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November 19, 2007

Via Federal Express

Ms. Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

Re: In the Matter of: Consideration of the Requirements of the Federal Energy Policy Act of 2005 Regarding Fuel Sources and Fossil Fuel Generation Efficiency, Administrative Case No. 2007-00300

Dear Ms. O'Donnell:

Enclosed are an original and seven copies of the response to data requests of Big Rivers Electric Corporation for the above referenced matter. The undersigned certifies that he supervised in the preparation of the response and that the response is true and accurate to the best of his knowledge, information, and belief formed after a reasonable inquiry. I certify that a copy of the response has been served on the attached service list.

Sincerely,

Tyson Kamuf

TAK/ej
Enclosures

cc: Michael H. Core
David Spainhoward
John Talbert
Mike Thompson
Service List

Telephone (270) 926-4000
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100 St. Ann Building
PO Box 727
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SERVICE LIST
ADMINISTRATIVE CASE NO. 2007-00300

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CONSIDERATION OF THE REQUIREMENTS OF THE FEDERAL ENERGY POLICY ACT OF 2005 REGARDING FUEL SOURCES AND FOSSIL FUEL GENERATION EFFICIENCY	))))	ADMINISTRATIVE CASE NO. 2007-00300

BIG RIVERS ELECTRIC CORPRATION'S RESPONSE TO
THE FIRST DATA REQUEST OF COMMISSION STAFF

November 19, 2007

Item 1) Provide the following for each unit:

a. What was the heat rate (Btu/kWh) at the time of initial operation (both name plate and actual experience)?

b. What is the heat rate today?

c. Identify the actions that the company has taken that have impacted heat rate and identify whether the actions have had a positive (by lowering the heat rate) or negative impact (by increasing the heat rate).

Response)

1a) See the spreadsheet attached to this response as Exhibit A.

1b) Since 1998, Big Rivers Electric Corporation ("Big Rivers") has leased its generating units to Western Kentucky Energy Corp. ("WKE"). Big Rivers has not operated any generating units since that time, and for that reason, Big Rivers is not in a position to provide a response to this data request. Big Rivers forwarded this data request to WKE for a response. WKE's response is attached to this response as Exhibit B.

1c) See the response to Item 1b.

Witness) Mike Thompson

BREC Units Design Heat Rates at Full Rated Capacity

(BTU/kwhr, annual)

	Comm Year	Design Boiler Eff	Design turbine heat rate	Design unit gross heat rate	initial gross demonst. heat rate	initial net demonst. heat rate
C-1	1969	88.02%	7,974	9,059	9,360	9,905
C-2	1970	88.02%	7,974	9,059	9,360	9,905
C-3	1971	87.92%	8,005	9,105	9,405	10,060
G-1	1980	87.54%	8,245	9,418	9,620	10,570
G-2	1981	87.54%	8,235	9,407	9,610	10,560
H-1	1973	87.92%	8,016	9,117	9,370	10,020
H-2	1974	87.92%	8,045	9,150	9,400	10,050
R-1	1966	86.90%	8,954	10,303	10,350	11,250
W-1	1986	88.87%	8,174	9,198	9,450	10,000

From: Toerne, Rob [mailto:Rob.Toerne@eon-us.com]
Sent: Friday, November 16, 2007 1:38 PM
To: Mike Thompson
Cc: David Spainhoward; Jim Miller; Dowdy, Tim; Bowling, Ralph; John Talbert
Subject: RE: PSC Data Request 11-09-07 Case No 2007-00300

Mike,

Western Kentucky Energy (WKE) respectfully declines to provide the data requested under Case Number 2007-00300 of the Kentucky Public Service Commission (KPSC). This response is consistent with WKE's previous KPSC data requests made since the inception of the lease in 1998. WKE is a non-jurisdictional independent power producer and considers this data to be business sensitive and confidential to our operations. Release of this information has the potential to cause WKE a loss in market competitiveness.

Rob Toerne
270.844.6029

From: Mike Thompson [mailto:mthompson@bigrivers.com]
Sent: Tuesday, November 13, 2007 4:18 PM
To: Toerne, Rob
Cc: 'David Spainhoward'; 'Jim Miller'
Subject: PSC Data Request 11-09-07 Case No 2007-00300
Importance: High

Rob,
BREC and other utilities in the state have received a data request from the PSC pertaining to "Considerations of the Requirements of the Federal Energy Policy Act of 2005 Regarding Fuel Sources & Fossil Fuel Generation Efficiency" (PSC Case No 2007-00300).
Per the E.ON-US Agreements as operator of the BREC generators please provide responses to the six questions attached by close-of-business Friday (11/16/07) in order for BREC to respond to the PSC by the Order deadline.
If you have any questions please call.

Item 2) What is the average system-wide heat rate?

Response) See the response to Item 1b.

Witness) Mike Thompson

Item 3) What technologies are available for increasing the efficiency by lowering the heat rate of installed fossil fuel generation? What are the costs and benefits associated with these technologies?

Response) See the response to Item 1b.

Witness) Mike Thompson

Item 4) What is the reasonable goal for heat rate improvement (lessening the heat rate) over a 10-year planning horizon for individual generating units and the company's fleet of fossil fuel generation?

Response) See the response to Item 1b.

Witness) Mike Thompson

Item 5) Although the Integrated Resource Planning and Certificate of Public Convenience and Necessity processes allow for consideration of generation efficiency initially, is there any Commission mandated process that provides for continued consideration of generation efficiency?

Response) The existing Integrated Resource Plan ("IRP") process involves a comprehensive review of the existing and planned generation resources of each utility subject to the IRP process. *See* 807 KAR 5:058 Section 8. This review already allows for an ongoing review of generation efficiency. *See* 807 KAR 5:058 Section 8(2)(a) ("The utility shall describe and discuss all options considered for inclusion in the plan including: (a) Improvements to and more efficient utilization of existing utility generation, transmission, and distribution facilities"). If any problems relating to generation efficiency are uncovered in the IRP process, the Public Service Commission has the authority to initiate a formal proceeding to address those problems. *See* KRS 278.250; KRS 278.260. Moreover, the review of generation resources and generation efficiency through the IRP process is done within the context of considering the utility's plan to provide "an adequate and reliable supply of electricity…at the lowest possible cost." 807 KAR 5:058 Section 8(1).

Witness) David Spainhoward

Item 6) How does the company consider generation efficiency on an ongoing basis after the initial operation of a generating unit? Are annual or periodic studies performed? Explain in detail.

Response) See the response to Item 1b.

Witness) Mike Thompson