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Mary L. Moorhouse

August 3, 2011

Jeff DeRouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard, P.O. Box 615  
Frankfort, Kentucky 40602-0615

RECEIVED  
AUG 04 2011  
PUBLIC SERVICE  
COMMISSION

Re: In the Matter of: Notice and Application of Big Rivers  
Electric Corporation for a General Adjustment in Rates,  
PSC Case No. 2011-00036

Dear Mr. DeRouen:

Enclosed for filing on behalf of Big Rivers Electric Corporation ("Big Rivers") are an original and ten copies of Big Rivers' responses to the information requested at the hearing in this matter. I certify that a copy of this letter and a copy of the responses have been served on each party of record.

Sincerely,



Tyson Kamuf

TAK/mh  
Enclosures

cc: Mark A. Bailey  
Albert Yockey  
Douglas Beresford, Esq.  
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PSC CASE NO. 2011-00036

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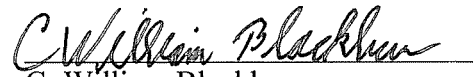
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**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**VERIFICATION**

I, C. William Blackburn, verify, state, and affirm that I prepared or supervised the preparation of my data responses filed with this Verification, and that those data responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

  
C. William Blackburn

COMMONWEALTH OF KENTUCKY     )  
COUNTY OF HENDERSON         )

SUBSCRIBED AND SWORN TO before me by C. William Blackburn on this the  
3<sup>rd</sup> day of August, 2011.

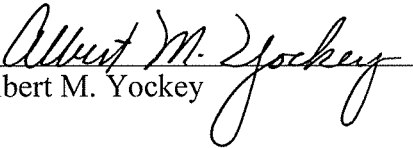
  
Notary Public, Ky. State at Large  
My Commission Expires 1-12-13

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**


**VERIFICATION**

I, Albert M. Yockey, verify, state, and affirm that I prepared or supervised the preparation of my data responses filed with this Verification, and that those data responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

  
Albert M. Yockey

COMMONWEALTH OF KENTUCKY     )  
COUNTY OF HENDERSON         )

SUBSCRIBED AND SWORN TO before me by Albert M. Yockey on this the 3<sup>rd</sup> day of August, 2011.

  
Notary Public, Ky. State at Large  
My Commission Expires 1-12-13

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
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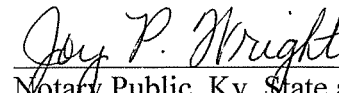
**VERIFICATION**

I, Robert W. Berry, verify, state, and affirm that I prepared or supervised the preparation of my data responses filed with this Verification, and that those data responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

  
Robert W. Berry

COMMONWEALTH OF KENTUCKY     )  
COUNTY OF HENDERSON         )

SUBSCRIBED AND SWORN TO before me by Robert W. Berry on this the 3 day of August, 2011.

  
Notary Public, Ky. State at Large  
My Commission Expires \_\_\_\_\_


Notary Public, Kentucky State-At-Large  
My Commission Expires: July 3, 2014  
ID 421951

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
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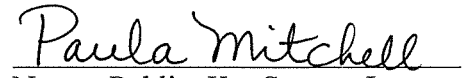
**VERIFICATION**

I, Mark A. Hite, verify, state, and affirm that I prepared or supervised the preparation of my data responses filed with this Verification, and that those data responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

  
Mark A. Hite

COMMONWEALTH OF KENTUCKY     )  
COUNTY OF HENDERSON         )

SUBSCRIBED AND SWORN TO before me by Mark A. Hite on this the 3<sup>rd</sup> day of August, 2011.

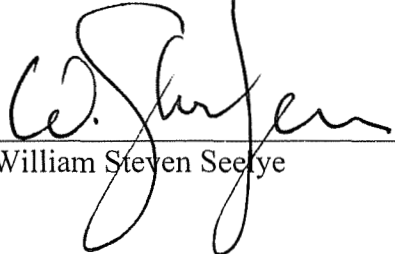
  
Notary Public, Ky. State at Large  
My Commission Expires 1-12-13

**BIG RIVERS ELECTRIC CORPORATION**

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FOR A GENERAL ADJUSTMENT IN RATES  
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**VERIFICATION**

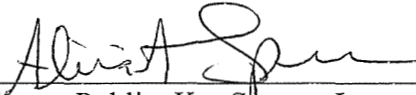
I, William Steven Seelye, verify, state, and affirm that I prepared or supervised the preparation of my data responses filed with this Verification, and that those data responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

  
\_\_\_\_\_  
William Steven Seelye


COMMONWEALTH OF KENTUCKY    )  
COUNTY OF OLDHAM            )

SUBSCRIBED AND SWORN TO before me by William Steven Seelye on this the 2<sup>nd</sup>  
day of August, 2011.

**ALISIA A. SPEARS  
NOTARY PUBLIC  
STATE AT LARGE  
KENTUCKY  
MY COMMISSION EXPIRES MARCH 12, 2014**

  
\_\_\_\_\_  
Notary Public, Ky. State at Large  
My Commission Expires 3/12/14



Your Touchstone Energy® Cooperative 

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**In the Matter of:**

**APPLICATION OF BIG RIVERS  
ELECTRIC CORPORATION FOR A  
GENERAL ADJUSTMENT IN RATES**

)  
)  
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**Case No. 2011-00036**

**Response to Requests for Information from the  
Hearing of July 26, 2011, through July 28, 2011**

**FILED: August 4, 2011**



**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**Response to Requests for Information from the  
Hearing of July 26, 2011, through July 28, 2011**

**August 4, 2011**

1 **Item 1)** *Provide Big Rivers' June 2011 and July 2011 Statements of Operations when*  
2 *complete.*

3

4 **Response)** Big Rivers' June 2011 Statement of Operations was filed with the Commission  
5 on August 2, 2011 attached to Big Rivers' Fifth Supplemental Response to its original  
6 response to Item PSC 1-56 of the Commission Staff's Initial Request for Information dated  
7 February 18, 2011. Big Rivers' July 2011 Statement of Operations will be provided as soon as  
8 it is available.

9

10

11 **Witness)** Mark A. Hite

12

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**Response to Requests for Information from the  
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**August 4, 2011**

1 **Item 2)** *Provide the following information for Big Rivers' Demand-Side Management*  
2 *("DSM") program, including the pilots for its Energy Efficiency ("EE") programs:*

- 3  
4 *a. An updated list of each DSM/EE program,*  
5 *b. A description of each DSM/EE program,*  
6 *c. The results of each DSM/EE pilot program including the number of*  
7 *participants in each pilot, and*  
8 *d. The California Test results for each DSM/EE program on which the*  
9 *California Tests have been performed.*

10  
11 **Response)**

12 a. through c.

13 In Big Rivers' response to Item KIUC 1-134 filed on April 15, 2010, Big Rivers  
14 provided a copy of its 2010 Integrated Resource Plan which was filed with the  
15 Commission on November 17, 2010 ("the 2010 BR IRP"). Appendix B of the  
16 2010 BR IRP includes a DSM Final Potential Study Report ("the DSM Study").  
17 A DSM/EE committee evaluated and tested assumptions in the DSM Study to  
18 determine if the modeled DSM potential for each program was achievable in the  
19 local markets using available vendors and contractors and the proposed  
20 incentives. The following pilot programs were established to test these  
21 conditions:

- 22  
23 1. Energy Star Refrigerator Replacement Pilot,  
24 2. Energy Star Clothes Washer Replacement Pilot,  
25 3. Energy Efficient Outdoor Lighting Pilot,  
26 4. Energy Star New Home Construction Pilot,

**BIG RIVERS ELECTRIC CORPORATION**  
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- 1                   5. Weatherization Pilot,
- 2                   6. Residential HVAC Tune-up Pilot,
- 3                   7. Commercial Efficiency Lighting Pilot,
- 4                   8. Commercial General Efficiency Pilot, and
- 5                   9. Poultry Facility Pilot.

