

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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MAY 29 2007

PUBLIC SERVICE  
COMMISSION

In the Matter of:

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

MOTIONS

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and pursuant to KRS 367.150(8), which grants him the right and obligation to appear before regulatory bodies of the Commonwealth of Kentucky to represent consumers' interests, hereby moves the Public Service Commission to grant him full intervenor status in this action pursuant to 807 KAR 5:001(8).

Additionally, the Attorney General respectfully moves the Commission for an Order which would allow the Attorney General's office to propound his requests for additional information to the Applicants.

In support of this motion, the Attorney General states that although such requests are outside the time set forth in the procedural schedule associated with the matter, his full participation in the above case is essential to fulfill his statutory duties to represent the interests of the consumers of the Commonwealth in such matters, that such requests are expected to elicit information beneficial to the Commission in deciding the matter, that such requests are not

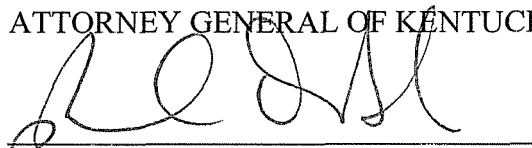
propounded to cause undue delay in the matter, and, finally, that he believes the requests for additional information will not unduly prejudice the rights of any of the parties of record.

Additionally, the Attorney General discussed his foregoing motion to propound requests for information in a telephone conversation between the Honorable Paul D. Adams, Assistant Attorney General and Counsel for the Applicant, the Honorable Tyson A. Kamuf, on Tuesday, May 29, 2007. In that conversation, Mr. Kamuf stated that he had no objection to the Attorney General's motion and that he believed the Applicant would have adequate time to respond to the requests provided such were faxed or emailed to his office today. The Attorney General states that such requests were emailed to Applicant's counsel on the same day that appears on this motion. The proposed Request for Information posed by the Attorney General are attached hereto.

Wherefore, the Attorney General prays the appropriate Order be entered by the Commission.

Respectfully submitted,

GREGORY D. STUMBO  
ATTORNEY GENERAL OF KENTUCKY



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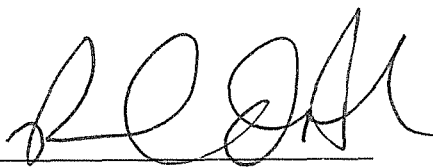
PUBLIC SERVICE  
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## CERTIFICATE OF SERVICE AND NOTICE OF FILING

I hereby give notice that this the 29<sup>th</sup> day of May, 2007, I have filed the original and ten copies of the foregoing Attorney General's Motion to Intervene with the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 and certify that this same day I have served the parties by mailing a true copy of same, postage prepaid, to those listed below.

Honorable Tyson A Kamuf  
Sullivan, Mountjoy, Stainback & Miller, PSC  
100 St. Ann Street  
P.O. Box 727  
Owensboro, KY 42302-0727

Honorable Michael L. Kurtz  
Boehm Kurtz & Lowry  
2110 CBLD Building  
36 East Seventh Street  
Cincinnati, Ohio 45202



Assistant Attorney General

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COMMERCIAL AND INDUSTRIAL CUSTOMERS )**

**REQUEST FOR INFORMATION POSED BY THE ATTORNEY GENERAL**

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits this Request for Information to Big Rivers Electric Corp. and Kenergy Corp., to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the witness who will be prepared to answer questions concerning each request.
- (3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (4) If any request appears confusing, please request clarification directly from the Office of Attorney General.
- (5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar

document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

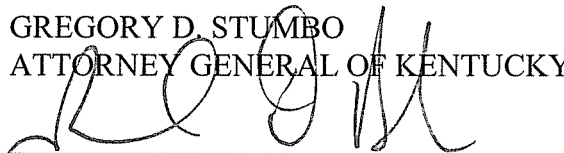
(7) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

Respectfully submitted,

GREGORY D. STUMBO  
ATTORNEY GENERAL OF KENTUCKY



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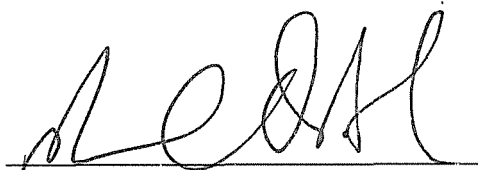
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Boehm Kurtz & Lowry  
2110 CBLD Building  
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A handwritten signature in black ink, appearing to be 'M. L. Kurtz', written over a horizontal line.

Assistant Attorney General

**REQUEST FOR INFORMATION**  
**Case No. 2007-00164**

1. Please provide a total number of Big Rivers customers eligible to participate in the pilot program.
  
2. Please provide a total number of Kenergy customers eligible to participate in the pilot program.
  
3. Please list any other electric utilities real-time pricing programs and pilots which the company reviewed and for the programs listed, provide:
  - A. A summary of each program or pilot, which should include the design of same and if implemented, the overall financial affect on the customers;
  - B. The information which the company reviewed from each other program or pilot in making the decision to propose this pilot;
  - C. The determinants or decision making reasons for determining this pilot to be appropriate; and
  - D. The modeling or analyses conducted in reaching the decision.
  
