


ORIGINAL



Your Touchstone Energy® Cooperative 

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

**THE APPLICATION OF BIG RIVERS)
ELECTRIC CORPORATION FOR) Case No.
APPROVAL TO ISSUE EVIDENCE OF) 2012-00492
INDEBTEDNESS)**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
dated December 19, 2012**

**Volume 1
Responses to Item Nos. 1 through 8**

FILED: January 3, 2013

ORIGINAL

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January 3, 2013

Via Federal Express

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

RECEIVED

JAN 03 2013

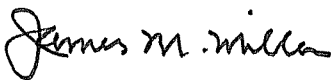
PUBLIC SERVICE
COMMISSION

Re: *In the Matter of: The Application of Big Rivers Electric Corporation for Approval to Issue Evidences of Indebtedness*, PSC Case No. 2012-00492

Dear Mr. DeRouen:

Enclosed are an original and ten copies of responses of Big Rivers Electric Corporation to the requests for information of Alcan Primary Products Corporation, Kentucky Industrial Utility Customers, Inc., and the Attorney General. Also enclosed are an original and ten copies of a petition for confidential treatment of certain information furnished in response to these information requests. I certify that copies of this letter and enclosures have been served on each person shown on the attached service list.

Sincerely yours,



James M. Miller

JMM/ej
Enclosures

cc: Albert Yockey
Billie J. Richert

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BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

VERIFICATION

I, Billie J. Richert, verify, state, and affirm that I prepared or supervised the preparation of the 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.



Billie J. Richert

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)


SUBSCRIBED AND SWORN TO before me by Billie J. Richert on this the
2nd day of January, 2013.



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

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BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 1)** *Provide a copy of all correspondence between BREC and the*
2 *County regarding the transactions described in the Application.*

3

4 **Response)** Please see attached copy of correspondence between Big Rivers and
5 the County regarding the transactions described in the Application.

6

7 **Witness)** Billie J. Richert

8

Gregory B. Hill

Ohio County Attorney

P.O. Box 94 - 305 Apple Alley
Hartford, KY 42347

(270) 298-3335
Fax (270) 298-4011

November 8, 2012

MEMO

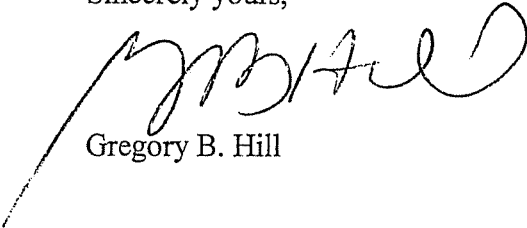
To: Ohio County Judge Executive

Today, Jim Miller, a partner with the firm of Sullivan, Mountjoy, Stainback and Miller, called me and advised that Big Rivers is refinancing bond indebtedness at the D.B. Wilson plant here in the county. A new issue will be 58.8 million dollars, Series 1983. The current indebtedness matures on June 1, 2013.

The new 58.8 million indebtedness will be refinanced through the county under the authority of KRS 103 *es eq.* The bond will be let in the name of the County and of course, the County has no liability for payment of the indebtedness.

I will be attending the closing in New York which will probably be in March of next year. Big Rivers will be paying my expenses.

Sincerely yours,



Gregory B. Hill

GBH/jh

cc: Jim Miller, Esq.

Miller
for work
7/11
MB

BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 2)** *Provide a copy of all correspondence between BREC and RUS*
2 *regarding the transactions described in the Application.*

3

4 **Response)** Please see attached copy of all correspondence between Big Rivers
5 and RUS regarding the transactions described in the Application.

6


7

8 **Witness)** Billie J. Richert

9

Meeting with Rural Utilities Service on November 14, 2012



Your Touchstone Energy[®] Cooperative 



Big Rivers' Financing – Long-Term Debt

Lender	Description	Outstanding Principal Balance as of Sep. 30, 2012	Final Maturity Date	Stated Interest Rate (a)
<u>Long-Term Debt:</u>				
CoBank	First Mortgage Notes Series 2012A	\$ 233,223,979	June 2032	4.30% (b)
RUS	RUS Series A Promissory Note	\$ 80,010,926	See footnote (c)	5.75% (c)
RUS	RUS Series B Promissory Note	\$ 128,467,849	December 2023	Imputed 5.80% (d)
Bonds	County of Ohio, Kentucky - promissory note, fixed interest rate	\$ 83,300,000	July 2031	6.00%
Bonds	County of Ohio, Kentucky - promissory note, variable interest rate (See Note below)	\$ 58,800,000	June 2013	3.25%
CFC	Refinancing Term Loan	\$ 302,000,000	July 2031	4.60% (e)
CFC	Equity Loan - CTCs (See Equity Investment on page 21)	\$ 43,155,800	July 2031	5.35% (f)
Total Debt Excluding Outstanding Lines of Credit		\$ 928,958,554		

Note: Filed application with PSC on November 14, 2012 seeking approval to refund these bonds. Refunding will extend the maturity date to July 2031 with level debt service payments over 18 years. Interest rate of 6% or higher is anticipated on these bonds.

See next slide (page 20) for footnotes: (a), (b), (c), (d), (e) and (f)

BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 3)** *Provide a copy of all correspondence between BREC and*
2 *Goldman Sachs regarding the transactions described in the Application.*

3

4 **Response)** Please see attached copy of all correspondence between Big Rivers
5 and Goldman Sachs regarding the transactions described in the Application. Big
6 Rivers objects to producing any correspondence that contains information
7 protected by the attorney-client privilege or the attorney work product rule.

8

9

10 **Witness)** Billie J. Richert

11

Billie Richert

From: Mark Hite
Sent: Friday, August 17, 2012 2:41 PM
To: Billie Richert
Subject: FW: Big Rivers

Mark A. Hite, CPA
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third St.
Henderson, KY 42420
270-827-2561 (corporate)
270-844-6149 (office)
270-577-6815 (mobile)
mhite@bigrivers.com

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Friday, January 27, 2012 12:30 PM
To: Mark Hite
Subject: RE: Big Rivers

Mark,

Thanks for the e-mail. I want to spend some time thinking about this some more and get back to you next week with me additional comments/thoughts. Have a great weekend.

Mark

From: Mark Hite [mailto:Mark.Hite@bigrivers.com]
Sent: Friday, January 27, 2012 10:31 AM
To: Glotfelty, Mark
Subject: Big Rivers

Mark, was good to chat with you earlier this week, and good for me to again review your memorandum dated 12/1/11. As we discussed, Big Rivers' ECP (environmental compliance plan) CapX is now estimated to be approx \$250 million, with an earliest targeted closing of 11/5/12. As the member contracts extend through 12/31/43, we'll seek a 30 year final debt maturity, generally level debt service, but also structured around Big Rivers other debt (seeking to have no cliffs or mountains). Assuming the ECP Application is filed with the KPSC 4/2/12 (as now planned), a PSC Order 10/2/12, it becomes final 11/5/12, we'd target filing the PSC Financing Application 8/2/12. The timeline indicates the "non-deal road show" efforts should commence around mid-May 2012, targeting having substantially complete financing documents to be ready for the 8/2/11 PSC filing. For the time being, I consider approaching the public or private market financing via Goldman Sachs the most probable financing option for Big Rivers' ECP CapX. And, I'll assume a 5.50% coupon rate for now.

Also regarding the 12/1/11 memorandum, and as you know, Big Rivers has the \$58.8 million PCB issue to refinance by 6/1/13, and the \$65 million annual normal CapX for renewals and replacements Big Rivers wishes to finance all or a portion of.

Obviously, Big Rivers will need to perform due diligence, look at financing options (including RUS), etc., seeking the lowest reasonable cost financing.

Comments welcome.

Thanks, and look forward to working with you in the near future,
Mark

Mark A. Hite, CPA
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third St.
Henderson, KY 42420
270-827-2561 (corporate)
270-844-6149 (office)
270-577-6815 (mobile)
812-853-0405 (home)
mhite@bigrivers.com

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Thursday, December 01, 2011 4:13 PM
To: Bill Blackburn; Mark Hite
Cc: Byrne, Daniel; Randolph, David
Subject: Developing a Plan of Finance

Bill / Mark –

Attached please find the memorandum that I mentioned to you on our call on Monday. Once you have had a chance to review it we should have a discussion on next steps. Let me know when you have some time to speak.

Best,

Mark

<<Big Rivers Memo 12.1.2011.pdf>>

Mark W. Glotfelty

Vice President

Goldman, Sachs & Co.

200 West Street, 33rd Floor

New York, NY 10282-2198

Tel: (212) 902-6467

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Billie Richert

From: Mark Hite
Sent: Friday, August 17, 2012 2:41 PM
To: Billie Richert
Subject: FW: Developing a Plan of Finance
Attachments: Big Rivers Memo 12.1.2011.pdf

Mark A. Hite, CPA
VP Accounting & Interim CFO
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201 Third St.
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Subject: Developing a Plan of Finance

Hi / Mark –

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Best,

Mark

<<Big Rivers Memo 12.1.2011.pdf>>

Mark W. Glotfelty

Vice President

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Memorandum

To: Bill Blackburn and Mark Hite, Big Rivers Electric Corporation

From: Mark Glotfelty, Dan Byrne, and David Randolph, Goldman Sachs

Date: December 1, 2011

RE: Developing a Plan of Finance

Executive Overview

Big Rivers has a significant amount of future financing needs that will require it to develop a plan of finance that can accommodate its needs. Current benchmark UST rates are near all time lows and despite widening credit spreads and market volatility, all-in financing rates are very attractive. 2011 has been a very active year for G&T financings with over \$2.2 billion raised to date. Despite all of the G&T activity there have been no G&Ts rated below Baa1 to access the market this year. For Big Rivers this means price and capacity discovery for its bonds is crucial in developing its plan of finance. In order to gauge the market receptivity for its bonds, Big Rivers should conduct an in person "non deal" roadshow in New York and Boston with investors. This is a common approach for infrequent or first time issuers in the capital markets. Feedback from these investor meetings will be the basis in developing a plan of finance. Goldman Sachs has developed a target list of investors for Big Rivers to meet with. We will work with Big Rivers to develop a comprehensive investor presentation used to educate investors on Big Rivers' credit story. Based on the feedback we will receive from investors, we will assist Big Rivers in developing a plan of finance for best execution strategy.

Big Rivers Financing Needs

In the table below we estimate that over the next five years (2012-2016) Big Rivers will need to raise approximately \$703.8 million to meet required prepayments to the RUS under the Unwind Transaction, refinance outstanding tax-exempt pollution control bonds currently held by Dexia, reimburse itself for prior capital expenditures and fund environmental compliance costs related to the Cross State Air Pollution Rule and Mercury and Air Toxics Standards.



Big Rivers Financing Needs 2012 - 2016

Financing Needs	Timing	Par Amount
Prepay RUS	October 1, 2012	\$60,000,000
Reimbursement of Prior Capital Expenditures	2012	65,000,000
Refinancing 1983 PCB	June 1, 2013	58,800,000
Prepay RUS	January 1, 2016	200,000,000
Environmental Capital Expenditures	2012 – 2014*	320,000,000*
Total		\$703,800,000

* Estimated

In addition to the above stated financing requirements, Big Rivers could, subject to market conditions and economics, refinance the entire amount of the RUS Series A Promissory Note in the estimated amount outstanding as of November 15, 2011 of \$530 million without any prepayment premium. This may be a particularly appealing option since every dollar that can be repaid for less than 5.75% would be risk reducing for Big Rivers and would result in lower debt service.