6  
7                   The pilot programs were used to test administrative requirements and member  
8                   response to incentive levels, trade allies, and media promotions. Where  
9                   appropriate, a short survey was part of each pilot to gather information about  
10                  program or media impact. Listed below are short summaries of each planned  
11                  pilot program, including a parenthetical indication of pilot status.

12  
13                  Refrigerator Replacement Rebate Pilot (Complete)

14                  The purpose of the pilot was to test communication of the incentive to the retail  
15                  members and the effectiveness of the incentive amount. The member was  
16                  required to provide proof of purchase and the haul-away and recycling of the  
17                  old unit. The retail member was required to fill out a survey to determine the  
18                  condition of the old refrigerator and where the member heard of the program.

19

Run Time	November 2010 through February 2011
Number of Participants	30
Pilot Cost	\$3,297
Winter kW Reduction	1.7 kW
Summer kW Reduction	2.1 kW
Annual kWh Savings	26,049 kWh

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Clothes Washer Replacement Rebate Pilot (Complete)

The purpose of the pilot was to test promotional mediums for the incentive to retail members and the effectiveness of the incentive amount. The member was required to provide proof of purchase and installation at the service address. The member was also required to fill out a survey to determine the energy source for the dryer and where the member heard about the program.

Run Time	April 2011 through June 2011
Number of Participants	49
Pilot Cost	\$5,497
Winter kW Reduction	1.27 kW
Summer kW Reduction	0.343 kW
Annual kWh Savings	10,976 kWh
Annual Water Savings	318,500 gallons

LED/Induction Outdoor Lighting Evaluation Pilot (Continuing through 2011)

The purpose of this pilot is to test the light quality and quantity (customer acceptance), energy consumption and product durability of both Light Emitting Diode (“LED”) and Induction lamps as potential replacements for the Mercury Vapor (“MV”) lamp, which is no longer available for use. Both LED and Induction lamps have an estimated life of 90,000 to 100,000 hours. This may allow significantly fewer service calls over the life of the lamps compared to the Metal Halide (“MH”) lamps currently being used as the MV replacement. The cost of both LED and Induction lamps is expected to be significantly higher than the MH lamp. Each of Big Rivers’ Member Cooperatives has deployed the lamps to the field and will continue to evaluate them.

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Energy STAR New Home Program (Continuing through Sept. 2011)

The purpose of the pilot is to test communication of the incentive to the retail members and the effectiveness of the incentive amount. The Energy STAR new-home construction standard is an objective, reliable and verifiable energy-efficiency program that ensures the member will see substantial savings from the new home.

The Energy STAR-certified contractor will complete a whole-house analysis ensuring quality work and energy efficiency criteria are met. This rater works closely with the builder to determine the needed energy-saving equipment, construction techniques and administration of required on-site diagnostic testing and inspections are documented in order to assure the home is eligible to earn the Energy STAR certification. The home must meet the guidelines, making it 15-35% more efficient than standard homes.

Run Time	October 2010 through September 2011
Number of Participants	12
Pilot Cost	\$13,065
Winter kW Reduction	15.3 kW
Summer kW Reduction	8.8 kW
Annual kWh Savings	41,600 kWh
Annual Gas Savings	99.2 MMBTU

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Manufactured Home Weatherization Pilot (Continuing through Sept. 2011)

The purpose of this pilot is to determine the benefit, cost and procedures for weatherizing homes. Hoosier Energy in Indiana has deemed their manufactured home weatherization program a success and its staff has demonstrated its

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1                   program for Big Rivers and its Member Cooperatives. Initial test-in home  
2                   visits will be completed in August and the weatherization and test-out  
3                   procedures will take place in September.

4  
5                   Big Rivers and its Member Cooperatives are currently working with Sherlock  
6                   Homes in Bloomington, Indiana to evaluate if we can replicate Hoosier  
7                   Energy’s success. Big Rivers and its Member Cooperatives are also working  
8                   with the staff at Kentucky Home Performance Program to integrate the  
9                   programs to minimize cost to the residential consumer, while maximizing  
10                  benefit.

11

12                   Residential Weatherization Pilot (Continuing through Sept. 2011)

13                  In conjunction with the manufactured weatherization pilot, this pilot will  
14                  determine the benefit, cost and procedures for weatherizing site-built homes.  
15                  Hoosier Energy in Indiana has deemed its residential weatherization program a  
16                  success and its staff has demonstrated its program to Big Rivers and its Member  
17                  Cooperatives. Initial test-in home visits will be completed in August and the  
18                  weatherization and test-out procedures will take place in September.

19

20                  Big Rivers and its Member Cooperatives are currently working with Sherlock  
21                  Homes in Bloomington, Indiana to evaluate if we can replicate Hoosier  
22                  Energy’s success. Big Rivers and its Member Cooperatives are also working  
23                  with the staff at Kentucky Home Performance Program to integrate the  
24                  programs to minimize cost to the residential consumer, while maximizing  
25                  benefit.

26

**BIG RIVERS ELECTRIC CORPORATION**  
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HVAC & Refrigeration Tune-Up (Complete)

The purpose of this pilot was to test the effectiveness of cash incentive payments to motivate retail members to initiate annual maintenance for their air conditioning equipment. The pilot also measured the average length of time since the previous maintenance call for each unit.

Run Time	May 2011 through June 2011
Number of Participants	343 Residential; 75 Commercial
Pilot Cost	\$13,810
Winter kW Reduction	0.0 kW
Summer kW Reduction	125.4 kW
Annual kWh Savings	265,430 kWh

Commercial Efficient Lighting Replacement Rebate Pilot (Continuing through Sept. 2011)

The purpose of the pilot is to determine incentive levels necessary to motivate retail members to upgrade, test methods of promoting high efficiency commercial lighting to retail commercial members, and establish methods of design and installation that allow the use of local contractors. A process of verification will be established during this pilot.

In June Big Rivers' Member Cooperatives sent staff to commercial lighting training that involved education on current lighting technologies and two commercial lighting customers. Commercial customers are currently being approached with incentives to upgrade technology.

**BIG RIVERS ELECTRIC CORPORATION**  
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Commercial General Efficiency Pilot (Continuing through Sept. 2011)

The purpose of the pilot is to determine incentive levels necessary to motivate commercial and industrial members to upgrade to more energy efficient equipment and test methods of promoting efficiency at commercial facilities other than lighting. The incentive will be used to improve the return on investment of high efficiency equipment.

Commercial customers are currently being approached by Member Cooperative's and Big Rivers' staffs to evaluate the necessary incentives which allow retail commercial members to cost justify the investment.

Poultry Facility Efficiency Pilot (Continuing through Sept. 2011)

The purpose of the pilot is to determine incentive levels and assist in the investigation of new technologies, in order to motivate poultry growers to test new technologies, and ultimately upgrade their facilities. Due to the large number of poultry grow-out facilities and the number of technology improvements available to the growers, the poultry growers have been partitioned for a distinct program.

Member Cooperatives are currently working with innovators among poultry raising commercial members to evaluate LED lights by measuring energy savings and comparing lamps.



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d.  
All measures associated with each potential DSM/EE program evaluated in the  
DSM Study were subjected to the California Tests. Those test results were  
provided in the DSM Study, and are also attached hereto for quick reference.

