

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BIG RIVERS ELECTRIC CORPORATION'S) CASE NO.
NOTICE OF INTENT TO REDUCE REVENUE) 2007-00111

FIRST DATA REQUEST OF COMMISSION STAFF
TO BIG RIVERS ELECTRIC CORPORATION

Big Rivers Electric Corporation ("Big Rivers"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 5 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before May 4, 2007. 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 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 the Application, pages 2 and 3, Item 8. Big Rivers states that it has signed a letter of intent with E.ON U.S. LLC, formerly known as LG&E Energy LLC, and certain of its subsidiaries or affiliates to pursue terminating the various agreements regarding operational control of Big Rivers' power plants and ownership of the electricity generated by them.

a. Provide the anticipated time-frame for completing the transaction to terminate the agreements.

b. Describe any analyses or studies Big Rivers has performed to determine whether its existing rates would provide sufficient revenue to pay all its costs, service the debt, and provide a positive margin if the transaction to terminate the agreements is closed.

c. Page 3 of the Application states that if the transaction to terminate the agreements occurs, Big Rivers anticipates it will make some permanent resolution of the Member Discount Adjustment Rider. Has this resolution of the Rider been reflected in the analyses or studies referenced in part (b) above? Explain the response.

d. The proposed amendment to the Rider makes it effective from September 1, 2007 through August 31, 2008. Assuming for purposes of this question that the Commission approves the proposed amendment and the transaction to terminate the agreements occurs between September 1, 2007 and August 31, 2008. Will the Rider remain in effect through August 31, 2008? Explain the response.

2. Provide a schedule of capital projects Big Rivers intends to initiate during 2007 and 2008, assuming Big Rivers regains control of its power plants by December 31, 2007. For each project listed include a description of the project, the total estimated cost, and how Big Rivers intends to fund the project.

3. Provide a schedule of any significant operating expenses that Big Rivers anticipates incurring during 2007 or 2008 that were not incurred in 2006. For each expense listed include a description of the expense, the total estimated expense, and how Big Rivers intends to fund the expense.

4. Concerning Big Rivers' proposal to continue the revenue reduction, has Big Rivers performed a cash flow analysis to determine the impact the revenue reduction will have on its financial condition?


a. If yes, provide a copy of the cash flow analysis and explain whether the analysis reflects Big Rivers regaining control of its power plants and, if so, the anticipated date it regains control of its power plants.

b. If no, explain why such an analysis has not been performed.

5. Has Big Rivers obtained the necessary creditor approvals required to continue the proposed revenue reduction?

a. If yes, provide a statement that all approvals have been received.

b. If no, indicate when Big Rivers expects to receive all approvals and provide a statement when all approvals have been received.



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

DATED April 18, 2007

cc: All Parties

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