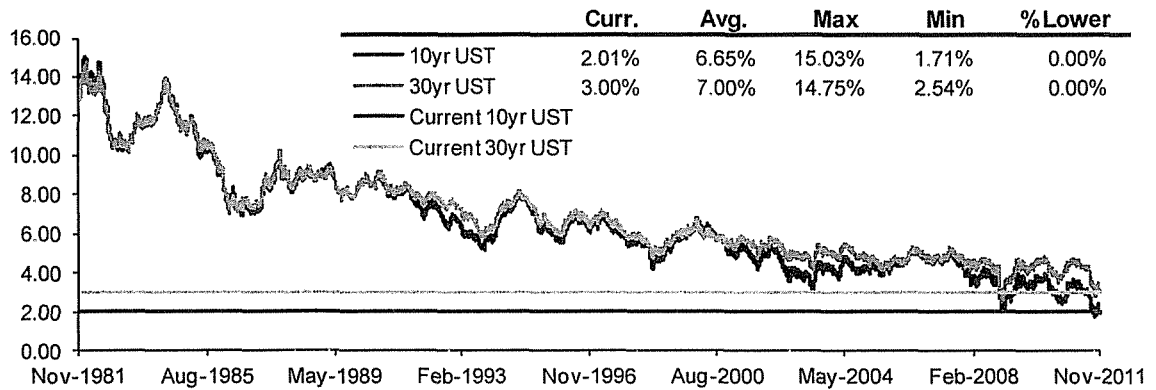
Given the substantial level of projected financing requirements over the near term, it is strategically important for Big Rivers to develop a plan of finance to meet its financing requirements in the most economically and efficient manner possible.

Capital Markets Update

Since mid-summer 2011 the capital markets have been volatile due to the uncertainty in the market caused by the downgrade of the US by S&P on August 5th, implementation of the Fed's Operation Twist on September 21st, the ongoing European debt crisis and the overall sluggishness of the economic recovery in the US.

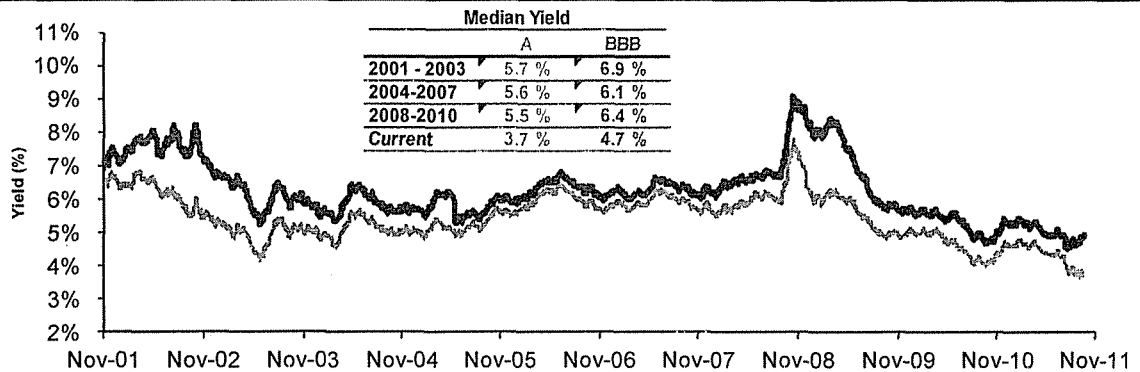
As a result of these events, US Treasuries have rallied to near all time lows as depicted in the graph below. As of December 1 the yield on the 10 and 30 year USTs was 2.11% and 3.13%, respectively. These yields compare very favorably to the 30 year averages of the 10 and 30 year USTs of 6.65% and 7.00%, respectively. Moreover, the current rates on the 10 and 30 year USTs have nearly never been lower.

Historical 30 and 10-Year Treasury Rates (%)



As is often the case, when UST yields decline, credit spreads tend to widen. This has been the case since the beginning of the year. As seen in the chart below, despite widening in credit spreads all-in financing rates (UST + credit spread) remain extremely attractive and are near all time historic lows.

Historical All-In Financing Rates (%)



Given the current market conditions, Big Rivers has an opportunity to lock in attractive funding levels. To put the current market in context for G&Ts, 2011 has been a very active year. As seen in the table below, eight G&Ts have accessed the capital markets in 2011 for a total issuance volume of \$2.2 billion.

As the table below shows, G&Ts that accessed the market in early 2011 achieved a lower credit spread than those G&Ts that more recently accessed the market. Despite the higher credit spreads, all-in yields are significantly lower in the more recent transactions. For a more detailed listing of the 2011 G&T transactions please refer to Appendix A.

2011 G&T Taxable Market Access

G&T	Date	Par (\$mm)	Credit Spread of Longest Tranche (bp)	Coupon of Longest Tranche (%)
Old Dominion	January	\$350	95 bp	5.54%
Arkansas Electric	February	200	85	5.62
Square Butte	May	70	145	5.68
Golden Spread	June	430	145	5.65
Oglethorpe	August	300	163	5.25
Hoosier	September	240	200	4.86
Basin Electric	October	350	190	5.10
Chugach Electric	October	250	190	4.78

Goldman Sachs was placement agent or underwriter on \$1.09 billion or 50% of the 2011 YTD G&T taxable issuance. It is worth noting that the capital markets have evolved between the time of the Old Dominion and Arkansas transactions in early 2011 and the Hoosier and Basin transactions in late 2011. At the time of the Arkansas and Old Dominion transactions the private placement market was very robust with many investors fearing that there was not enough supply to meet demand. This led to transactions being oversubscribed and investors were willing to make loans under the terms of the indenture without a need for additional covenants. Issuers at that time of the year clearly had the advantage. As the year progressed and markets turned turbulent issuers slowly lost their advantage and investors gained more leverage. This was clear in the recent Hoosier and Basin transactions. In both of these transactions investors had become more selective which led to fewer investors participating in deals and those large investors that did participate had the leverage to demand covenants outside of the indenture because they had the ability to make or break a transaction.

Additionally, we received comments from some of the larger investors that they were focusing more on the urban G&Ts than the more rural G&Ts, some investors expressed concern over potentially large environmental expenditures and the impact they will have on leverage and other financial ratios, while other investors told us they were bumping up against capacity for single names as well as the sector.

While the market has significantly changed over the course of the year, we would caution against any G&T that needs financing to rely solely on the private placement market. We think it is more prudent to look at both the private and public markets before making a decision. While the public markets have been turbulent, deals continue to get done and there is very little risk that a single investor will hold a deal hostage over covenant negotiation.



Developing a Plan of Finance to Access the Capital Markets

In developing a plan of finance, it is important for Big Rivers to know the depth and breadth of the investor base for its bonds. Given that none of the G&Ts that accessed the market in 2011 were rated below Baa1, price and capacity discovery will be very important factors in formulating a plan of finance. While the market for “BBB” rated utilities is not as deep as it is for higher rated utilities, there have been a significant number of “BBB” rated utilities that accessed the market in 2011. During 2011 year to date over \$21.8 billion of “BBB” rated utility paper has been issued including \$8.1 billion of debt with a 29 year or longer final maturity. Further, only \$4.2 billion of the \$21.8 billion had S&P or Fitch ratings of BBB-. We have included a full breakdown of 2011 “BBB” utility issuance as Appendix B to this memo.

In order for Big Rivers to gauge the potential depth and breadth of the market for its bonds so it can develop its plan of finance, we recommend it conduct a “non-deal” roadshow with prospective investors. This method of communicating with investors is used by issuers that need market intelligence to gain price and capacity discovery because they are first time or infrequent capital market’s borrowers or have a complex credit story and/or there are no directly comparable credits trading in the market to gauge investor receptivity. A “non-deal” roadshow can provide market intelligence on the receptivity (price, capacity and deal structure) of an issuer’s bonds that is necessary to make a well informed decision to move forward with a capital markets transaction.

The process of conducting a roadshow includes developing a comprehensive investor presentation used to educate investors on Big Rivers’ credit story and develop a target list of potential investors that will likely have the most interest in Big Rivers’ bonds.

A good target list of potential investors to begin with is the investors that participated in Big Rivers’ 2010 transaction. That transaction was marketed to over 21 investors and ultimately placed with 16 investors. These investors have familiarity with Big Rivers’ credit story and potentially could have more demand for its bonds.

Investors in 2010 Transaction

Riversource	1861 Capital Management LLC
CoBank	PIMCO
Standish Mellon Asset Management	CL King & Associates
Columbia Asset Management	Saybrook Capital, LLC
Franklin Fund	Cypress Investments
Susquehanna Financial Group	RMR Asset Management
USAA	Delaware Management Company
Waddell & Reed Investment Management	Neuberger & Berman LLC



In addition to these investors, in the table below is a partial list of additional investors that have participated in this year's G&T transactions.

Additional Private Placement Investors		
40/86	Farm Bureau Life	One America
Advantus	Fort Washington	Pac Life
Aegon	Genworth	Phoenix
AIG	Great West	PPM
AllianceBernstein	Guardian	Prime Advisors
Allianz	Hartford	Principal
Allstate	ING	Protective
American Equity	John Hancock	Prudential
Assurity	Knights of Columbus	Southern Farm Bureau
Aviva	MetLife	St. Paul's / Travelers
Babson	Modern Woodmen of America	Standard Insurance
Beneficial Life	Mutual of Omaha	State Farm
CIGNA	National Guardian Life	Summit/Ameritas
Conning	National Life of Vermont	SunLife
Country Trust	Nationwide	Thrivent
CUNA/Members	NML	TIAA
Lincoln	NY Life	UNUM
Ensign Peak	Ohio National	Woodmen of the World

From this list of investors we would prioritize those accounts that are considered high quality, have an appetite for BBB rated utility debt, and are buy and hold investors that can place large orders to set a positive tone for Big Rivers' order book. Once we have finalized the appropriate accounts we would schedule 1x1 meeting with those accounts so Big Rivers could present its credit story to them on a confidential basis.

In the table below, we have identified those accounts that we believe should be a top priority for a Big Rivers' roadshow. As can be seen below, the roadshow would likely take place in New York (1-2 days), Boston (1 day), and via teleconference (1-2 days).



Preliminary Roadshow Investors		
New York	Boston	Telephonic
AIG (Downtown)	Babson (Boston, MA)	40/86 (Midwest)
AllianceBernstein (Midtown)	John Hancock (Boston, MA or Merrimack, NH)	Allstate (Northbrook, IL)
Blackrock (Midtown)	Standish Mellon (Boston, MA)	Delaware (Philadelphia, PA)
Deutsche Asset Management (Midtown)	State Street (Boston, MA)	Hartford (Hartford, CT)
JPMIM (Midtown)	Wellington (Boston, MA)	Legal & General (Chicago)
Lord Abbett (Jersey City, NJ)		Pacific Life (Newport Beach, CA)
MetLife (Morristown, NJ)		Principal (Des Moines, IO)
NY Life (Midtown)		T-Rowe Price (Baltimore, MD)
Prudential (Newark, NJ)		
TIAA-CREF (Midtown or Charlotte, NC)		

We realize that a 3-4 day roadshow is a significant time commitment on Big Rivers' senior management team but given the magnitude of Big Rivers' financing needs we feel it is necessary and would be a very productive exercise.

The end result of the roadshow would be to expose investors to Big Rivers' senior management team and its credit story. Once the roadshow is completed, Goldman Sachs' syndicate desk would have a dialogue with the investors to discuss how they would view Big Rivers in terms of comparable issuers, thoughts on price, and appetite for duration and structure of Big Rivers' bonds. Additionally, we would have feedback as to whether it would be better for Big Rivers to access the public or private markets. The feedback that we receive will be invaluable in formulating a plan of finance for best execution strategy. Generally the shelf life of a "non deal" roadshow is about six months. Based on the feedback we will receive from investors, this should provide Big Rivers with ample time to receive all its necessary approvals to move forward with a financing.