**Witness)** C. William Blackburn





Commercial and Industrial Measure Assumptions and B/C Test Results

Measure Name	Units/Notes	Annual kWh Saved	Percent Savings (kWh)	Winter kW Savings	Summer kW Savings	Incremental Cost	Measure Useful Life	Annual Amortized Cost Per Unit	Levelized Cost (-Admin)	TRC Test	Utility Test	Part Test	RIM Test
<b>1 Lighting</b>													
1-1 Compact Fluorescent	bulb	202.00	74.00%	0.049	0.046	\$5.00	2	\$1.64	\$0.01	6.97	19.93	9.53	0.73
1-2 LED Exit Sign	ext sign	201.00	87.00%	0.023	0.023	\$25.00	15	\$2.63	\$0.01	5.74	16.39	6.86	0.84
1-3 Standard T8 (vs T12) 4ft	fixture	96.00	43.00%	0.024	0.011	\$45.00	12	\$5.46	\$0.06	1.46	4.16	1.80	0.81
1-4 High Performance T8 (vs T12) 4ft	fixture	115.00	51.57%	0.113	0.113	\$51.75	12	\$6.28	\$0.05	2.66	7.59	1.86	1.42
1-5 High Performance TBRO (vs T12) 8ft	fixture	138.00	43.00%	0.034	0.034	\$69.00	12	\$8.28	\$0.06	1.36	3.89	1.71	0.79
1-6 Occupancy Sensor (under 500W)	sensor	397.00	41.00%	0.099	0.099	\$100.00	10	\$13.80	\$0.03	2.28	6.52	2.69	0.85
1-7 Occupancy Sensor (over 500W)	sensor	994.00	41.00%	0.243	0.243	\$200.00	10	\$27.60	\$0.03	2.84	8.12	3.27	0.87
1-8 Pulse Start Metal Halide 100W - 300W	fixture	220.50	9.00%	0.059	0.049	\$23.00	15	\$2.42	\$0.01	8.07	23.06	8.11	1.00
1-9 Pulse Start Metal Halide > 300W	fixture	315.00	20.00%	0.084	0.070	\$38.00	15	\$4.00	\$0.01	6.98	19.94	7.06	0.99
1-10 High performance T5 (replacing T8)	fixture	84.00	28.00%	0.000	0.000	\$40.00	15	\$4.21	\$0.05	1.46	4.18	2.05	0.71
1-11 CFL Hard Wired Fixture	fixture	236.00	74.00%	0.043	0.036	\$12.00	15	\$1.26	\$0.01	12.10	34.58	13.64	0.89
1-12 CFL High Wattage 31-115	bulb	572.50	68.00%	0.104	0.087	\$35.00	15	\$3.68	\$0.01	10.75	30.71	11.40	0.94
1-13 CFL High Wattage 150-199	bulb	614.50	49.00%	0.112	0.094	\$175.00	15	\$18.41	\$0.03	2.60	7.42	3.10	0.84
<b>2 Space Cooling</b>													
2-1 Split AC (10 SEER, 7.7 HSPF to 14.5 SEER, 8.5 HSPF)	5 ton	4,533.57	15.00%	0.000	0.089	\$75.00	15	\$60.49	\$0.01	4.32	12.33	6.73	0.64
2-2 Split AC (10 SEER, 7.7 HSPF to 15 SEER, 8.5 HSPF)	5 ton	4,700.59	15.00%	0.000	0.091	\$860.00	15	\$90.47	\$0.02	2.99	8.55	4.77	0.63
2-3 Split AC (10 SEER, 7.7 HSPF to 16 SEER, 8.5 HSPF)	5 ton	5,003.31	15.00%	0.000	0.096	\$1,000.00	15	\$105.19	\$0.02	2.74	7.83	4.40	0.62
2-4 Split AC (10 SEER, 7.7 HSPF to 14.5 SEER, 8.5 HSPF)	8.3 ton	7,555.95	15.00%	0.000	0.125	\$954.50	15	\$100.41	\$0.01	4.33	12.38	6.76	0.64
2-5 Split AC (10 SEER, 7.7 HSPF to 15 SEER, 8.5 HSPF)	8.3 ton	7,893.42	15.00%	0.000	0.128	\$1,427.60	15	\$150.18	\$0.02	3.00	8.58	4.79	0.63
2-6 Split AC (10 SEER, 7.7 HSPF to 16 SEER, 8.5 HSPF)	8.3 ton	8,338.85	15.00%	0.000	0.132	\$1,660.00	15	\$174.62	\$0.02	2.75	7.86	4.42	0.62
2-7 DX Packaged System (EER=10.9)	10 ton	4,439.00	17.43%	0.000	0.035	\$607.00	15	\$63.85	\$0.01	4.00	11.44	6.27	0.64
2-8 DX Packaged System (CEE Tier 2)	< 20 ton	9,550.00	7.00%	0.000	0.682	\$910.00	15	\$95.73	\$0.01	5.75	16.41	8.84	0.65
2-9 DX Packaged System (CEE Tier 2)	> 20 ton	12,733.00	18.00%	0.000	1.1575	\$1,813.00	15	\$190.72	\$0.01	3.84	10.99	6.03	0.64
2-10 Air Cooled Chiller	5 ton	4,720.06	15.00%	0.000	0.260	\$575.00	23	\$48.13	\$0.01	6.30	18.00	9.20	0.68
2-11 Air Cooled Chiller	8 ton	7,313.31	15.00%	0.000	0.260	\$920.00	23	\$77.00	\$0.01	6.10	17.43	8.92	0.68
2-12 PTAC	1/2 ton	201.20	31.91%	0.000	0.119	\$50.00	15	\$5.26	\$0.03	2.20	6.29	3.61	0.61
2-13 PTAC	3/4 ton	178.23	21.13%	0.000	0.105	\$75.00	15	\$7.89	\$0.04	1.30	3.72	2.27	0.57
2-14 PTAC	1 ton	352.85	31.76%	0.000	0.208	\$100.00	15	\$10.52	\$0.03	1.93	5.52	3.21	0.60
2-15 PTAC	1 1/4 ton	469.25	28.90%	0.000	0.277	\$150.00	15	\$15.78	\$0.03	1.71	4.89	2.88	0.59
<b>3 Space Heating</b>													
3-1 PTHP	1/2 ton	785.41	19.15%	0.071	0.000	\$50.00	15	\$5.26	\$0.01	10.20	29.14	13.06	0.78
3-2 PTHP	3/4 ton	1,004.29	25.87%	0.131	0.000	\$75.00	15	\$7.89	\$0.01	8.80	25.13	11.19	0.79
3-3 PTHP	1 ton	1,445.84	35.16%	0.241	0.000	\$100.00	15	\$10.52	\$0.01	9.60	27.42	12.05	0.80
3-4 PTHP	1 1/4 ton	1,712.61	30.45%	0.285	0.000	\$150.00	15	\$15.78	\$0.01	7.58	21.66	14.21	0.79
<b>4 Ventilation</b>													
4-1 Motors	1 to 5 HP	204.00	2.89%	0.056	0.062	\$88.00	15	\$9.26	\$0.05	1.93	5.50	2.89	0.87
4-2 Motors	7.5 to 20 HP	737.92	9.68%	0.201	0.223	\$227.00	15	\$23.88	\$0.03	2.70	7.72	4.05	0.91
4-3 Motors	25 to 100 HP	2,092.19	11.58%	0.569	0.631	\$558.00	15	\$58.70	\$0.03	3.11	8.90	4.67	0.92
4-4 Motors	125 to 250 HP	6,276.56	12.32%	1.706	1.894	\$1,079.00	15	\$113.50	\$0.02	4.83	13.80	7.24	0.96
4-5 Variable Frequency Drives	<2 HP	598.72	25.00%	0.154	0.170	\$200.00	15	\$21.04	\$0.04	6.57	18.76	9.96	0.96
4-6 Variable Frequency Drives	3 to 10 HP	3,592.31	25.00%	0.921	1.022	\$1,000.00	15	\$105.19	\$0.03	4.27	12.20	6.47	0.94
4-7 Variable Frequency Drives	11 to 50 HP	16,764.11	25.00%	4.298	4.771	\$5,000.00	15	\$315.58	\$0.02	7.23	20.64	10.96	0.97
<b>5 Motors (Non-Ventilation)</b>													
5-1 Motors	1 to 5 HP	113.00	2.89%	0.031	0.031	\$88.00	15	\$9.26	\$0.08	1.07	3.05	1.60	0.77
5-2 Motors	7.5 to 20 HP	408.00	9.68%	0.111	0.111	\$227.00	15	\$23.88	\$0.06	1.49	4.27	2.24	0.83
5-3 Motors	25 to 100 HP	1,056.00	11.58%	0.287	0.287	\$558.00	15	\$58.70	\$0.06	1.57	4.49	2.36	0.84
5-4 Motors	125 to 250 HP	2,435.00	12.32%	0.662	0.662	\$1,079.00	15	\$113.50	\$0.05	1.87	5.36	2.81	0.86
5-5 Variable Frequency Drives	<2 HP	598.72	25.00%	0.154	0.154	\$200.00	15	\$21.04	\$0.04	2.46	7.03	3.73	0.89
5-6 Variable Frequency Drives	3 to 10 HP	3,592.31	25.00%	0.921	0.921	\$1,000.00	15	\$105.19	\$0.03	2.95	8.43	4.47	0.91

