# COMMONWEALTH OF KENTUCKY PECEIVED BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:		PUBLIC SERVICE COMMISSION
The applications of Big Rivers Electric	)	COMMISS
Corporation for:	)	
(I) Approval of Wholesale Tariff Additions	)	
For Big Rivers Electric Corporation, (II)	)	CASE NO. 2007-00455
Approval of Transactions, (III) Approval	)	
to Issue Evidences of Indebtedness, and (IV)	)	
Approval of Amendments to Contracts; and	)	
Of E.ON U.S. LLC, Western Kentucky	)	
Energy Corp. and LG&E Energy Marketing,	)	
Inc. for Approval of Transactions	)	

## JOINT RESPONSE TO THE ATTORNEY GENERAL'S INITIAL REQUEST FOR INFORMATION TO THE MEMBER COOPERATIVES

Come Kenergy Corp., Jackson Purchase Energy Corporation, and Meade County Rural Electric Cooperative, by and through counsel, and for their collective response to the Attorney General's Initial Request for Information to Member Cooperatives, state as follows:

1. State the facts and purposes which lead the member electric cooperatives to support the proposed Unwind Transaction and Lease Agreement termination which is the subject of this application.

**RESPONSE.** Please refer to the direct testimony of Burns Mercer, Exhibit 26. To summarize, the Members support the Unwind because:

- a. It will result in a more financially secure Big Rivers with positive equity and an investment grade credit rating. As owners of BREC it is in the Members' interest for BREC to have financial stability;
- b. BREC will be better able to provide power for economic development should the need arise; and

- c. The Unwind will help to keep jobs in the local community by providing the smelters a source of electricity that can maintain their profitability.
- 2. Provide documents which show most current projected load growth over the next five years, please include load growth for smelters separately.

**RESPONSE.** Please see the Financial Model, Exhibit 8, page 2 of 37.

- 3. Assume the Application is not approved by the Commission. Identify and describe each material harm that would occur as a result of this non-approval, and the estimated point in time at which it would occur:
  - a. To your retail cooperative;
  - b. To your customers;
  - c. To the Smelters.

RESPONSE. Please see the response to 26(b) of the Attorney General's Initial Request to the Joint Applicants.

Witnesses:

Burns Mercer G. Kelly Nuckols Sanford Novick Jack Gaines

Respectfully Submitted,

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Melissa D. Yates

ON BEHALF OF THE MEMBER COOPERATIVES

#### CERTIFICATE OF SERVICE

I hereby certify that 10 copies of the foregoing were filed with the Public Service Commission by regular mail and via facsimile transmission to Ms. Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40602 and copies were served on the persons named in the attached service list by mailing true and correct copies of same this the 14th day of February, 2008.

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PUBLIC SERVICE COMMISSION

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COMMENTS/SPECIAL INSTRUCTIONS