Conclusion

Goldman Sachs will work with Big Rivers in all aspects to assist it in developing an optimal financing strategy to meet its goals. If you have any questions please don't hesitate to contact Mark Glotfelty at (212) 902-6467.



Appendix A

Taxable Electric Cooperative Issuance

Taxable Electric Cooperative Transactions										
Issuer	Date	NAIC	Moody's	S&P	Total Par (\$mm)	Tranche (\$mm)	Final Maturity	Avg. Life	Spread (bp)	Coupon
Chugach Electric	Oct-11	NAIC-1	A3	A-	250	75	20	11	170	4.01
Chugach Electric	Oct-11	NAIC-1	A3	A-		125	30	16	210	4.41
Chugach Electric	Oct-11	NAIC-1	A3	A-		50	30	21	190	4.78
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+	350	250	20	13	182	4.00
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+		100	38	34	190	5.10
Hoosier Energy	Sep-11	NAIC-1	A3	A	240	190	29	26	200	4.86
Hoosier Energy	Sep-11	NAIC-1	A3	A		50	18	18	185	4.07
Oglethorpe	Aug-11	NAIC-1	Baa1	A	300	300	30	30	163	5.25
Golden Spread Electric	Jun-11	NAIC-1	A2	A-	430	30	5	5	120	2.79
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		250	20	12	140	3.99
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		150	30	19	145	5.65
Square Butte Electric Cooperative	Jun-11	NAIC-1	A3	A-	13	13	15.5	16	168	4.65
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-	57	28	20	12	130	4.42
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-		30	31	27	145	5.68
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-	200	120	30	26	85	5.62
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-		80	19	13	100	4.71
Old Dominion Electric	Jan-11	NAIC-1	A3	A	350	90	30	15	140	4.83
Old Dominion Electric	Jan-11	NAIC-1	A3	A		165	30	20	95	5.54
Old Dominion Electric	Jan-11	NAIC-1	A3	A		95	40	20	95	5.54
Total					\$ 2,190					



Appendix B

BBB Utility Issuance

2011 "BBB" Rated Utility Issuance									
Issuer Name	Date	Moody's	S&P	Size	Total Transaction	Final Maturity	Spread	Coupon	
				(\$mm)	Size (\$mm)				
Oncor Electric Delivery Co LLC	Nov-11	Baa1	A-	300	300	30.1	160	4.550%	
Indianapolis Power & Light Co	Nov-11	A3	BBB	140	140	30.0	180	4.875%	
Duke Energy Corp	Nov-11	Baa2	A-	500	500	5.0	125	2.150%	
NISource Finance Corp	Nov-11	Baa3	BBB-	250	500	30.1	275	5.800%	
NISource Finance Corp	Nov-11	Baa3	BBB-	250	500	30.1	275	5.800%	
NISource Finance Corp	Nov-11	Baa3	BBB-	250	500	10.1	245	4.450%	
NISource Finance Corp	Nov-11	Baa3	BBB-	250	500	10.1	245	4.450%	
Baltimore Gas & Electric	Nov-11	Baa2	BBB+	300	300	10.0	150	3.500%	
Baltimore Gas & Electric	Nov-11	Baa2	BBB+	300	300	10.0	150	3.500%	
Southern Power Co	Nov-11	Baa1	BBB+	550	550	29.9	190	5.150%	
Southern Power Co	Nov-11	Baa1	BBB+	550	550	29.9	190	5.150%	
Tucson Electric Power Co	Nov-11	Baa3	BBB-	250	250	10.0	312.5	5.150%	
Tucson Electric Power Co	Nov-11	Baa3	BBB-	250	250	10.0	312.5	5.150%	
Public Service Co of New Mexico	Oct-11	Baa3	BBB-	160	160	10.0	340	5.350%	
Public Service Co of New Mexico	Oct-11	Baa3	BBB-	160	160	10.0	340	5.350%	
LG&E & KU Energy	Sep-11	Baa2	BBB+	250	250	10.0	250	4.375%	
LG&E & KU Energy	Sep-11	Baa2	BBB+	250	250	10.0	250	4.375%	
AGL Capital Corp	Sep-11	Baa1	BBB+	200	500	29.6	165	5.875%	
AGL Capital Corp	Sep-11	Baa1	BBB+	200	500	29.6	165	5.875%	
AGL Capital Corp	Sep-11	Baa1	BBB+	300	500	10.0	160	3.500%	
AGL Capital Corp	Sep-11	Baa1	BBB+	300	500	10.0	160	3.500%	
Kansas City Power & Light Co	Sep-11	Baa2	BBB	400	400	30.1	200	5.300%	
Kansas City Power & Light Co	Sep-11	Baa2	BBB	400	400	30.1	200	5.300%	
PSEG Power LLC	Sep-11	Baa1	BBB	250	500	10.0	215	4.150%	
PSEG Power LLC	Sep-11	Baa1	BBB	250	500	10.0	215	4.150%	
PSEG Power LLC	Sep-11	Baa1	BBB	250	500	5.0	190	2.750%	
PSEG Power LLC	Sep-11	Baa1	BBB	250	500	5.0	190	2.750%	
Southern Power Co	Sep-11	Baa1	BBB+	300	300	30.0	190	5.150%	
Southern Power Co	Sep-11	Baa1	BBB+	300	300	30.0	190	5.150%	
Western Massachusetts Electric Company	Sep-11	Baa2	BBB+	100	100	10.0	162.5	3.500%	
Western Massachusetts Electric Company	Sep-11	Baa2	BBB+	100	100	10.0	162.5	3.500%	
Pacific Gas & Electric Co	Sep-11	A3	BBB+	250	250	10.0	130	3.250%	
Xcel Energy Inc	Sep-11	Baa1	BBB+	250	250	30.0	150	4.800%	
Xcel Energy Inc	Sep-11	Baa1	BBB+	250	250	30.0	150	4.800%	
Enbridge Energy Partners	Sep-11	Baa2	BBB	150	750	29.0	237.5	5.500%	
Enbridge Energy Partners	Sep-11	Baa2	BBB	150	750	29.0	237.5	5.500%	
Enbridge Energy Partners	Sep-11	Baa2	BBB	600	750	10.0	225	4.200%	
Enbridge Energy Partners	Sep-11	Baa2	BBB	600	750	10.0	225	4.200%	
Commonwealth Edison Co	Aug-11	Baa1	A-	350	600	10.0	123	3.400%	
Commonwealth Edison Co	Aug-11	Baa1	A-	250	600	5.0	103	1.950%	
Arizona Public Service	Aug-11	Baa2	BBB	300	300	30.0	170	5.050%	
Arizona Public Service	Aug-11	Baa2	BBB	300	300	30.0	170	5.050%	
Duke Energy Corp	Aug-11	Baa2	BBB+	500	500	10.1	145	3.550%	
Duke Energy Corp	Aug-11	Baa2	BBB+	500	500	10.1	145	3.550%	
Midland Cogeneration	Aug-11	NR	BBB-	560	560	13.6	383.1	6.000%	
Oglethorpe Power Corp	Aug-11	Baa1	A	300	300	39.1	163	5.250%	
Southern Company	Aug-11	Baa1	A-	500	500	5.0	105	1.950%	
Dominion Resources	Aug-11	Baa2	A-	450	450	5.0	105	1.950%	
Dominion Resources	Aug-11	Baa2	A-	500	500	30.0	110	4.900%	
AES Gener SA	Jul-11	Baa3	NR	400	400	10.1	242	5.250%	
NextEra Energy Capital	Jun-11	Baa1	BBB+	400	400	10.0	148	4.500%	
NextEra Energy Capital	Jun-11	Baa1	BBB+	400	400	10.0	148	4.500%	
NISource Finance Corp	Jun-11	Baa3	BBB-	400	400	30.0	170	5.950%	
NISource Finance Corp	Jun-11	Baa3	BBB-	400	400	30.0	170	5.950%	
Duquesne Light	May-11	Ba1	BBB-	350	350	10.5	280	5.900%	
Oklahoma G&E	May-11	A2	BBB+	250	250	30.0	105	5.250%	
Pacific Gas and Electric	May-11	A3	BBB+	300	300	10.0	108	4.250%	
Scana Corp	May-11	Baa2	BBB	300	300	10.0	160	4.750%	
Scana Corp	May-11	Baa2	BBB	300	300	10.0	160	4.750%	
Appalachian Power Co	Mar-11	Baa2	BBB	350	350	10.0	130	4.600%	
Appalachian Power Co	Mar-11	Baa2	BBB	350	350	10.0	130	4.600%	
AGL Capital Corp	Mar-11	Baa1	BBB+	500	500	30.0	150	5.875%	
AGL Capital Corp	Mar-11	Baa1	BBB+	500	500	30.0	150	5.875%	
Southern California Edison Co	Mar-11	Baa2	BBB-	125	125	--	37.5	6.500%	
Southern California Edison Co	Mar-11	Baa2	BBB-	125	125	--	37.5	6.500%	
Public Service Co of Oklahoma	Jan-11	Baa1	BBB	250	250	10.1	115	4.400%	
Public Service Co of Oklahoma	Jan-11	Baa1	BBB	250	250	10.1	115	4.400%	
Commonwealth Edison Co	Jan-11	Baa1	A-	600	600	3.0	70	1.625%	
Total					\$ 21,870				

Billie Richert

From: Billie Richert
nt: Monday, October 01, 2012 7:48 AM
o: Glotfelty, Mark
Subject: Tax Certificate for assets covered by bond

Mark,
We are still looking for this. Hopefully we'll have by the end of the day.

Billie

Billie Richert, CPA, CFP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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Billie Richert

From: Billie Richert
Sent: Monday, October 01, 2012 3:49 PM
To: Glotfelty, Mark
Cc: Ralph Ashworth
Subject: FW:
Attachments: EXHIBIT A.pdf

Mark,

Please review attached and let us know if this is what you need re: Tax certificate of assets for 1983 bonds.

From: Mary Susan Bowles
Sent: Monday, October 01, 2012 3:32 PM
To: Ralph Ashworth; Billie Richert
Subject:

Big Rivers Electric Corporation
P.O. Box 24
Henderson, Kentucky 42420

June 30, 1983

Mayer, Brown & Platt
231 South LaSalle
Chicago, Illinois 60604

Gentlemen:

Attached hereto as Exhibit A is a list of certain air and water pollution control facilities, sewage and solid waste disposal facilities and certain other facilities (collectively, the "Facilities") which have been, or will be, constructed, acquired and installed at Generating Unit 1 ("Generating Unit 1") of the D.B. Wilson Station (the "Station"), a coal-fired steam electric power generating plant located within the boundaries of Ohio County, Kentucky (the "County"). The facilities listed under Item II in Exhibit A include facilities which will be used in common with Generating Unit 2 ("Generating Unit 2"), which is intended to be constructed as part of the Station. The Station, including the Facilities, is owned by Big Rivers Electric Corporation ("Big Rivers"). A portion of the cost of the Facilities has been financed by proceeds of the County's \$82,500,000 aggregate principal amount Pollution Control Interim Revenue Bonds, Series 1982 (Big Rivers Electric Corporation Project)(the "1982 Series Bonds") and by investment income on proceeds of the 1982 Series Bonds. Capitalized terms used herein, except to the extent specifically defined herein, are used as defined in the Financing and Loan Agreement, dated as of June 1, 1983, entered into by the County and Big Rivers in connection with the issuance of \$58,800,000 aggregate principal amount of the County's Pollution Control Floating Rate Demand Bonds, Series 1983 (Big Rivers Electric Corporation Project)(the "Bonds").