Measure Name	Unit/Notes	Annual kWh Saved	Percent Savings (RWh)	Winter-KW Savings	Summer-KW Savings	Incremental Cost	Measure Useful Life	Annual Amortized Cost Per Unit	Levelized Cost (-Admin)	IRE Test	Utility Test	Part Test	RIM Test
5-7 Variable Frequency Drives	11 to 50 HP	16,764.11	25.00%	4,298	4,298	\$3,000.00	15	\$315.58	\$0.02	4.59	13.11	6.96	0.94
<b>6 Water Heating</b>													
6-1 High Efficiency Storage (tank)		256.00	15.00%	0.054	0.045	\$70.00	10	\$9.66	\$0.04	1.83	5.22	3.31	0.73
6-2 Pre-Rinse Sprayer, Low flow, Commercial Application		1,395.00	45.00%	0.233	0.196	\$35.00	5	\$8.38	\$0.01	9.46	27.04	19.75	0.68
6-3 On Demand (tankless)		345.00	7.00%	0.072	0.061	\$350.00	20	\$31.34	\$0.09	0.89	2.56	1.50	0.68
6-4 Tank Insulation		512.00	30.00%	0.108	0.091	\$60.00	12	\$7.29	\$0.01	5.06	14.47	8.95	0.82
<b>7 Cooking</b>													
7-1 Electric Energy Star Fryers		983.00	65.00%	0.200	0.252	\$4,252.00	15	\$447.29	\$0.46	0.18	0.51	0.29	0.33
7-2 Electric Energy Star Steamers, 3-C pan		13,162.00	51.00%	2.500	3.150	\$4,150.00	15	\$436.56	\$0.03	2.41	6.88	3.95	0.83
7-3 Energy Star Hot Food Holding Cabinet		4,654.00	60.00%	0.638	0.803	\$1,783.00	15	\$187.56	\$0.04	1.88	5.36	3.25	0.76
7-4 Energy Star Convection Ovens		1,879.00	15.40%	0.500	0.630	\$2,928.50	10	\$404.13	\$0.22	0.36	1.04	0.58	0.50
7-5 Energy Star Griddles		651.00	11.00%	0.149	0.188	\$4,099.50	15	\$430.19	\$0.66	0.13	0.36	0.20	0.26
<b>8 Refrigeration</b>													
8-1 Glass Door Freezer, <15-49 cu ft, Energy Star		2,759.00	24.17%	0.315	0.397	\$100.00	9	\$14.91	\$0.01	11.42	32.63	22.87	0.75
8-2 Glass Door Freezer, 50+ cu ft, Energy Star		7,643.00	24.17%	0.873	1.099	\$100.00	9	\$14.91	\$0.00	31.64	90.39	63.36	0.76
8-3 Solid Door Freezer, <15-49 cu ft, Energy Star		1,160.00	20.94%	0.132	0.167	\$100.00	9	\$14.91	\$0.01	4.80	13.72	9.62	0.73
8-4 Solid Door Freezer, 50+ cu ft, Energy Star		4,181.00	20.94%	0.477	0.601	\$100.00	9	\$14.91	\$0.00	17.31	49.45	34.66	0.76
8-5 Glass Door Refrigerator, <15-49 cu ft		724.33	25.07%	0.083	0.104	\$100.00	9	\$14.91	\$0.02	3.00	8.57	6.00	0.70
8-6 Glass Door Refrigerator, 50+ cu ft, Energy Star		919.00	25.07%	0.105	0.132	\$100.00	9	\$14.91	\$0.02	3.80	10.87	7.62	0.72
8-7 Solid Door Refrigerator, <15 cu ft, Energy Star		545.33	33.70%	0.062	0.078	\$100.00	9	\$14.91	\$0.03	2.26	6.45	4.52	0.69
8-8 Solid Door Refrigerator, 50+ cu ft, Energy Star		1,218.00	33.72%	0.139	0.175	\$100.00	9	\$14.91	\$0.01	5.04	14.40	10.10	0.73
8-9 Commercial Refrigeration Tune-Up, Medium Temp, not self contained		537.00	7.00%	0.099	0.125	\$75.00	1	\$79.75	\$0.15	0.33	0.93	0.77	0.39
8-10 Commercial Refrigeration Tune-Up, Low Temp, not self contained		1,388.00	7.00%	0.191	0.241	\$75.00	1	\$79.75	\$0.06	0.82	2.33	1.98	0.50
8-11 Anti-sweat heater, controls on freezers		1,745.50	16.46%	0.027	0.033	\$170.00	12	\$20.65	\$0.01	4.95	14.15	10.77	0.67
8-12 Anti-sweat heater, controls, on refrigerators		1,039.50	33.14%	0.028	0.035	\$170.00	12	\$20.65	\$0.02	2.99	8.55	6.41	0.66
8-13 Vending Miser, Cold Beverage		1,694.00	48.50%	0.193	0.244	\$160.00	15	\$16.83	\$0.01	6.97	19.93	13.18	0.78
8-14 Brushless DC Motors for freezers and coolers		1,050.00	8.79%	0.012	0.015	\$25.00	5	\$5.99	\$0.01	8.46	24.18	20.80	0.61
8-15 Humidity Door Heater Controls for freezers and coolers		3,500.00	55.00%	0.094	0.118	\$300.00	10	\$41.40	\$0.01	4.82	13.77	10.56	0.67
8-16 Refrigerated Case Covers		2,900.00	6.00%	0.331	0.417	\$120.00	4	\$34.89	\$0.01	4.30	12.30	9.75	0.64
8-17 Zero Energy Doors for freezers and coolers		800.00	20.00%	0.165	0.208	\$538.00	10	\$69.00	\$0.12	0.90	2.58	1.09	0.85
8-18 Evaporator Coil Defrost Control		600.00	43.60%	0.405	0.510	\$500.00	10	\$69.00	\$0.10	0.60	1.72	1.29	0.51
8-19 Evaporator Fan Motor Control for freezers and coolers		2,600.00	35.77%	0.059	0.074	\$2,254.00	13	\$259.54	\$0.03	2.03	5.80	3.83	0.71
8-20 Permanent Split Capacitor Motor		385.00	33.33%	0.044	0.055	\$125.00	15	\$13.15	\$0.03	1.98	5.66	4.00	0.67
8-21 Ice Machine, Energy Star, Self-Contained		270.00	10.15%	0.029	0.037	\$56.00	9	\$8.35	\$0.03	1.98	5.66	4.00	0.67
8-22 LED Case Lighting (5 door case)		398.00	61.00%	0.006	0.007	\$190.00	8	\$31.00	\$0.08	0.45	1.28	0.87	0.49
<b>9 Office Equipment/Appliances</b>													
9-1 Watt Sensors on Office Electronics	50 Watt	129.00	59.00%	0.100	0.100	\$75.00	10	\$10.35	\$0.08	0.91	2.59	1.56	0.67
9-2 Watt Sensors on Office Electronics	150 Watt	321.00	58.00%	0.200	0.200	\$82.00	10	\$11.32	\$0.04	1.96	5.60	3.54	0.74
<b>10 Compressed Air</b>													
10-1 Fix Air Leaks	<5HP	262.50	15.00%	0.063	0.063	\$75.00	1	\$79.75	\$0.30	0.18	0.50	0.37	0.30
10-2 Fix Air Leaks	10-50HP	2,009.67	15.00%	0.483	0.483	\$75.00	1	\$79.75	\$0.04	1.35	3.86	2.86	0.61
10-3 Fix Air Leaks	50-100HP	6,134.50	15.00%	1.475	1.475	\$75.00	1	\$79.75	\$0.01	4.12	11.78	8.74	0.68
10-4 Engineered Nozzles for blow-off		7,343.00	39.00%	3.680	3.680	\$80.00	15	\$8.42	\$0.00	89.21	254.88	114.28	1.20

