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**Via Overnight Mail**

June 27, 2012

Mr. Jeff Derouen, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

RECEIVED

JUN 28 2012

PUBLIC SERVICE  
COMMISSION

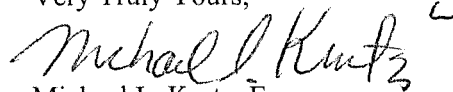
**Re: Case No. 2012-00063**

Dear Mr. Derouen:

Please find enclosed the original and ten (10) copies of KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.'s THIRD SET OF DATA REQUESTS TO BIG RIVERS ELECTRIC CORPORATION for filing in the above-referenced matter.

By copy of this letter, all parties listed on the Certificate of Service have been served. Please place these documents of file.

Very Truly Yours,



Michael L. Kurtz, Esq.

Kurt J. Boehm, Esq.

**BOEHM, KURTZ & LOWRY**

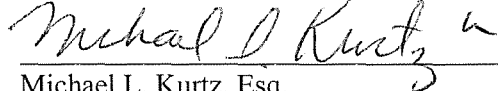
MLKkew

Attachment

cc: Certificate of Service  
Quang Nyugen, Esq.  
Faith Burns, Esq.  
Larry Cook, Esq.  
Matt James, Esq.  
David C. Brown, Esq.

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served by electronic mail (when available) and by mailing a true and correct copy by regular, U.S. Mail, unless other noted, this 27<sup>th</sup> day of June, 2012 to the following



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Kurt J. Boehm, Esq.

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**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:**

<b>APPLICATION OF BIG RIVERS ELECTRIC CORPORATION FOR APPROVAL OF ITS 2012 ENVIRONMENTAL COMPLIANCE PLAN, FOR APPROVAL OF ITS AMENDED ENVIRONMENTAL COST RECOVERY SURCHARGE TARIFF, FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY, AND FOR AUTHORITY TO ESTABLISH A REGULATORY ACCOUNT</b>	)	<b>CASE NO. 2012-00063</b>
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**KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.'s  
THIRD SET OF DATA REQUESTS TO  
BIG RIVERS ELECTRIC CORPORATION**

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Dated: June 27, 2012

## DEFINITIONS

1. "Document(s)" is used in its customary broad sense and includes electronic mail and all written, typed, printed, electronic, computerized, recorded or graphic statements, memoranda, reports, communications or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.
2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion whether preliminary or final, and whether or not referred to in Big Rivers' direct testimony.
3. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person (s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.
4. "Person" means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.
5. A request to identify a natural person means to state his or her full name and residence address, his or her present last known position and business affiliation at the time in question.
6. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number of code number thereof or other means of identifying it, and its present location and custodian. If any such document was, but is no longer in the Company's possession or subject to its control, state what disposition was made of it.
7. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.
8. "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.
9. "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.
10. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.
11. "You" or "your" means the person whose filed testimony is the subject of these interrogatories and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any interrogatory who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.
12. "BREC" means Big Rivers Electric Corporation and/or any of their officers, directors, employees, or agents who may have knowledge of the particular matter addressed.

## INSTRUCTIONS

1. If any matter is evidenced by, referenced to, reflected by, represented by, or recorded in any document, please identify and produce for discovery and inspection each such document.
2. These interrogatories are continuing in nature, and information which the responding party later becomes aware of, or has access to, and which is responsive to any request is to be made available to Kentucky Industrial Utility Customers. Any studies, documents, or other subject matter not yet completed that will be relied upon during the course of this case should be so identified and provided as soon as they are completed. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as it first becomes available to the Respondent after the answers hereto are served.
3. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.
4. The answers provided should first restate the question asked and also identify the person(s) supplying the information.
5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.
6. In the case of multiple witnesses, each interrogatory should be considered to apply to each witness who will testify to the information requested. Where copies of testimony, transcripts or depositions are requested, each witness should respond individually to the information request.
7. The interrogatories are to be answered under oath by the witness(es) responsible for the answer.
8. Responses to requests for revenue, expense and rate base data should provide data on the basis of Total Company as well as Intrastate data, unless otherwise requested.