For purposes of this letter, the term "Net Cost of Construction" shall mean that portion of the Cost of Construction which is chargeable to the Facilities' capital account for Federal income tax purposes or would be so chargeable either with a proper election or but for a proper election to deduct such amounts but computed without regard to: (a) Administration Expenses, legal, accounting, financial, advertising, recording and printing expenses and all other expenses incurred in connection with the issuance

of any debt obligations of the County; and (b) interest on debt obligations of the County used to finance the facilities which would be eligible for capitalization pursuant to the election available under Section 266 of the Internal Revenue Code of 1954, as amended (the "Code"), and the Treasury Regulations promulgated thereunder. In addition, the Net Cost of Construction of the Facilities in Exhibit A hereto shall not include any costs paid or incurred prior to September 9, 1980 or attributable to construction or fabrication occurring prior to September 9, 1980.

The Electrostatic Precipitator System listed as Item I.1 in Exhibit A hereto is designed to remove flyash from the stack gases emitted from the boilers of Generating Unit 1. The recovered flyash will be disposed of by the Solid Waste Treatment Facility listed as Item II.5 in Exhibit A hereto. The Electrostatic Precipitator System will consist of two rigid electrode type precipitators, each of which will treat 50 percent of the flue gas stream. The flyash is collected on a series of electrodes in the precipitators and then removed to fall into hoppers by electromagnetic rappers. The cleaned flue gas flows to a common outlet plenum and then to the induced draft fans. The flyash is removed from the precipitators by the Flyash Collection Facility to the Solid Waste Treatment Facility. The ductwork connecting the air heaters of the boiler to the inlet manifold of the Electrostatic Precipitator System and connecting the outlet manifold of the Electrostatic Precipitator System to the induced draft fans is not included as part of the facility. However, transitional ducting which constitutes an integral part of the Electrostatic Precipitator System is included as a component of the facility.

The Net Cost of Construction of the Electrostatic Precipitator System listed as Item I.1 in Exhibit A hereto is estimated to be \$12,221,609. \$8,026,744 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$4,194,865 of said Net Cost of Construction has not been so financed. It is estimated that such facility will have an economic useful life of 30 years and will have no net salvage value at the end of such 30 year period. The annual expenses of operation and maintenance of such facility for each year of its useful life, based on current cost and price levels, are estimated to be \$187,364. The investment and energy tax credits claimed with respect to such facility will not exceed 10 percent of the Net Cost of Construction of such Facility.

In the absence of pollution control requirements, Big Rivers would install less efficient mechanical dust collectors instead of the Electrostatic Precipitator System in order to protect the induced draft fans from erosion caused by particulates contained in the flue gases. The greater efficiency of the Electrostatic Precipitator System will not reduce the maintenance costs of the induced draft fans from what such costs would have been if mechanical dust collectors had been installed and the estimated useful life of the induced draft fans will not be increased. It is estimated that the Net Cost of Construction of such mechanical dust collectors would be \$2,500,000. It is estimated that such mechanical dust collectors would have an economic useful life of 30 years and would have no net salvage value at the end of such 30 year period. The annual expenses of operation and maintenance of such mechanical dust collectors for each year of their useful lives are, based on current cost and price levels, estimated to be \$124,758. The investment and energy tax credits claimed with respect to such mechanical dust collectors would not exceed 10 percent of the net cost of construction of such mechanical dust collectors.

The Sulphur Dioxide Removal Facility listed as Item I.2 in Exhibit A hereto is designed to remove sulphur dioxide from the flue gases emitted from the boiler of Generating Unit 1. Such facilities are known as "wet spray type" systems and consist of sulphur dioxide spray absorbers, lime and limestone receiving, storage, conveying and handling facilities, lime and limestone slurry preparation and transport facilities, sludge dewatering facilities, flue gas reheat facilities, other associated appurtenances, support steel, piping, wiring, and controls.

The lime and limestone receiving, storage, conveying and handling facilities described as part of Item I.2 in Exhibit A hereto include a stationary clamshell bucket type barge unloader, complete conveyor system, silos, dust collection systems, control systems, and associated appurtenances. The limestone and pebble lime are brought to the unloading facility by barge. They are removed via the clamshell bucket unloader and transported to separate storage silos on the conveyors. The storage silos each have a capacity of 12,000 tons of reagent. The respective reagents are stored in these silos until required by the slurry preparation systems.

The slurry preparation facilities include ball mills for limestone slurry preparation, slakers for lime slurry preparation, pumps and holding tanks. The slurry produced

in the ball mills and slakers is stored in hold tanks prior to being pumped to the sulphur dioxide absorber.

The sludge dewatering system includes thickeners, pumps, spray piping and associated appurtenances. The limestone/lime slurry is recirculated and sprayed in a horizontal vessel to absorb the sulphur dioxide. A bleed stream is continuously diverted to the sludge dewatering system and makeup is continuously introduced from the slurry preparation and transfer system in order to maintain system chemistry. From the spray absorbers, the cleaned flue gas is ducted to the plant stack. The ductwork connecting the induced draft fans to the inlet of the Sulphur Dioxide Removal Facility and connecting the outlet of the Sulphur Dioxide Removal Facility to the plant stack is not included as part of the facility. However, transitional ducting which constitutes an integral part of the Sulphur Dioxide Removal Facility is included as a component of the facility.

The Net Cost of Construction of the Sulphur Dioxide Removal Facility listed as Item I.2 in Exhibit A hereto is estimated to be \$75,740,864. \$43,141,234 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$32,599,630 of said Net Cost of Construction has not been so financed. Were it not for pollution control requirements, Big Rivers would not install such a facility, or any component thereof, for any other purpose and Big Rivers will derive no economic benefit from the installation of such a facility.

The Solid Waste Treatment Facility listed in Item II.5 in Exhibit A hereto is designed to concentrate and process waste slurry from the sludge dewatering systems of the Generating Unit I and 2 sulphur dioxide removal facilities by addition of flyash and lime to produce a suitable landfill material. The facility consists of a sludge receiving system, mechanical dewatering system, flyash feed system, fixation additive system, ash sludge mixing system, conveyor system and associated appurtenances.

The sludge receiving system receives and stores the discharge material from the Sulphur Dioxide Removal Facility. The facility includes surge tanks, filter feed pumps and associated piping valves and controls.

The mechanical dewatering system further dewateres the sludge received from the Sulphur Dioxide Removal Facility. The facility consists of vacuum filters, vacuum pumps, pumps, piping, valves and controls.

The fixation additive system stores and transports lime to the ash-sludge mixing system. The facility consists of the storage silos and additive feed conveyors.

The ash-sludge mixing system mixes the dewatered sludge, flyash, and fixation agent (lime) to form a suitable landfill material. The facility consists of mixers, feeders, and conveyors.

The conveyor system transports the mixed material to the Solid Waste Railroad System or the emergency solid waste stockpile area.

The Solid Waste Treatment Facility, with the exception of the outdoor storage tanks and silos and associated equipment, is located in the solid waste treatment building. This building is included as part of this facility as its sole function is to house the components and control room of the solid waste treatment system.

The Net Cost of Construction of the Solid Waste Treatment Facility listed as Item II.5 in Exhibit A hereto is estimated to be \$25,324,382. \$15,929,767 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$9,394,615 of said Net Cost of Construction has not been so financed. Were it not for pollution control requirements, Big Rivers would not install such a facility, or any component thereof, for any other purpose and Big Rivers will derive no benefit from the installation of such a facility.

The Flyash Collection Facility listed as Item I.4 in Exhibit A hereto is designed to remove the flyash collected by the Electrostatic Precipitator System and transport it through piping to silos where it is stored prior to disposal through the Solid Waste Treatment Facility. The precipitator flyash system is of the "pressure" type consisting of motive air blowers, silo aeration air blowers, air locks, piping, valves and controls. The piping and valves include the silo return vent system which transports vented air and entrained ash from the flyash silos to the inlet duct of the electrostatic precipitator. The flyash feed system stores and transfers flyash from the flyash silos to the ash-sludge mixing system. The facility consists of silos, rotary feeders and conveyors.

The Net Cost of Construction of the Flyash Collection Facility listed as Item I.4 in Exhibit A hereto is estimated to be \$5,415,622. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The Solid Waste Railroad System listed as Item I.3 in Exhibit A hereto is designed to load the processed solid waste material from the Solid Waste Treatment Facility and ash from the bottom ash handling facility and transport such material to the Solid Waste Landfill Area. The Solid Waste Railroad System consists of a locomotive, side dump rail cars, rail car positioner, track, landfill area material handling equipment, and associated appurtenances.

The locomotive will be a diesel electric unit with 1100 horsepower of available power.

Side dump rail cars will be designed to dump either side and will handle 50 cubic yards of solid waste material each. Eleven cars will be purchased to support the operations of Generating Unit 1.

The car positioner is designed to provide for indexing of rail cars under the Solid Waste Treatment Facility conveyor discharge chute. The car positioner will be of the cable type.

The landfill area material handling equipment is required to distribute and compact the dumped landfill material to achieve acceptable landfill grades and material density. The equipment will consist of land moving and compaction equipment to support the landfill operation for Generating Unit I.

The Net Cost of Construction of the Solid Waste Railroad System listed as Item I.3 in Exhibit A hereto is estimated to be \$3,143,026. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The Cooling Tower Facility listed as Item I.6 in Exhibit A hereto is designed to dissipate to the atmosphere the turbine cycle waste heat of Generating Unit 1. Such facilities are known as counterflow multicell induced draft type cooling towers and consist of fans, fill, structural supports, piping, wiring and controls. Were it not for pollution control requirements, Big Rivers would install an open loop cooling water system and discharge heated water directly to the Green River. The net cost of construction of the Cooling Tower Facility listed as Item I.6 in Exhibit A hereto is estimated to be \$11,372,231. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The Waste Water Treatment Facility listed as Item II.1 in Exhibit A hereto is designed to provide treatment, processing and final disposal of waste water from the Coal Pile Run-Off Pond, Waste Water Pond and Waste Impoundment Pond. The facility consists of a pH trim tank, waste water clarifier, pumps, piping, monitoring and control equipment and associated appurtenances. Big Rivers would not construct such facility or any comparable facility in the absence of pollution control requirements and Big Rivers will derive no economic benefit as a result of the installation of such facility. The Net Cost of Construction of such facility is estimated to be \$2,609,549. \$80,468 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$2,529,081 of said Net Cost of Construction has not been so financed.

The Coal Pile Run-Off Pond listed as Item II.2 in Exhibit A hereto is designed to collect acidic water run-off from the station's coal storage area and dispose of it through the Waste Water Treatment Facility. The facility includes a pond and earthwork diking, floating pump structure with pumps and controls, and piping between these pumps and the Waste Water Pond. Water accumulated in the Coal Pile Run-off Pond is pumped to the Waste Water Pond for eventual processing by the Waste Water Treatment Facility. Were it not for pollution control requirements, Big Rivers would not have constructed such facility and Big Rivers will derive no economic benefit from the installation of such facility. The Net Cost of Construction of such facility is estimated to be \$1,397,488. \$1,131,590 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$265,898 of said Net Cost of Construction has not been so financed.

The Waste Water Pond and Waste Impoundment Pond listed as Items II.3 and II.4 in Exhibit A hereto are designed to collect a wide variety of liquid plant discharges for eventual discharge to the Green River through the Waste Water Treatment Facility. Each facility includes a pond and earthwork diking, floating pump structure with pumps and controls, and piping between these pumps and the waste water treatment facilities. Were it not for pollution control requirements, Big Rivers would discharge such liquid wastes to a local river or system without treatment. The Net Cost of Construction of such facilities is estimated to be \$663,273. \$276,611 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$386,662 of said Net Cost of Construction has not been so financed.