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**Response to Requests for Information from the  
Hearing of July 26, 2011, through July 28, 2011**

**August 4, 2011**

1 **Item 3)** *Provide the amount of generation maintenance that was deferred out of the*  
2 *test year.*

3

4 **Response)** During the test year period of November 1, 2009 through October 31, 2010 Big  
5 Rivers deferred \$1,511,091 of planned non-outage maintenance, \$3,866,966 of planned outage  
6 maintenance, and \$12,481,744 of planned capital projects all totaling \$17,859,801. Please see  
7 Attachment 3A for details of these deferred generation expenditures.

8 Because of continuing concerns about achieving the minimum MFIR of 1.10 in  
9 2011, and the cascading financial effect of the test-year deferrals, Big Rivers also deferred  
10 additional planned maintenance activities and capital projects following the test period  
11 between November 1, 2010 and June 30, 2011. These deferrals were \$149,000 in planned  
12 non-outage maintenance, \$13,186,571 in planned outage maintenance, and \$23,898,777 in  
13 planned capital projects all totaling \$37,234,348. Please see Attachment 3B for details of these  
14 deferred generation expenditures.

15 The table below summarizes these deferrals.

16

**Big Rivers Electric Corporation  
Generation Deferral Amounts**

<b>Deferral Category</b>	<b>Time Period</b>	
	<b>November 1, 2009 through October 31, 2010</b>	<b>November 1, 2010 through June 30, 2011</b>
<b>Planned Non-Outage Maintenance</b>	\$ 1,511,091	\$ 149,000
<b>Planned Outage Maintenance</b>	3,866,966	13,186,571
<b>Planned Capital Projects</b>	12,481,744	23,898,777
<b>Total Deferral Amount</b>	<u>\$17,859,801</u>	<u>\$37,234,348</u>

17

18 **Witness)** Robert W. Berry

19

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**Test Year 1-Nov-2009 to 31-Oct-2010**

**Non-Labor Non-Outage O&M Deferrals**

<b>Project Coleman:</b>		
CLMPAS	Replace Intake & BU Air Line	20,000
CLMSGUFPE	Mill Overhaul	278,830
CLMPST	Structures and Life Assessment (Unwind Agreement)	60,000
CLORM	Black and Veatch performance monitoring (Heat Rate Improvement)	526,440
<b>Coleman Total</b>		<b>885,270</b>
<b>Wilson:</b>		
WLOADM	Black and Veatch performance monitoring (Heat Rate Improvement)	56,000
WLMFGD	FGD Wiring Repairs	40,000
WLMWWS	Sewage Treatment plant vessel refurbishment	200,000
<b>Wilson Total</b>		<b>296,000</b>
<b>Green:</b>		
GNOSGU	Black and Veatch performance monitoring (Heat Rate Improvement)	92,000
<b>Green Total</b>		<b>92,000</b>
<b>R/SII:</b>		
ST10CSTK	Protective Coating on FGD stack interior structure	237,821
<b>R/SII Total</b>		<b>237,821</b>
 <b>Non-Outage Deferral Total</b>		<b>1,511,091</b>

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**Test Year 1-Nov-2009 to 31-Oct-2010**

**Non-Labor Outage O&M Deferrals**

<b>Project Coleman:</b>		
No Deferrals		
<b>Coleman Total</b>		<u>-</u>
<b>Wilson:</b>		
W10OUTPL	2010 Scheduled Outage (reduction in outage scope)	787,817
<b>Wilson Total</b>		<u>787,817</u>
<b>Green:</b>		
GN110SPG, N, O, T, S	G1 - Outage (Deferred until 2011)	3,079,149
<b>Green Total</b>		<u>3,079,149</u>
<b>R/SII:</b>		
No Deferrals		
<b>R/SII Total</b>		<u>-</u>
<b>Outage Deferral Total</b>		<u>3,866,966</u>
<b>Total Non Labor O&amp;M Deferrals</b>		<u>5,378,057</u>



**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**Test Year 1-Nov-2009 to 31-Oct-2010**

**Capital Project Deferrals**

**Coleman:**

No Deferrals

**Coleman Total**

-

**Wilson:**

Gravity Sand Filter Replacement	100,000
Plant Manager Vehicle	10,000
Finishing Superheater milestone pmt	600,000

**Wilson Total**

710,000

**Green:**

G-1 Outage Deferred to 2011	G1 - Air Heater Baskets	895,000
	G1 - C/T Cell Structure & Fill Replacement (4 cells)	836,000
	G1 - Rpl C/T Deck (4 Cells only)	140,000
	G1 - C/T Water Deck Replacement (4 cells)	140,000
	G1 - Economizer Outlet Exp Joints	111,000
	G1 - Generator Voltage Regulator	250,000
	G1 - Rpl Scrubber Structural component	750,000
	G1 - Rpl Precipitator Field (1st & 2nd Field)	1,842,727
	G1 - Generator Rectifier Replacement	300,000
	G1 - Water Wall Tube Weld Overlay	2,000,000
	Green 1&2 FGD Rehab (non-outage)	3,020,908
	Green 1&2 Paint Boiler, Precip & FGD (non-outage)	1,486,109

**Green Total**

11,771,744

**R/SII:**

No Deferrals

**R/SII Total**

-

**Total Capital Project Deferrals**

12,481,744

Case No. 2011-00036

Witness: Robert W. Berry

Attachment 3A for Hearing Data Request for Information - Item 3

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**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**End of Test Year to Present 1-Nov-2010 to 30-Jun-2011**

**Non-Labor Non Outage O&M Deferrals**

**Coleman:**

No Deferrals

**Coleman Total**

-

**Wilson:**

WLOADM Black and Veatch performance monitoring (Heat Rate Improvement)

