALYSIS	)	2021-00282
INFORMATION AND A REQUEST FOR	)	
DEVIATION FROM THE COMMISSION'S	)	
SEPTEMBER 24, 1990 IN ADMINISTRATIVE	)	
CASE NO. 327	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION  
TO BIG RIVERS ELECTRIC CORPORATION AND  
JACKSON PURCHASE ENERGY CORPORATION

Big Rivers Electric Corporation (BREC) and Jackson Purchase Energy Corporation (Jackson Purchase) (collectively, Joint Applicants), pursuant to 807 KAR 5:001, are to file with the Commission an electronic version of the following information. The information requested is due on August 27, 2021. The Commission directs the Joint Applicants to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. 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

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

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.

Joint Applicants shall make timely amendment to any prior response if Joint Applicants obtain information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Joint Applicants fail or refuse to furnish all or part of the requested information, Joint Applicants shall provide a written explanation of the specific grounds for their 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, Joint Applicants 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 the Direct Testimony of Mark Eacret (Eacret Testimony), page 9, lines 11–16, and the Blockware Retail Electric Agreement (Agreement), Exhibit C. Explain where in the Agreement the provision that the percentage of Blockware Mining LLC's (Blockware) power requirements that will be served under BREC's Large Industrial

Customer (LIC) rate will be subject to the economic development rate discounts is specified.

2. Refer to the Eacret Testimony, page 17, lines 1–13. The paragraph appears to pertain to that portion of Blockware load subject to the Economic Development Rate (EDR) credit.

a. Confirm whether Exhibit Eacret-3 includes the full and anticipated Blockware load.

b. Explain how BREC covers its capacity requirements in months with no excess capacity.

c. Provide the provision in the Agreement that Blockware would be responsible for the associated cost of market purchases in the event that BREC did find it necessary to make a specific market purchase to cover its demand.

3. Refer to the Eacret Testimony, page 18, lines 19–22.

a. Confirm that Blockware is not obligated to expand beyond its initial expansion.

b. If Blockware does expand its operations, confirm that the EDR credit will be applied to the additional demand in the same manner as applied to the initial expanded load.

4. Refer to the Eacret Testimony, page 22, lines 4–11. Confirm that the tranche of incremental load corresponds to Section 2.12(b) of the Agreement. If not, explain where in the Agreement this paragraph is provided.

5. Refer to the Eacret Testimony, Exhibit Eacret-3. Confirm that the Planning Year 2021 Planning Reserve Margin Requirement (PRMR) target is 11 percent, based

on unforced capacity of 9.4 percent plus transmission losses of 1.6 percent. If this cannot be confirmed, provide the correct PRMR target and components.

6. Refer to the Eacret Testimony, Exhibit Eacret-4.

a. This exhibit shows Blockware ramping up incrementally. Explain whether the EDR credit will be applied to each incremental expansion of load.

b. Update the exhibit to show in each year when the EDR credit is applied and to the number of MW the EDR is applied. Provide this response in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible

7. Refer to the Agreement, Exhibit C, Section C, pages 3–4.

a. Explain whether the discount description in subsection 1 means that if per the contract, that the customer were to add incremental load applicable to the EDR in the 2022 planning year, that the 90 percent EDR credit would be applied to the applicable demand charge monthly in each of the ensuing five years. If not, explain how subsection 1a would be applied to the demand charge over the five-year period.

b. If not answered above, explain whether the EDR discount is always 90 percent.

c. If not answered above, explain whether the EDR discount ever declines over the applicable discount period.

d. If not answered above, explain whether the 90 percent EDR discount is applied in each of the planning years described in subsection C.1.a.-1.i.

8. Refer to the Direct Testimony of John Wolfram (Wolfram Testimony). Provide the Exhibits and workpapers in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

9. Refer to the Wolfram Testimony, Exhibit Wolfram-2.
- a. Explain how the firm and non-firm gas costs were derived and whether these costs include pipeline transmission capacity.
  - b. Explain why the firm rates are considerably lower than the non-firm rates.



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DATED   AUG 12 2021  

cc: Parties of Record

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