The Sanitary Waste System listed as Item II.7 in Exhibit A hereto is designed to provide for the collection, storage, treatment, processing and final disposal of sanitary wastes from the Station. The facility consists of a packaged aeration plant. The Net Cost of Construction of such facility is estimated to be \$286,659. \$100,586 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$186,073 of said Net Cost of Construction has not been so financed.

The Run-off Retention Ponds listed as Item I.5 in Exhibit A hereto are provided for the settling of suspended solids contained in rain water run-off prior to the discharge of the run-off through the normal drainage system. Big Rivers would not have constructed such facility in the absence of pollution control requirements. The Net Cost of Construction of such facilities is estimated to be \$397,266. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The term of the Bonds is 30 years. The estimated taxable borrowing rate for capital construction for Big Rivers using obligations having a 30-year maturity is within 90 days preceding the date hereof 10.819%, which rate is the rate charged at such time by the Federal Financing Bank.

Each of the Facilities listed as Items I.1, I.2, I.3, I.4, I.5, I.6, II.1, II.2, II.3, II.4, II.5, and II.6 in Exhibit A hereto (the "Pollution Control Facilities"): (1) is a unit which is discrete and which is used in whole or in part to abate or control water or atmospheric pollution or contamination by removing, altering, disposing or storing pollutants, contaminants or wastes (hereinafter individually and collectively referred to as "pollutants") and which cannot be further reduced in size without losing one or more of such characteristics; (2) is not property that avoids the creation of pollutants; (3) is not property which is used solely for the processing and manufacturing of material after such material is no longer a pollutant; and (4) does not treat or process a material in such a manner as to prevent the discharge or release of pollutants when such material is subsequently used. As used herein, the term "pollutant" does not include any material unless such material is in a state or form such that its discharge or release would result in pollution.

All of the property comprising the Facilities is (a) land or an improvement to land, or tangible personal

property subject to exhaustion, wear and tear or obsolescence and (b) has a useful life in the hands of Big Rivers of more than one year. In addition, all of the property comprising the Pollution Control Facilities and the Facility listed as Item II.7 is either (a) to be used, in whole or in part, to abate or control water or atmospheric pollution or contamination by removing, altering, disposing or storing pollutants or for the collection, storage, treatment, utilization, processing or final disposal of sewage or solid waste or (b) is property that is (i) functionally related and subordinate to one or more items of property described in clause (a) of this sentence, and (ii) of a character and size commensurate with the character and size of the property to which such property is functionally related and subordinate.

Each of the Pollution Control Facilities: (a) is designed to control, and will serve the function of controlling, pollution resulting from substances that, but for the installation of such Facility, would be released or discharged in the normal course of operations at the Station; and (b) is of a size and capacity not in excess of the size or capacity required to control the amount of such discharge or release that occurs in the normal course of operations at the Station.

None of the Pollution Control Facilities would be installed by Big Rivers for the purpose of avoiding the creation of a risk of harm to the Station's employees as a result of the release of substances, the release or discharge of which is controlled by such Facilities.

None of the Pollution Control Facilities controls materials that traditionally have been controlled because their release would constitute a nuisance under the laws of the State of Kentucky.

The release or discharge of any substance, the release or discharge of which is controlled by the Pollution Control Facilities, would not cause an immediate risk of substantial damage or injury to property or persons.

Except as noted in this letter, Big Rivers has not installed any item of equipment comparable to the Pollution Control Facilities, or designed to serve a function comparable to the function served by any such Facility, at the Station or plants comparable to the Station, as a customary practice for reasons other than compliance with Federal, State or local pollution control laws, regulations or rulings.

The Commonwealth of Kentucky, Department of Natural Resources and Environmental Protection, has certified that the Facilities as designed, are in furtherance of the purpose of abating or controlling water or atmospheric pollution or contamination.

Except as herein described, the acquisition, construction and installation of all or any portion of the Pollution Control Facilities will not result in: (1) any increase in production or capacity; (2) any material extension of the economic useful life of any manufacturing or production facility or any part thereof; (3) any decrease in the cost of operation or maintenance of any manufacturing or production facility, or any other costs related thereto; or (4) the realization of any other economic benefit as a result of the installation of the Pollution Control Facilities, in each case without taking into account any costs incurred in connection with or as a result of the installation or operation of the Pollution Control Facilities.

All of the flyash collected, stored, treated, utilized, processed or disposed of by the Electrostatic Precipitator System, the Flyash Collection Facility and the Solid Waste Treatment Facility listed as Items I.1, I.3, I.4, and II.5, in Exhibit A hereto is property which will not be marketed and will be mixed with sludge from the Sulfur Dioxide Removal Facility to produce a suitable landfill material.

None of the Facilities have yet been operated at substantially the level for which they were designed. It is estimated that Generating Unit 1 will first be synchronized with the power grid no earlier than May 1, 1984 and that construction work on all of the Facilities listed as Items I and II in Exhibit A hereto will be substantially completed as of such date.

The Facilities have been, or will be, constructed according to the specifications of Big Rivers. With the exception of items I.1, I.2 and II.5 listed in Exhibit A hereto, no physical work on the manufacture or fabrication of the Facilities listed in Exhibit A hereto or any component thereof, had commenced on or prior to September 9, 1980 and no equipment to be included as a component of such Facilities had been ordered, acquired or delivered to the Station site prior thereto. No other physical work at the Station site for the purpose of constructing, installing or equipping such Facilities had been commenced on or prior to such date. The County on such date, in order to induce Big Rivers to proceed with the acquisition and construction of

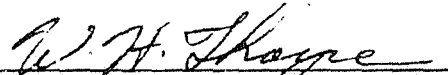
pollution control facilities and sewage and solid waste disposal facilities at the Station, including such Facilities, adopted a resolution in which it agreed to issue revenue bonds to finance the acquisition and construction of such facilities.

A description of the Facilities contained in this letter and Exhibit A hereto is based upon information supplied by H. Bartoli of Burns and Roe, Inc., the firm of engineers responsible for the design, construction and acquisition of the Facilities. The statements contained herein and in Exhibit A hereto fully and accurately represent the facts as known to Big Rivers and are, in its opinion, true and no information available to Big Rivers has been omitted herefrom or from Exhibit A hereto, the omission of which would tend to render misleading any of the statements contained herein or in Exhibit A hereto in the circumstances in which they are made.

Very truly yours,

BIG RIVERS ELECTRIC CORPORATION

By:



William H. Thorpe
General Manager

EXHIBIT A
THE FACILITIES

The following are the air and water pollution control facilities, sewage and solid waste disposal facilities and other facilities to be installed at or in connection with the Station:

I. GENERATING UNIT 1 FACILITIES

1. Electrostatic Precipitator System - designed to remove flyash from the flue gases emitted from Generating Unit 1's boiler. Such facilities consist of two precipitators and transitional ducting.

2. Sulphur Dioxide Removal Facility - consists of a "wet spray type scrubber" system to remove sulphur from the flue gases emitted from Generating Unit 1's boiler. Such facilities consist of sulphur dioxide spray absorbers, lime and limestone receiving, storage, conveying and handling facilities, flue gas reheat facilities, and transitional ducting.

3. Solid Waste Railroad System - designed to load the processed solid material from the solid waste treatment facilities and the bottom ash handling facilities into side dump rail cars and transport same to the Solid Waste Landfill Area. Such facilities consist of a locomotive, side dump cars, car positioning system, track, landfill area material handling equipment, and associated appurtenances.

4. Flyash Collection Facility - designed to transport ash collected by the electrostatic precipitator and consists of blowers, air locks and an ash transport and silo vent piping system.

5. Run-off Retention Ponds - designed to provide settling of rain water suspended solids prior to discharge through normal drainage system.

6. Cooling Tower Facility - designed to dissipate waste thermal energy to the atmosphere and consists of fans, fill, supports, piping, wiring and controls.

II. COMMON FACILITIES

(Those facilities designed and constructed to support both Generating Unit 1 and the eventual installation of Generating Unit 2).

1. Waste Water Treatment Facility - consists of pH trim tank and clarifier to treat and process liquids from the following Items 2, 3 and 4.

2. Coal Pile Run-Off Pond - designed to collect acidic water run-off from the station's coal storage area. The facility includes a pond and pumping equipment.

3. Waste Water Pond - designed to collect various Station waste streams. The facility includes a pond and pumping equipment.

4. Waste Impoundment Pond - designed to collect highly contaminated liquid wastes. The facility includes a pond and pumping equipment.

5. Solid Waste Treatment Facility - designed to concentrate and process waste slurry from the dewatering system of the Sulphur Dioxide Removal Facility by addition of flyash and lime to produce a suitable landfill material.

6. Solid Waste Landfill Area - land required for placement of all plant solid wastes.

7. Sanitary Waste System - designed to process station sanitary wastes.

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Sent: Monday, October 01, 2012 4:33 PM
To: Billie Richert
Cc: Ralph Ashworth
Subject: RE:

Thanks, Billie. We will take a look.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Monday, October 01, 2012 4:49 PM
To: Glotfelty, Mark [IBD]
Cc: Ralph Ashworth
Subject: FW:

Mark,

Please review attached and let us know if this is what you need re: Tax certificate of assets for 1983 bonds.

From: Mary Susan Bowles
Sent: Monday, October 01, 2012 3:32 PM
To: Ralph Ashworth; Billie Richert
Subject:

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
ent: Tuesday, October 09, 2012 6:10 PM
o: Billie Richert
Subject: Financing Options
Attachments: Financing Considerations for Big Rivers Series 1983 Bonds_Draft 10.9.12.pdf

Billie –

Attached please find a draft presentation of Big Rivers financing options. I will call you in the morning to review. As this is a draft please hold off in forwarding it internally. We may want to make some tweaks after we speak.

Best,

Mark

Mark W. Glotfelty
Vice President
Goldman, Sachs & Co.
200 West Street, 33rd Floor
New York, NY 10282-2198
Tel: (212) 902-6467
Cell: (201) 245-4296
Fax: (646) 835-3244



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Big Rivers Electric Corporation

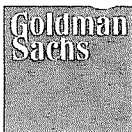


Your Touchstone Energy[®] Cooperative 

Financing Considerations for Series 1983 Pollution Control Bonds Goldman, Sachs & Co.

October 9, 2012

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Public Sector and Infrastructure Banking Disclaimers

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Goldman Sachs Is Not Acting as a Municipal Advisor

Goldman, Sachs & Co. ("Goldman Sachs") is providing the information contained in this document for discussion purposes only in anticipation of serving as underwriter to Big Rivers Electric Corporation (the "Issuer"). The primary role of Goldman Sachs, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and Goldman Sachs and Goldman Sachs has financial and other interests that differ from those of the Issuer. Goldman Sachs is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or any other person or entity. The information provided is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. The Issuer should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

Investment Banking Division Communication

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General Statement of Distribution Principles

Goldman Sachs is committed to managing securities offerings such that our clients are treated fairly and to conducting our business with integrity and according to proper standards. Our policy is that the pricing of book-built securities offerings and allocations to investors should be transparent to the issuer or seller(s), consistent with our responsibilities to our investing clients. We will endeavor to make available to the issuer or seller(s) relevant information to make its own, independent decision with respect to the price, structure, timing and other terms of the offering. The investors to whom we allocate securities may also be clients of Goldman Sachs or have other relationships with the firm. To the extent that actual or potential conflicts arise between the interests of such investors and those of the issuer or seller(s), we will endeavor in good faith to manage such conflicts fairly. We will not make allocations as an inducement for the payment of excessive compensation in respect of unrelated services, in consideration of the past or future award of corporate finance business, or expressly or implicitly conditional upon the receipt of other orders for investments or the purchase of other services. Where we underwrite an offering or otherwise guarantee a price in connection with an offering, we will take into account our prudential responsibilities to manage our risk properly when determining allocations and their manner and timing.