**THIRD SET OF DATA REQUESTS OF  
KENTUCKY INDUSTRIAL UTILITY CUSTOMERS. INC.  
BIG RIVERS ELECTRIC CORPORATION  
Case No. 2012-00063**

- Q3.1 Please explain the reason why the following inputs were selected/set using the values that ACES selected and entered in the PAR Model Execution Run Definition Screen and the Simulation Setting screen. Reliance on defaults is also a selection of an input, so please also explain why the default was selected.
- a. Iterations (run definition screen)
  - b. Dispatch (simulation setting screen)
  - c. Monte Carlo (simulation setting screen)
  - d. Draws per week (simulation setting screen)
- Q3.2 Does Big Rivers or ACES admit or deny that the results that were produced by ACES on ACES' computer (using its large database) were different than the results that Ventyx produced on its computer using the "stripped down" database by more than a usual amount associated with rounding, when considered on a monthly or an annual basis?
- Q3.3 One reason for the discrepancy discussed in the prior question could be due to the possibility that the order units have been placed in the databases may not be the same in both databases. This can be checked by comparing the Prosym text files (ex .DAT files) that the EPM Tool writes to disk before submitting runs. Could ACES check this, or alternatively, please produce and supply the .dat files for each of the 6 runs that ACES developed and that were reported in Mr. Hite's testimony?
- Q3.4 The Big River's database has several Transmission Areas. Please explain what all of the transmission areas are used for, and in the case that some areas are not used, please explain why those areas were included in the database.
- Q3.5 Please explain why Big Rivers relied on a single estimate of fuel costs, market prices, allowance prices, etc as support for its application to the Commission. Why didn't it include in its application additional analyses/support based on conducting any sensitivity cases?
- Q3.6 In each PCM file that Big Rivers supplied that are related to the Corporate Financial Models, there are rows at the bottom of the following Monthly Sources and Uses and the Annual Sources and Uses worktabs that have been either pasted in or refer to spreadsheets that still have not been supplied. Please provide the workpapers in electronic format, with all spreadsheets active, that were used to create the pasted in values on the Monthly Sources and Uses and the Annual Sources and Uses worktab for

every financial model/PCM file already supplied. Or provide the spreadsheets that were referenced on those worktabs that have not been supplied (Example, the base case has pasted in values, and the Build ACES Prices Sensitivity case that ACES ran in its test of the Ventyx data (Big Rivers 2012-2026 (CSAPR-MATS by equip) APM energy (5-8-12).xlsx) referenced external spreadsheets. Again, please check all of the PCM files and supply the requested information.

- Q3.7 Recently, ACES supplied another excel spreadsheet that was used as an intermediary file to format results that are incorporated into the PCM files that are then used by the Corporate Financial models. The file supplied was a 42 MB pivot table. Are any other such intermediary files used that have not been supplied? For example, were any other pivot table processing files used associated with any of the other PCM worktabs such as the Monthly/Annual Sources and Uses worktabs, or the Monthly/Annual Resources Report? If there were please supply those. If not please explain the process that was used to enter data into the necessary format required by the PCM file from the PAR model output.
- Q3.8 For each of the PCM spreadsheet worktabs that contain PAR model output results (ex Monthly Sources and Uses), please identify the names of the PAR model presets that ACES used to create the data that went into the worktab.
- Q3.9 Please supply all workpapers associated with the development of all unit characteristics modeled in the PAR model for each generating unit. If none exist, please explain how the unit characteristics were derived. Please supply this electronically, with all formulas included.
- Q3.10 Please provide all workpapers for the derivation of the emergency power price used in the database. If none exist, please explain how the price was derived. Please supply this electronically, with all formulas included.
- Q3.11 Please provide all workpapers for the derivation of the transmission limit that was used between Big Rivers and the markets that were modeled in the database. If none exist, please explain how the transmission limit was derived. Please supply this electronically, with all formulas included.
- Q3.12 ACES supplied approximately 15 sensitivity cases other than the cases that were incorporated in analyses that were used in Mr. Hite's testimony. Please identify which of the cases included ACES own market price forecasts (as opposed to PACE Globals), and provide all analyses used to develop those forecasts (both inputs and outputs) electronically, with all formulas included. Also, indicate what allowance prices SO<sub>2</sub>, CO<sub>2</sub>, NO<sub>x</sub>, Hg were assumed in the analysis, if in fact these costs were included.
- Q3.13 If CO<sub>2</sub> costs were not used in the analysis discussed in the prior question, please discuss why not.

Respectfully submitted,



Michael L. Kurtz, Esq.

**BOEHM, KURTZ & LOWRY**

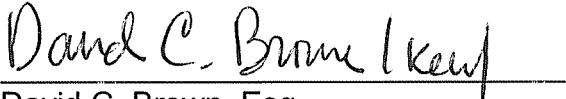
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June 27, 2012