56,000

**Wilson Total**

56,000

**Green:**

GNOSGU Black and Veatch performance monitoring (Heat Rate Improvement)

93,000

**Green Total**

93,000

**R/SII:**

No Deferrals

**R/SII Total**

-

**Non-Outage Deferral Total**

149,000

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**End of Test Year to Present 1-Nov-2010 to 30-Jun-2011**

**Non-Labor Outage O&M Deferrals**

<b>Coleman:</b>		
C-1 Outage Deferred to 2012		2,957,904
<b>Coleman Total</b>		<u><u>2,957,904</u></u>
<b>Wilson:</b>		
W11OUTPL Wilson Outage Deferred to 2012		4,918,874
W11OUTPL Wilson 2011 Pit stop Outage (reduction in work scope)		200,000
W11OUTPL Boiler Chemical Cleaning Deferred to 2012		650,000
<b>Wilson Total</b>		<u><u>5,768,874</u></u>
<b>Green:</b>		
GN211SPG, N, O, T, S G2 - Outage Deferred to 2012		2,685,030
<b>Green Total</b>		<u><u>2,685,030</u></u>
<b>R/SII:</b>		
ST1PLO H1 - Outage Deferred to 2012		1,444,763
GT1PLO GT - Combustion Can Inspection Deferred to 2012		330,000
<b>R/SII Total</b>		<u><u>1,774,763</u></u>
<b>Outage Deferral Total</b>		<u><u>13,186,571</u></u>
<b>Total Non Labor O&amp;M Deferrals</b>		<u><u>13,335,571</u></u>

Case No. 2011-00036

Witness: Robert W. Berry

Attachment 3B for Hearing Request for Information - Item 3

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**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**End of Test Year to Present 1-Nov-2010 to 30-Jun-2011**

**Capital Project Deferrals**

	<b>Coleman:</b>	
C-1 Outage Deferred to 2012	C-1 4160 V Motor replacements	160,000
	C-1 Boiler Expansion Joint Replacement	250,000
	C-1 Boiler Insulation	250,000
	C-1 Boiler penthouse casing	150,000
	C-1 Boiler Water Wall Tube Weld Overlay	1,250,000
	C-1 CEM Duct Gas Analyzers Replacement	85,000
	C-1 Cold End Air Heater Basket	400,000
	C-1 Critical Pipe System Hanger Replacements	40,000
	C-1 DCS controller repl BRC 400	100,000
	C-1 Drum Enclosure replacement	175,000
	C-1 FD fan housings, silencers & hoods	620,000
	C-1 Hot/Cold/Rating Drive Replacement	180,000
	C-1 Lab Sample Panel	100,000
	C-1 monitor replacement including 37" alarm monitors	12,000
	C-1 Precipitator Inlet duct replacement	300,000
	C-1 ROFA Fan Discharge Dampers	250,000
	C-1 Slag Grinder Replacement	100,000
	C-1 Start Up Regulator	115,000
	C-1 Superheat Spray Header Replacement 1 upper 2 lower	750,000
	C-1 Tube Replacement Hot Reheat Section	2,050,000
	C-1 Vacuum Pump Replacement	130,000
	C1, C2, C3 and CH EWS replacement	20,000
	C-3 DAS upgrade	200,000
	C-1 Replace ILS controls	200,000
	CL Control Room	800,000
	All terrain fork truck	125,000
	<b>Coleman Total</b>	<b>8,812,000</b>
	<b>Wilson:</b>	
W-1 Outage Deferred to 2012	DCS System Control Upgrades	600,000
	Water Wall Tube Weld Overlay (UOP TBD by 2010 inspection)	700,000
	Supervisory instruments, ID, FD and PA Fans	205,000
	Secondary Air Heater Baskets	950,000
	Replace Scanner Air Fan	35,000
	Remaining BTG Board Control Switches into DCS	125,000
	Finishing Superheater replacement - Year 2	1,782,000
	Burner Replacement 13 of 25	750,000
	Burner Flame Scanners	100,000
	Replace Boiler main steam stop valve (1 of 1)	200,000
	Install stack lightning elimination system	200,000
	FGD Life Extension Phase 3 of 3	3,170,000
	<b>Wilson Total</b>	<b>8,817,000</b>

**Case No. 2011-00036**

**Witness: Robert W. Berry**

**Attachment 3B for Hearing Request for Information - Item 3**

**Page 3 of 4**

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**End of Test Year to Present 1-Nov-2010 to 30-Jun-2011**

**Capital Project Deferrals Continued**

	<b>Green:</b>	
G-2 Outage Deferred to 2012	G2 - BRC 100 DCS Controller Upgrade	94,000
	G2 - Cold Reheat hangers (3 Sets)	50,000
	G2 - DCS Power Supply Upgrade	150,000
	G2 - Economizer Outlet Exp Joints	150,000
	G2 - Generator Retaining Rings	721,412
	G2 - Hot Reheat hangers (3 Sets)	50,000
	G2 - ID Fan Outlet Dampers	200,000
	G2 - Main Steam Hangers (3 sets)	50,000
	G2 - Replace B ID Fan Shaft	550,000
	G2 - Replace Steam Coil Drain Tank	75,000
	G2 - Rpl & Relocate Boiler Drain Lines	600,000
	G2 - Rpl FD Fan Inlet Vanes	250,000
	G2 - Steam Coils Banks (8)	80,000
	G2 - Upgrade SOE Migrate to DCS	180,000
	G2 - Voltage Regulator	200,000
	G2 - Precip Repair	1,125,509
	<b>Green Total</b>	<b><u>4,525,921</u></b>
	<b>R/SII:</b>	
H-1 Outage Deferred to 2012	H1 - A/H Cold End Baskets	336,346
	H1 - Burner Replacement Study	6,138
	H1 - Cooling Tower Controls	13,590
	H1 - Cooling Tower Fill South Tower A,B &C	336,346
	H1 - Generator Re-wedge	129,103
	H1 - Insulation & Lagging - Reduced scope	37,372
	H1 - Miscellaneous Projects	270,025
	H1 - Precipitator False Floor Replacement	174,764
	H1 - Rpl AH Steam Coils (2)	31,800
	H1 - Transformer Deluge System	61,833
	H1 - Wet Bottom Ash Removal Hopper -Seal Skirt Replacement	346,538
	<b>R/SII Total</b>	<b><u>1,743,856</u></b>
	<b>Total Capital Project Deferrals</b>	<b><u><u>23,898,777</u></u></b>

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2011-00036**

**Response to Requests for Information from the  
Hearing of July 26, 2011, through July 28, 2011**

**August 4, 2011**

1 **Item 4)** *Provide the balance of the Non-Smelter Non-FAC PPA regulatory account at*  
2 *June 30, 2011.*

3

4 **Response)** The June 30, 2011, balance of the Non-Smelter Non-FAC PPA regulatory  
5 liability account was \$7,041,523. Rural Customers' and Large Industrial Customers'  
6 combined kWh sales (Non-Smelter Applicable Sales) for the 24-month period (September  
7 2011 to August 2013) are 6,762,718,794 kWhs. Therefore, the per kWh rate is \$.001041/kWh  
8 ( $\$0.001041/\text{kWh} = \$7,041,523 \div 6,762,718,794 \text{ kWhs}$ ).