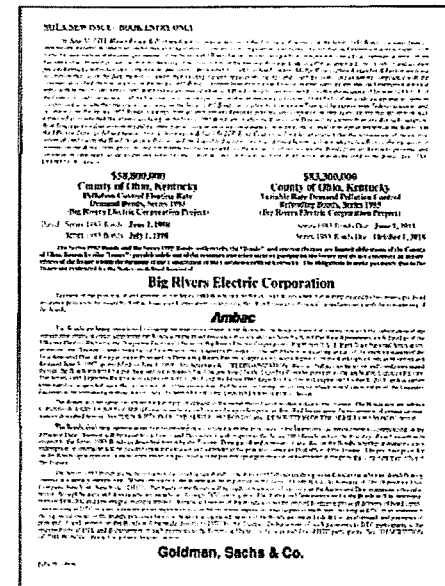
Overview of Big River Electric Corporation's Series 1983 Bonds

Executive Summary

- Big Rivers' Series 1983 Bonds were issued in June 1998 and are currently outstanding
 - Insured by Ambac and enhanced with a Standby Bond Purchase Agreement (SBPA) from Dexia which expires coterminously with the Bonds' June 1, 2013 maturity
 - Both enhancers have been downgraded¹
- Variable rate bonds generally trade in accordance with the strength of liquidity provider, and, due to the weakness of Dexia's credit, the bonds trade based on Big Rivers' credit profile (Baa2/BBB-/BBB- with negative outlooks from all three agencies)
 - Due to the resulting inability to garner investor interest, the Bonds are currently held as "bank bonds" by Dexia pursuant to the SBPA
- Our understanding is that the interest rate currently being paid by Big Rivers to Dexia for bank bonds is attractive (~3.25%)² but this arrangement expires at maturity of the notes (June 1, 2013)
 - Both new liquidity providers and similar bank bond terms are highly unlikely to be found in today's market for BBB-rated credits like Big Rivers, and, if found, would be costly
- BECON Engineering is in the process of examining the maximum final maturity for the anticipated refinancing, currently contemplated for 2031 (~18-year maturity)

Series 1983 Bonds

Par Amount	\$58,800,000
Maturity	6/1/2013
Coupon Type	Variable
Issuer	County of Ohio, Kentucky
Obligor	Big Rivers Electric Company
Insurance	Ambac
SBPA Provider	Dexia (expires 6/1/2013)

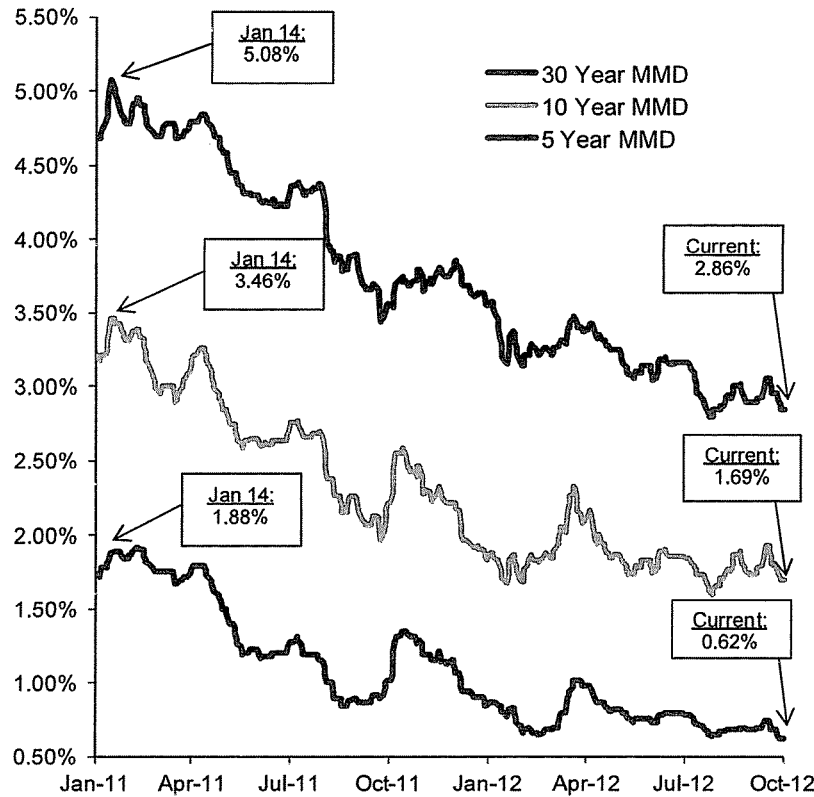


1. Ratings: Ambac (Ratings Withdrawn) and Dexia (Long Term: Baa2/BBB/A+ Short Term: P-2/A-2/F-1+)
 2. We understand that bank bonds accrue interest at the higher of a) the base commercial lending rate announced from time to time by [Credit Suisse], which we proxy to be the Prime Rate (approximately 3.25%) or b) Fed Funds rate (17 bps) + 50bps (Source: SBPA; Rates as of October 9, 2012)



Despite a slight rise in rates across the curve, the rate environment remains attractive

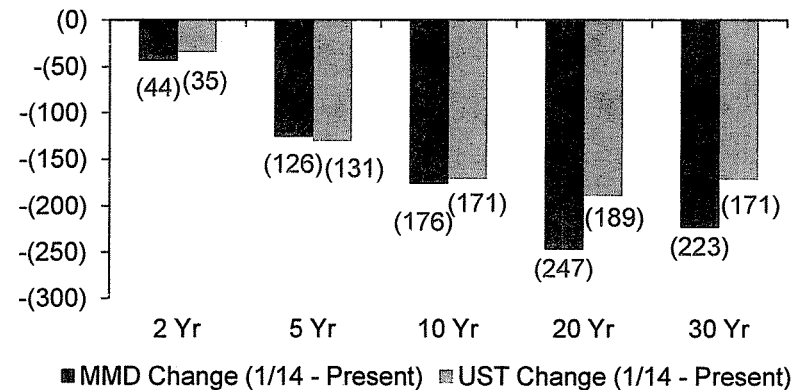
Tax-Exempt Rates Since January 2011



Rates Still Remain Well Below Historical Averages

Benchmark	10/5/12	Max.	Min.	10-Yr Avg.
5-Yr MMD	0.62%	3.97%	0.62%	2.43%
10-Yr MMD	1.69	4.86	1.60	3.30
20-Yr MMD	2.42	5.74	2.42	4.12
30-Yr MMD	2.86	5.94	2.79	4.37
UST5	0.67	5.22	0.55	2.93
UST10	1.73	5.25	1.40	3.72
UST20	2.48	5.62	2.05	4.37
UST30	2.97	5.55	2.47	4.42

MMD vs. Treasury Performance Mixed Across Curve



Note: Rates as of October 5, 2012.

Financing Considerations for Series 1983

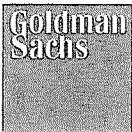


The present market environment is robust for BBB-rated issuance.

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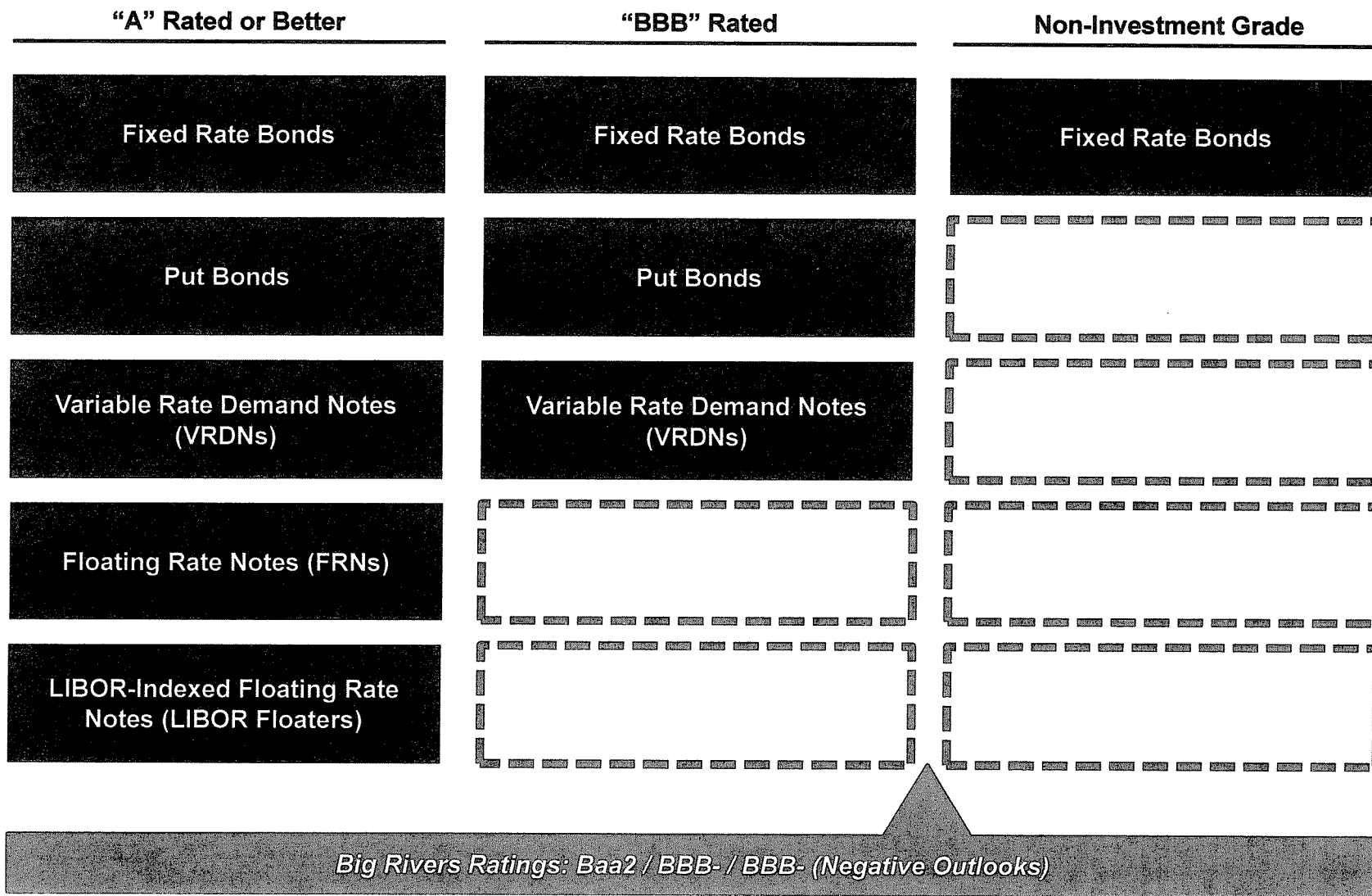
- The combination of the abundance of municipal demand relative to supply as well as historically low levels of tax-exempt and Treasury rates have created a very favorable issuance environment
 - Municipal bond funds have seen net inflows of cash in 39 of the 40 weeks of 2012YTD, which has led to the abundance of demand relative to supply
 - Investors continue to sit on the sidelines as they await transactions that will meet their absolute yield requirements, often pushing them farther down the credit spectrum in order to find higher yielding offerings
- Issuance at “BBB” and lower ratings levels has been met with solid demand in the current market
 - In 2012, the percentage of total municipal issuance at ratings at Baa or lower credit quality has doubled relative to 2011¹
- However, investor sentiment is not only driven by rates but also by domestic policy, macroeconomic forces, and global economic conditions
- Should interest rates rise or credit appetites run more conservative in future market conditions, issuers that are rated BBB and lower will tend to feel the effects of tightening investor liquidity first, before higher rated issuers

¹ Thomson Reuters SDC as of October 2012

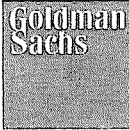


The availability of financing products to issuers varies across the ratings spectrum.