4. Please reference the Application, Exhibit A, paragraph 10.(b). It appears that subparagraphs (3)-(8) are missing from the application. Please provide the missing information.
  
5. Please reference the Application, Exhibit A, paragraph 10.(e).
  - A. Please clarify how the Expansion Demand and the Expansion Energy for a new

customer will be calculated and how such calculation will be utilized to generate billing data under the proposed tariff. Please provide sample calculations illustrating the procedure to be utilized.

B. Please clarify that the Expansion Demand for an existing customer shall be calculated from the Billing Demand and the customer's Base Year Peak. Please provide sample calculations illustrating the procedure to be utilized.

C. Please clarify whether the Expansion Energy for a customer shall be calculated for both existing and new customers based upon the energy usage in the corresponding Base Year month and the usage for the current month. Please provide sample calculations illustrating the procedure to be utilized.

D. Please clarify that the Expansion Energy charges will only be applicable if there is an increase in usage as compared to the Base Year peak, as calculated using the Expansion Demand calculation described.

E. Please clarify that a customer would only be charged for Expansion Energy under the proposed tariff if there is an increase shown under the Expansion Demand Calculation.

F. Please explain why Big Rivers/Kenergy chose to use the additional Expansion Demand calculation to filter out customers whose Expansion Energy shows an increase but whose Expansion Demand does not?

G. Please clarify whether the proposed tariff affects the entire electrical usage of a customer or only the amount of increased electrical usage as calculated using the Expansion Demand calculation.



6. Is the contemplated metering equipment proposed by the company failsafe with no possibility of error? If not, please provide the following:

A. What are the precautions undertaken by the company to eliminate any possible errors?

B. If the company under bills the customer, will the company agree to absorb the costs and not bill the customer?

C. Will the company implement any new or additional protocol to monitor the accuracy of the meters?

D. Will the company implement any new or additional protocol to monitor the accuracy of the implementation of the pilot?

7. Please fully describe the various options for communicating the real-time pricing to customers.

8. In addition to the hourly pricing information, will any other information be available to customers (i.e., current or real-time consumption data, previous consumption data, yearly or monthly consumption data or a running total)?

9. Please reference the Application, at page 4 paragraph 9.

A. Please clarify what is meant by the terms “Day-ahead” and “Week-ahead” in reference to hourly pricing?

B. Are these terms to be read to mean the twenty-four (24) hour or Seven day periods, respectively, following the setting of the posted prices?

C. Please clarify when the posted hourly or weekly prices take effect (i.e., do the prices go into effect the following day at 4 p.m., at the same evening at midnight, or something else)?

D. Please clarify how far in advance the company intends to post the day-ahead and/or week-ahead pricing?

E. If the posted hourly prices go into effect the same evening at midnight, does the company believe that customers will be able to respond adequately to the pricing signal?

10. Are participants to be charged for their actual usage at their current tariff rate plus or minus the difference between their actual and historic at pilot program rates? If so, does the possibility exist for over or under recovery from individual participants? If such a possibility exists, how does the company propose to allocate such over or under recovered funds?

11. Please indicate the number of Big Rivers customers the company anticipates will participate in the pilot program?

12. Please indicate the number of Kenergy customers the company anticipates will participate in the pilot program?

13. Is there a point when the company believes the lack of adequate participation in the program would require its modification or cancellation (i.e., a point where the lack of participation would make the program unfeasible or the results obtained therefrom unrepresentative of the participant classes)?

14. What steps or efforts will the company utilize to educate or otherwise inform Pilot participants on ways to reduce energy consumption or shift their load? Will these efforts be continuous and on-going in nature?

15. Please describe the anticipated demographics of the expected pilot program participants (i.e., industry type, size, location, etc.).

16. Please provide a detailed estimate of the anticipated administrative costs of the program.

A. Which of these costs are independent of the number of participants? Which of these costs are incremental costs that will be incurred based on the number of participants?

B. What costs does the company expect to recover through the proposed administration fee?

C. What costs does the company expect to recover through its base rates?

D. Did the company consider splitting the program cost between ratepayers and shareholders?

E. As participants are to be charged for a portion of load they designate at their current tariff rate plus any portion of additional load they designate as subject to real-time pricing, does the possibility exist for over or under recovery from individual participants?

If so, how does the company propose to allocate such over or under recovered funds?

17. Please provide a detailed explanation why the proposed program maintains the existing rate structure with the application of “correction” factors which are based on the variance of current usage compared to a customers’ historical usage?

18. Did the company consider a real-time pricing pilot with no correction factors and which is based on a true cost of service tariff? If so, then why was such program not chosen by the company?

19. Does the company have information as to the number of meters required under the pilot program?

20. Please provide a graph, for each month of the year, demonstrating the average daily usage on the hour for all 24 hours for customers eligible to participate in the pilot program. (This should be interpreted to mean that each graph will depict the average for all days of that month and normalized over a 30 year period.)

21. Please provide a graph, for each month of the year, demonstrating the projected change in the average daily usage on the hour for all 24 hours for customers eligible to participate in the pilot program.

22. What type of demand reduction does the company hope to obtain from this program (i.e., reductions in peak demand, base demand, or both)? Which type of reduction is more important to the company and why?