9

10

11 Witness) Mark A. Hite

12

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
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CASE NO. 2011-00036**

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**August 4, 2011**

1 **Item 5)** *Regarding Big Rivers' proposed Renewable Resource Energy Service rider*  
2 *(Present Renewable Resource Energy Service Tariff Rider beginning on Original Sheet No.*  
3 *65 of Big Rivers' Existing Tariff, and Proposed RRES rider beginning on Original Sheet*  
4 *No. 40 of Big Rivers' Proposed Tariff) –*

- 5
- 6 *a. Is the “adder” mentioned therein increasing for the Rural Delivery*  
7 *Service class (Existing Rate Schedule C.4.d and Proposed Rate Schedule*  
8 *RDS) under Big Rivers' proposal?*
- 9 *b. Is the “adder” mentioned therein decreasing for the Large Industrial*  
10 *Customer class (Existing Rate Schedule C.7.c and Proposed Rate*  
11 *Schedule LIC) under Big Rivers' proposal?*
- 12 *c. Explain why the amount of the “adder” is currently different for those two*  
13 *rate classes?*
- 14 *d. What is the basis for the \$ 0.055 per kWh current rate mentioned on*  
15 *Original Sheet No. 66 of Big Rivers' Existing Tariff, and on Original*  
16 *Sheet No. 40 of Big Rivers' Proposed Tariff) of Big Rivers?*
- 17 *e. Instead of a rate that “is in lieu of” the current energy rate, why did Big*  
18 *Rivers not propose a flat rate adder that would be on top of (i.e., in*  
19 *addition to) the energy rate?*
- 20

21 **Response)** The rate for energy associated with service pursuant to the proposed Renewable  
22 Resource Energy Service rider is fixed at \$0.055 per kWh in both the existing and proposed  
23 tariffs. Big Rivers is not proposing to change that rate in this filing.

24

- 25 a. Yes, but please see the explanation in subparagraph c. of this response.
- 26 b. Yes, but please see the explanation in subparagraph c. of this response.

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- 1                   c. The Renewable Resource Energy Service rate of \$0.055 per kWh is actually  
2                   a substitute energy rate, not an “adder” to the standard rate schedule.  
3                   However, if one wants to use the concept of an “adder” to analyze the rate,  
4                   the amount of the “adder” would be defined as the difference between the  
5                   energy rate for the rate class in question (either RDS or LIC for the Rural  
6                   Customers and Large Industrials, respectively) and the fixed energy rate in  
7                   the Renewable Resource Energy Service. If the adder is calculated for the  
8                   RDS and LIC classes, the amount of the adder will be different, because the  
9                   tariff energy rates for the RDS and LIC classes are different. Because the  
10                  rate for energy under this schedule is fixed and is cost-based (as described  
11                  below), the “adder” or difference between this fixed Renewable Resource  
12                  Energy Service rate and the energy rates under the standard tariffs is not a  
13                  factor in the determination of the Renewable Resource Energy Service rate.  
14  
15                  The reason the adder increases under Big Rivers’ proposed rates stems from  
16                  the proposed Non-FAC PPA roll-in. If you ignore the Non-FAC PPA roll-  
17                  in, neither "adder" increases -- the RDS adder stays the same (because the  
18                  RDS and the Renewable Resource Energy Service energy rates do not  
19                  change) and the LIC adder shrinks (because the LIC energy rate increases  
20                  and the Renewable Resource Energy Service energy rate is constant). But  
21                  the Non-FAC PPA roll-in changes that; the roll-in lowers both base energy  
22                  rates. For the RDS class, this increases the adder. However, for the LIC  
23                  class, the adder is still a decrease (because the Non-FAC PPA roll-in does  
24                  not offset the base energy rate increase for the LIC class). These points are  
25                  illustrated on the table attached to this response.  
26                  d. The rate of \$0.055 per kWh is based on the contractually-specified cost of



**BIG RIVERS ELECTRIC CORPORATION**

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**August 4, 2011**

1 renewable energy purchases that Big Rivers has already made for purposes  
2 of providing service under this tariff. While the contract for renewable  
3 purchases has expired, Big Rivers has “banked” the renewable purchases, all  
4 of which were made at the cost of \$0.055 per kWh. At present, Big Rivers’  
5 members have three residential customers taking service through them  
6 pursuant to this rate schedule. Even if this number increases by a reasonable  
7 amount, Big Rivers does not anticipate that the banked purchases will be  
8 exhausted at any time in the near future. If or when that expectation  
9 changes, and if the future cost to Big Rivers to purchase renewable energy  
10 changes, Big Rivers expects to seek approval from the Commission to revise  
11 the energy rate for this schedule to account for that change in cost.

12 e. The rate for Renewable Energy is a cost-based rate, as described in this  
13 response, and thus establishing a rate that is “in lieu of” standard tariff  
14 energy rates was more appropriate than a flat rate adder would be for this  
15 tariff. Because there is no distinction between the banked renewable energy  
16 purchases that may be used for Rural Customers and those that may be used  
17 for Large Industrials -- and because the cost for those banked purchases is  
18 the same (\$0.055 per kWh) -- the use of a cost-based, single rate identical to  
19 the approved rate in the existing tariff is reasonable and justifiable.  
20

21  
22 **Witness)** Albert M. Yockey  
23

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
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**Calculation of Renewable Resource Energy Service Rider "Adder"**

Line	Rate (1)	Current Energy Rate (\$/kWh) (2)	Proposed Energy Rate Before NFPPA Roll-In (\$/kWh) (3)	Variance from Current (\$/kWh) (4)	Proposed Energy Rate After NFPPA Roll-In (\$/kWh) (5)	Variance from Current (\$/kWh) (6)
1	<u>Standard Tariff</u>					
2	Rural	0.020400	0.020400	-	0.019524	(0.000876)
3	Large Industrial	0.013715	0.015761	0.0020460	0.014885	0.001170
4	Renewable	0.055000	0.055000	-	0.055000	-
5						
6	<u>"Adder"</u>					
7	Rural	0.034600	0.034600	-	0.035476	0.000876
8	Large Industrial	0.041285	0.039239	(0.0020460)	0.040115	(0.001170)

Notes

- "Adder" is difference between Renewable Rate and standard tariff rate RDS or LIC
- Source of current and proposed rates is Exhibit Seelye-6

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
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**Response to Requests for Information from the  
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**August 4, 2011**

1 **Item 6)** *Does Exhibit Seelye-6 need to be updated to incorporate the Non-FAC PPA*  
2 *roll-in and the FAC roll-in? If so, provide an updated Exhibit Seelye-6 in both hardcopy*  
3 *and electronic formats.*

4  
5 **Response)** Yes, the rows labeled “Base Variable Energy Charge” and “Non-FAC PPA” on  
6 page 3 of Exhibit Seelye-6 should be revised to reflect properly the effect of the roll-in of the  
7 Non-FAC PPA into base rates proposed in the rate case. A revised version of page 3 of  
8 Exhibit Seelye-6 is attached. An electronic version of Exhibit Seelye-6 is also provided on  
9 CD.

10 In the attached revised version of page 3 of Exhibit Seelye-6, the row labeled  
11 “Non-FAC PPA” has been corrected to reflect the change in the Base Variable Rate resulting  
12 from the roll-in of the Non-FAC PPA base. Specifically, the Base Variable Rate has been  
13 reduced by \$0.000876 per kWh corresponding to the reduction in the Non-FAC PPA base  
14 proposed in this proceeding. The changes to the exhibit are highlighted.

15 There was also a miscalculation in the row labeled “Non-FAC PPA”. In the  
16 original exhibit, the \$0.000876 per kWh Non-FAC PPA roll-in charge amount was applied to  
17 the 7,297,080,000 kWh of Base Fixed Energy (gross amount) rather than the 7,113,321,360  
18 kWh of Base Monthly Energy (net amount). Because the Non-FAC PPA applies to the Base  
19 Monthly Energy, the impact of the roll-in should apply to the Base Monthly Energy amount  
20 and not the Base Fixed Energy amount, as in the original exhibit.