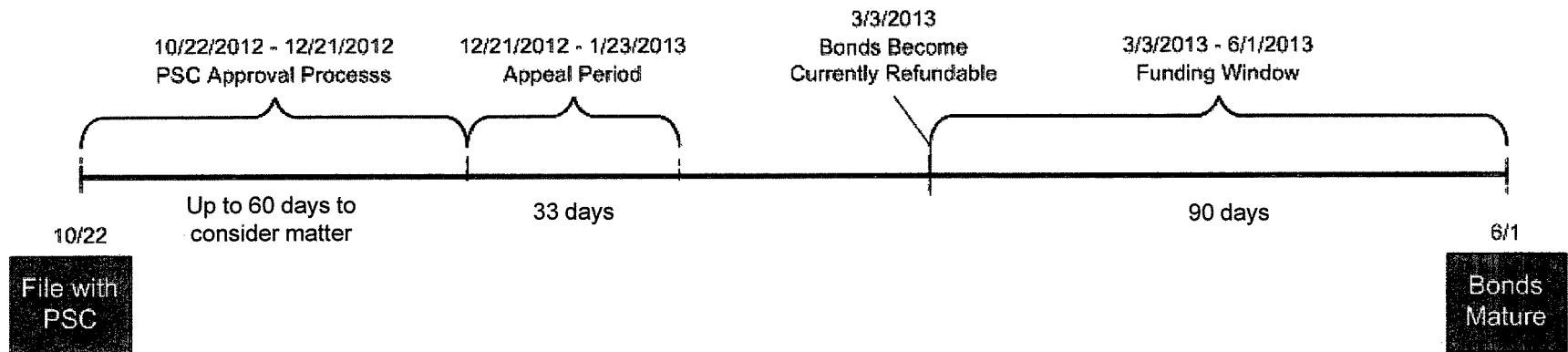
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Case No. 2012-09492
Attachment for Response to KIUC 1-3
Witness: Billie J. Richert
Page 37 of 156



Indicative Timeline for a Refunding of the Series 1983 Bonds



- Because the new debt will be more expensive than the current interest payments to Dexia, there is a cost to issuing earlier
 - Issuing March 3rd versus waiting until June would cost approximately \$400,000¹

While the bonds are not currently callable until 90 days before the call date, it is likely that Dexia would be willing to work with Big Rivers to refund earlier in order to exit the bank bond position.

¹ Differential between interest cost on fixed rate bonds versus Dexia bank bonds over the same period



Big Rivers Financing in Today's Market

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- Recent secondary market trades of Big Rivers' bonds have traded at a yield to maturity of ~5.50% in size of about \$1 million
- Larger (\$50 million plus) financing would require significant new issue concession to bring in large institutional orders (~6% Coupon)
- However, in order to complete the financing, Big Rivers **must** communicate its strategy related to Century load to market participants
- Today's market is very good, particularly for lower rated issuers
- Because of Century issue we believe fixed rate bonds are the only potential refinancing alternative
 - VRDNs would require bank liquidity
 - Short term credit issues preclude Put Bond issuance

Billie Richert

From: Billie Richert
Sent: Tuesday, October 09, 2012 6:16 PM
To: Glotfelty, Mark
Subject: RE: Financing Options

Will do. Thanks very much, Mark. I look forward speaking with you in the morning.

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Tuesday, October 09, 2012 6:10 PM
To: Billie Richert
Subject: Financing Options

Billie –

Attached please find a draft presentation of Big Rivers financing options. I will call you in the morning to review. As this is a draft please hold off in forwarding it internally. We may want to make some tweaks after we speak.

Best,

Mark

Mark W. Glotfelty
Vice President
Goldman, Sachs & Co.
200 West Street, 33rd Floor
New York, NY 10282-2198
Tel: (212) 902-6467
Cell: (201) 245-4296
Fax: (646) 835-3244

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Content: Wednesday, October 10, 2012 3:49 PM
To: Billie Richert
Subject: Presentation
Attachments: Financing Considerations for Big Rivers Series 1983 Bonds.pdf

Mark W. Glotfelty
Vice President
Goldman, Sachs & Co.
200 West Street, 33rd Floor
New York, NY 10282-2198
Tel: (212) 902-6467
Cell: (201) 245-4296
Fax: (646) 835-3244

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Sent: Friday, October 12, 2012 1:50 PM
To: Billie Richert
Cc: Russ MacPherson ; Joseph D. Malek
Subject: FW:
Attachments: Wilson Station Exhibit B 1985.pdf

Billie –

Please see e-mail below from Russ.

Mark

From: Russ (Becon Corp) [mailto:rbm@beconcorp.com]
Sent: Friday, October 12, 2012 2:44 PM
To: Glotfelty, Mark [IBD]
Cc: 'Joseph Malek'
Subject:

Mark,

Attached is a copy of "Exhibit" B from the BREC Wilson Station Series 1985 Bond Issue. This Exhibit describes the sources and uses of funds associated with the Series 1985 (Original Series 1982) Bonds. The Exhibit is found at the last page of the Facilities Description in the Series 1985 official bond transcript.

As part of our analysis of the Series 1983 Bonds, we need to review a copy of the similar statement of "Sources and Uses". As with the other bond issue, it may be located at the end of the Facilities Description or could be elsewhere in the original transcript with a designation identifying it as the "Statement of Sources and Uses of Bond Proceeds".

Thanks,
Russ

EXHIBIT B**SOURCES OF FUNDS:**

1982 Pollution Control Interim Bonds (face amount)	\$82,500,000	
Investment and reinvestment Proceeds of 1982 Bonds	<u>3,078,855</u>	<u>\$85,578,855</u>

USES OF FUNDS:Neutral Costs

Underwriter's Discount	\$ 1,400,000	
Original Issue Discount	412,500	
Costs of Issuance	<u>400,000</u>	\$ 2,212,500

Qualified Costs

Net Cost of Construction after the Inducement Resolution (9/9/80)	\$66,037,000	
Interest and Letter of Credit Payments attributable to Qualified Construction Costs	<u>9,716,948</u>	\$75,753,948

NonQualified Costs

Net Cost of Construction before the Inducement Resolution	\$ 2,250,027	
Interest and Letter of Credit Payments attributable to NonQualified Construction Costs ¹ before synchronization	331,083	
Interest and Letter of Credit Payments after synchronization (9/27/84)	<u>5,031,297</u>	<u>\$ 7,612,407</u>
		<u>\$85,578,855</u>

¹ Includes the 18.96% NonQualified Cost portion of the Electrostatic Precipitator.

Billie Richert

From: Billie Richert
ent: Friday, October 12, 2012 2:23 PM
o: Glotfelty, Mark
Subject: RE:

Got it. We are working on it. Thanks.

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Friday, October 12, 2012 1:50 PM
To: Billie Richert
Cc: Russ MacPherson ; Joseph D. Malek
Subject: FW:

Billie --

Please see e-mail below from Russ.

Mark

From: Russ (Becon Corp) [mailto:rbm@beconcorp.com]
Sent: Friday, October 12, 2012 2:44 PM
To: Glotfelty, Mark [IBD]
Cc: 'Joseph Malek'
Subject:

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Thanks,
Russ

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
nt: Friday, October 12, 2012 4:36 PM
o: Billie Richert
Subject: Dexia Contacts
Attachments: John Flaherty.vcf; Richard Skiera.vcf

Billie –

Below are my two Dexia contacts, however, I have a feeling that both of them have left the company. I have not talked to anybody from Dexia in a long time. I would try their numbers and if they have left the company hopefully whoever answers will be able to help.

Mark

Mark W. Glotfelty
Vice President
Goldman, Sachs & Co.
200 West Street, 33rd Floor
New York, NY 10282-2198
Tel: (212) 902-6467
Cell: (201) 245-4296
Fax: (646) 835-3244

Billie Richert

Full Name: John Flaherty
Last Name: Flaherty
First Name: John
Company: Dexia

Business: (212) 515-7003

E-mail: John.Flaherty@dexia-us.com
E-mail Display As: John Flaherty (John.Flaherty@dexia-us.com)

Billie Richert

Full Name: Richard.Skiera
Last Name: Skiera
First Name: Richard.
Company: Dexia

Business: (212) 515-7025

E-mail: richard.skiera@dexia-us.com
E-mail Display As: Richard.Skiera (richard.skiera@dexia-us.com)

Billie Richert

From: Billie Richert
ent: Friday, October 12, 2012 4:55 PM
o: Glotfelty, Mark
Cc: Russ MacPherson ; Joseph D. Malek; Ralph Ashworth
Subject: RE:
Attachments: SKMBT_C45212101216410.pdf

Please see attached. This is all we could find. Please let us know if this works.

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Friday, October 12, 2012 1:50 PM
To: Billie Richert
Cc: Russ MacPherson ; Joseph D. Malek
Subject: FW:

Billie –

Please see e-mail below from Russ.

Mark

From: Russ (Becon Corp) [mailto:rbm@beconcorp.com]
Sent: Friday, October 12, 2012 2:44 PM
To: Glotfelty, Mark [IBD]
Cc: 'Joseph Malek'
Subject:

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Thanks,
Russ

CERTIFICATE AS TO ARBITRAGE

I, the undersigned County Judge/Executive of the County of Ohio, Kentucky (the "Issuer"), being the person charged, with others, with the responsibility for issuing and delivering the Issuer's Pollution Control Floating Rate Demand Bonds, Series 1983 (Big Rivers Electric Corporation Project) in the principal amount of \$58,800,000 (the "Bonds") being issued on this day to finance the construction, acquisition and installation of certain pollution control facilities (the "Project") for Big Rivers Electric Corporation (the "Company") HEREBY CERTIFY that on the basis of the facts, estimates and circumstances in existence on the date hereof, I reasonably expect the following with respect to the Bonds and the use of the proceeds thereof:

1. The amount received by the Issuer from the sale of the Bonds will be loaned to the Company and used to construct, acquire and install the Project as described in Exhibit B to the Financing and Loan Agreement (the "Agreement"), dated as of June 1, 1983, between the Issuer and the Company. The terms used herein, but not otherwise specifically defined herein, shall have the same meanings given to such terms in the Agreement.
2. The Issuer shall receive on the date hereof from the purchaser of the Bonds, net proceeds of \$58,800,000, which amount represents the face amount of the Bonds.
3. The estimated total cost of the Project (including costs of issuing the Bonds and interest accruing on the Bonds during construction) will be \$63,094,301. The total amount received by the Issuer from the original purchaser of the Bonds and all investment earnings thereon will be required for and will be used to pay for the cost of the Project (including costs of issuing the Bonds and interest on the Bonds accruing during construction). The investment earnings are expected to be \$2,351,280 assuming reasonable investment rates during the construction period.
4. \$2,940,000 of the net proceeds received by the Issuer from the sale of the Bonds will be deposited in the Capitalized Interest Account in the Construction Fund and will be spent to pay interest on the Bonds on or before June 1, 1984.