21 As a result of making both of these changes, which are highlighted in the  
22 Attachment, the effect of the Non-FAC PPA roll-in remains revenue neutral. The revision  
23 therefore does not result in any change to the proposed Revenue Deficiency in this proceeding.

24 Also attached is revised version of Supplemental Exhibit Seelye-6 showing the  
25 impact of the FAC roll-in, with the changes to the exhibit highlighted. Basically, the same  
26 revision to reflect properly the Non-FAC PPA describes above simply flows through to this

**BIG RIVERS ELECTRIC CORPORATION**

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**August 4, 2011**

1 exhibit, without any correction necessary to reflect the FAC roll-in, which was presented  
2 properly in the Supplemental Testimony filed in Big Rivers' response to Item 1 of the  
3 Commission Staff's Fourth Request for Information. Commission Staff's request was dated  
4 June 22, 2011; Big Rivers' response was filed with the Commission on July 1, 2011. On page  
5 4 of Supplemental Exhibit Seelye-6, the FAC roll-in was reflected in both the rows labeled  
6 "Base Variable Energy Charge" and "Non-FAC PPA" and the row labeled "FAC (Section  
7 4.8.1)" was also correctly calculated by applying the FAC roll-in charge amount to the Base  
8 Monthly Energy amount. While the effect of the FAC roll-in is correct on page 4 of  
9 Supplemental Exhibit Seelye-6, the exhibit was based on an incorrect presentation of the Non-  
10 FAC PPA roll-in which was carried forward from the original exhibit. Again, the effect is  
11 revenue neutral. An electronic version of the revised Supplemental Exhibit Seelye-6 is also  
12 provided on CD.

13

14 **Witness)** William Steven Seelye

15

Big Rivers Electric Corporation  
 Calculation of Proposed Rate Increase  
 Based on the 12 Months Ended October 31, 2010

	Current Rate		Proposed Rate		Proposed Rate after Non-FAC PPA Roll-in	
	Rate	Billings	Rate	Billings	Rate	Billings
<b>SMELTERS</b>						
		Billing Units				
<b>Base Energy Charge</b>						
Base Fixed Energy Charge	0.028153 /kWh	7,297,080,000 kWh	0.031244 /kWh	\$ 227,988,088.84	0.030368 /kWh	\$ 221,595,846.76
Base Variable Energy Charge	0.012470 /kWh	(183,758,640) kWh	0.012470 /kWh	(2,291,470.24)	0.011594 /kWh	(2,130,497.67)
Total Base Energy Charge		7,113,321,360 kWh		\$ 225,696,618.60		\$ 219,465,349.09
<b>Other Charges or Credits</b>						
Supplemental Power (Section 4.3)						
Backup Energy Charge (Section 4.4)	0.039977 /kWh	8,151,430 kWh		\$ 353,379.80		\$ 353,379.80
Transmission Charge (Section 4.5)						
Excess Reactive Demand Charge (Section 4.6)						
TIER Adjustment Charge (Section 4.7.1)						
FAC (Section 4.8.1)						
Non-FAC PPA						
Environmental Surcharge (Section 4.8.3)						
Amortization of Restructuring Amount (Section 16.5.1)						
Less: Rebate (Section 4.9)						
Less: Equity Development Credit (Section 4.10)						
Surcharge (Section 4.11)						
Surplus Sales (Section 4.13.1)						
Undeliverable Energy Sales (Section 4.13.1)	0.038166 /kWh	(769,627,000) kWh		11,466,492.00		11,466,492.00
Postline Reduction Sales (Section 4.13.1)				(28,015,862.60)		(28,015,862.60)
Curtailment of Purchased Power (Section 4.13.2)						
Economic Sales (Section 4.13.3)	0.038166 /kWh	incl w/SS kWh		(1,717,347.75)		(1,717,347.75)
Other Credits (Section 4.14)						
Taxes (Section 4.15)						
Other Amounts (Section 5.1)						
Billing Adjustments						
Total		6,351,845,790		\$ 282,391,840.83		\$ 297,830,583.43
Increase (Decrease)				\$ 15,438,742.60		\$ 15,438,742.60
Percentage Increase (Decrease)				5.47%		5.47%

**Big Rivers Electric Corporation**  
 Calculation of Proposed Rate Increase  
 Based on the 12 Months Ended October 31, 2010

Supplement to original Exhibit Seelye-6

SMELTERS	Billing Units	Proposed Rate Before FAC Roll-in (1)		Proposed Rate After FAC PPA Roll-in (2)		Variance
		Rate	Billing	Rate	Billing	
<b>Base Energy Charge</b>						
Base Fixed Energy Charge	7,297,080,000 kWh	0.030368 /kWh	\$ 221,595,846.76	0.040580 /kWh	\$ 296,113,627.72	\$ 74,517,780.96
Base Variable Energy Charge	(183,758,640) kWh	0.011594 /kWh	(2,130,497.67)	0.021806 /kWh	(4,007,040.90)	(1,876,543.23)
<b>Total Base Energy Charge</b>	7,113,321,360 kWh		<u>\$ 219,465,349.09</u>		<u>\$ 292,106,586.82</u>	<u>\$ 72,641,237.73</u>
<b>Other Charges or Credits</b>						
Supplemental Power (Section 4.3)			\$ -		\$ -	\$ -
Backup Energy Charge (Section 4.4)	8,151,430 kWh		353,379.80		353,379.80	-
Transmission Charge (Section 4.5)			-		-	-
Excess Reactive Demand Charge (Section 4.6)			-		-	-
TIER Adjustment Charge (Section 4.7.1)			7,114,653.00		7,114,653.00	-
FAC (Section 4.8.1)			73,123,202.72		481,964.99	(72,641,237.73)
Non-FAC PPA			(106,690.37)		(106,690.37)	-
Environmental Surcharge (Section 4.8.3)			15,493,537.87		15,493,537.87	-
Amortization of Restructuring Amount (Section 16.5.1)			-		-	-
Less: Rebate (Section 4.9)			-		-	-
Less: Equity Development Credit (Section 4.10)			-		-	-
Surcharge (Section 4.11)			-		-	-
Surplus Sales (Section 4.13.1)			11,466,492.00		11,466,492.00	-
Undeliverable Energy Sales (Section 4.13.1)	(769,627,000) kWh		(28,015,862.60)		(28,015,862.60)	-
Potline Reduction Sales (Section 4.13.1)			-		-	-
Curtailment of Purchased Power (Section 4.13.2)	incl w/SS kWh		(1,717,347.75)		(1,717,347.75)	-
Economic Sales (Section 4.13.3)			-		-	-
Other Credits (Section 4.14)			-		-	-
Taxes (Section 4.15)			-		-	-
Other Amounts (Section 5.1)			(3,818.03)		(3,818.03)	-
Billing Adjustments			657,687.71		657,687.71	-
<b>Total</b>	6,351,845,790		<u>\$ 297,830,583.43</u>		<u>\$ 297,830,583.43</u>	-
Increase (Decrease)			\$ 15,438,742.60		\$ 15,438,742.60	-
Percentage Increase (Decrease)			5.47%		5.47%	-

**Notes**

- (1) Proposed Rate after Non-FAC PPA Roll-In per original Exhibit Seelye-6
- (2) Rate in (1) reflecting addition of \$0.010212 to base energy rate and change of FAC Base from \$0.01072 to \$0.020932

Case No. 2011-00036

Witness: William Steven Seelye

Attachment for Hearing Request for Information - Item 6 [Supplemental Exhibit Seelye-6 - REVISED]