Moneys on deposit in the Capitalized Interest Account will be transferred to the Interest Fund on the Business Day next preceding each date on which interest on the Bonds is payable, in an amount which is sufficient (or which is all the moneys in said Account if such moneys are less than sufficient) to pay the interest due on such date. \$55,860,000 of the net proceeds received by the Issuer from the sale of the Bonds will be deposited on delivery of the Bonds in the Facilities Account in the Construction Fund, and are expected to be needed and fully expended as follows:

(a) Approximately \$775,871 of said proceeds will be expended on or before May 1, 1984 for payment of the expenses anticipated to be incurred in connection with the issuance of the Bonds; and

(b) The remaining \$55,084,129 of said proceeds, and the expected investment earnings on said proceeds and on proceeds in the Capitalized Interest Account will be expended for payment of the costs of acquiring, constructing, equipping and installing the Project on or before June 30, 1984.

5. The Company has entered into contracts and other binding commitments to expend amounts for the acquisition and construction of the Project in excess of \$100,000.
6. Work on the Project will proceed with due diligence to completion. The Bonds are being issued as a single issue on the date hereof, rather than as a series of issues to fund costs only as they become due, in order to provide funds, at the earliest possible date, to reimburse the Company for costs heretofore incurred and to minimize costs of issuance. The date of issuance of the Bonds has been determined solely on the basis of bona fide financial reasons, in accordance with ordinary financial practice in financing facilities similar to the Project, and has not been determined with a view to prolonging abnormally the period between issuance of the Bonds and expenditure of the proceeds thereof.
7. The only expected sources for payment of debt service on the Bonds, other than certain proceeds

deposited in the Capitalized Interest Account of the Construction Fund and expected to be used to pay interest on the Bonds on or before June 1, 1984, are amounts deposited in the Interest Fund and in the Principal Fund. Moneys deposited in the Principal Fund and the Interest Fund will be used, respectively, to pay principal of and interest on the Bonds. The Interest Fund and the Principal Fund are established primarily to achieve a proper matching of revenues and debt service within each bond year, and will be depleted at least once each year, except for a reasonable carryover amount not to exceed the greater of one year's earnings on such Funds or 1/12 of annual debt service on the Bonds. Except for the Interest Fund and the Principal Fund the Company and the Issuer have not established, and will not establish, any sinking fund or other similar fund to provide for payment of debt service on the Bonds. Moreover, there is no reasonable assurance that any other funds (except, as stated, certain proceeds deposited in the Capitalized Interest Account of the Construction Fund and expected to be used to pay interest on the Bonds on or before June 1, 1984) will be available to pay debt service on the Bonds in the event that the Issuer or the Company encounter financial difficulties.

8. Any money deposited in the Interest Fund or the Principal Fund will be spent within a thirteen-month period beginning on the date of deposit, and any amount received from investment of money held in the Interest Fund or in the Principal Fund will be spent within a one-year period beginning on the date of receipt.
9. The payments to be made by the Company to the Issuer pursuant to the Agreement are equal to, and contemporaneous with, the debt service payable by the Issuer with respect to the Bonds. Accordingly, the "yield" (as defined in Section 1.103-13(c)(ii) of the Regulations of the United States Treasury) to be realized by the Issuer with respect to the Agreement does not exceed the yield to be produced by the Bonds by more than 1/8 percentage points.
10. No portion of the amounts received from the sale of the Bonds will be used as a substitute for

other funds which were otherwise to be used as a source of financing for any portion of the cost of the Project and which have been or will be used to acquire directly or indirectly, obligations producing a yield in excess of the yield on the Bonds.

11. The Project will not be sold or otherwise disposed of, in whole or in substantial part, prior to the last maturity of the Bonds.
12. The original and investment proceeds of the Bonds will not be used in such a manner as would cause the Bonds to constitute "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and the applicable Treasury Regulations promulgated thereunder.
13. The Issuer has not received notice that its certificate as to arbitrage may not be relied upon with respect to its own issues nor has it been advised that any such adverse action by the Commissioner of Internal Revenue is contemplated.

The representations contained in paragraphs 1-12 of this certificate are based upon representations made to the Issuer by the Company in the letter attached hereto as Exhibit A. The Issuer is not aware of any facts or circumstances that would cause it to question the accuracy of the representations made by the Company in such letter.

To the best of my knowledge and belief, the expectations of the Issuer set forth in this certificate are reasonable and there are no facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

This certificate is being executed and delivered this 30th day of June, 1983 pursuant to Sections 1.103-13, 1.103-14 and 1.103-15 of the Treasury Regulations under the Code.

County of Ohio, Kentucky

By: 
County Judge Executive

EXHIBIT A

Big Rivers Electric Corporation
P. O. Box 24
Henderson, Kentucky 42420

June 30, 1983

County of Ohio, Kentucky
Fiscal Court of the County
of Ohio, Kentucky
Ohio County Courthouse
Hartford, Kentucky 42347

\$58,800,000
County of Ohio, Kentucky
Pollution Control Floating Rate Demand Bonds, Series 1983
(Big Rivers Electric Corporation Project)

Gentlemen:

In connection with the issuance and sale by the County of Ohio, Kentucky (the "Issuer") of the Issuer's Pollution Control Floating Rate Demand Bonds, Series 1983 (Big Rivers Electric Corporation Project) in the principal amount of \$58,800,000 (the "Bonds"), I hereby certify on behalf of Big Rivers Electric Corporation (the "Company"), that on the basis of the facts, estimates and circumstances in existence on the date hereof, I reasonably expect the following with respect to the Bonds and the use of the proceeds thereof:

1. The amount received by the Issuer from the sale of the Bonds will be loaned to the Company and used to construct, acquire and install the Project as described in Exhibit B to the Financing and Loan Agreement (the "Agreement"), dated as of June 1, 1983, between the Issuer and the Company. The terms used herein, but not otherwise specifically defined herein, shall have the same meanings given to such terms in the Agreement.
2. The Issuer shall receive on the date hereof from the purchaser of the Bonds, net proceeds of \$58,800,000, which amount represents the face amount of the Bonds.
3. The estimated total cost of the Project (including costs of issuing the Bonds and interest accruing

on the Bonds during construction) will be \$63,094,301. The total amount received by the Issuer from the original purchaser of the Bonds and all investment earnings thereon will be required for and will be used to pay for the cost of the Project (including costs of issuing the Bonds and interest on the Bonds accruing during construction). The investment earnings are expected to be \$2,351,280 assuming reasonable investment rates during the construction period.

4. \$2,940,000 of the net proceeds received by the Issuer from the sale of the Bonds will be deposited in the Capitalized Interest Account in the Construction Fund and will be spent to pay interest on the Bonds on or before June 1, 1984. Moneys on deposit in the Capitalized Interest Account will be transferred to the Interest Fund on the Business Day next preceding each date on which interest on the Bonds is payable, in an amount which is sufficient (or which is all the moneys in said Account if such moneys are less than sufficient) to pay the interest due on such date. \$55,860,000 of the net proceeds received by the Issuer from the sale of the Bonds will be deposited on delivery of the Bonds in the Facilities Account in the Construction Fund, and are expected to be needed and fully expended as follows:
 - (a) Approximately \$775,871 of said proceeds will be expended on or before May 1, 1984 for payment of the expenses anticipated to be incurred in connection with the issuance of the Bonds; and
 - (b) The remaining \$55,084,129 of said proceeds, and the expected investment earnings on said proceeds and on proceeds in the Capitalized Interest Account will be expended for payment of the costs of acquiring, constructing, equipping and installing the Project on or before June 30, 1984.
5. The Company has entered into contracts and other binding commitments to expend amounts for the acquisition and construction of the Project in excess of \$100,000.
6. Work on the Project will proceed with due diligence to completion. The Bonds are being issued as a single issue on the date hereof, rather than as a series of issues to fund costs

only as they become due, in order to provide funds, at the earliest possible date, to reimburse the Company for costs heretofore incurred and to minimize costs of issuance. The date of issuance of the Bonds has been determined solely on the basis of bona fide financial reasons, in accordance with ordinary financial practice in financing facilities similar to the Project, and has not been determined with a view to prolonging abnormally the period between issuance of the Bonds and expenditure of the proceeds thereof.

7. The only expected sources for payment of debt service on the Bonds, other than certain proceeds deposited in the Capitalized Interest Account of the Construction Fund and expected to be used to pay interest on the Bonds on or before June 1, 1984, are amounts deposited in the Interest Fund and in the Principal Fund. Moneys deposited in the Principal Fund and the Interest Fund will be used, respectively, to pay principal of and interest on the Bonds. The Interest Fund and the Principal Fund are established primarily to achieve a proper matching of revenues and debt service within each bond year, and will be depleted at least once each year, except for a reasonable carryover amount not to exceed the greater of one year's earnings on such Funds or 1/12 of annual debt service on the Bonds. Except for the Interest Fund and the Principal Fund the Company and the Issuer have not established, and will not establish, any sinking fund or other similar fund to provide for payment of debt service on the Bonds. Moreover, there is no reasonable assurance that any other funds (except, as stated, certain proceeds deposited in the Capitalized Interest Account of the Construction Fund and expected to be used to pay interest on the Bonds on or before June 1, 1984) will be available to pay debt service on the Bonds in the event that the Issuer or the Company encounter financial difficulties.
8. Any money deposited in the Interest Fund or the Principal Fund will be spent within a thirteen-month period beginning on the date of deposit, and any amount received from investment of money held in the Interest Fund or in the Principal Fund will be spent within a one-year period beginning on the date of receipt.

9. The payments to be made by the Company to the Issuer pursuant to the Agreement are equal to, and contemporaneous with, the debt service payable by the Issuer with respect to the Bonds. Accordingly, the "yield" (as defined in Section 1.103-13(c)(ii) of the Regulations of the United States Treasury) to be realized by the Issuer with respect to the Agreement does not exceed the yield to be produced by the Bonds by more than 1/8 percentage points.
10. No portion of the amounts received from the sale of the Bonds will be used as a substitute for other funds which were otherwise to be used as a source of financing for any portion of the cost of the Project and which have been or will be used to acquire directly or indirectly, obligations producing a yield in excess of the yield on the Bonds.
11. The Project will not be sold or otherwise disposed of, in whole or in substantial part, prior to the last maturity of the Bonds.
12. The original and investment proceeds of the Bonds will not be used in such a manner as would cause the Bonds to constitute "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and the applicable Treasury Regulations promulgated thereunder.
13. In reliance on this letter, a certificate of arbitrage will be executed and delivered by an authorized officer of the Issuer.

I am an employee of the Company responsible for the construction, acquisition and financing of the Project. To the best of my knowledge and belief the expectations set forth in this letter are reasonable and there are no other facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

Very truly yours,

BIG RIVERS ELECTRIC CORPORATION

By: W. H. Hoyle
-4-

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Sent: Tuesday, October 16, 2012 11:28 AM
To: Billie Richert
Subject: FW: Big Rivers Presentation
Attachments: Financing Considerations of Big Rivers 1983 PCBs Final.pptx

Per your request.

From: Langan, Patrick [IBD]
Sent: Tuesday, October 16, 2012 12:27 PM
To: Glotfelty, Mark [IBD]
Cc: Goldstein, Sandy Pae [IBD]
Subject: Big Rivers Presentation

Patrick Langan
Goldman, Sachs & Co.
Phone: (212) 902-6487



Big Rivers Electric Corporation



Your Touchstone Energy[®] Cooperative 

Financing Considerations for Series 1983 Pollution Control Bonds Goldman, Sachs & Co.

October 10, 2012

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Overview of Big River Electric Corporation's Series 1983 Bonds

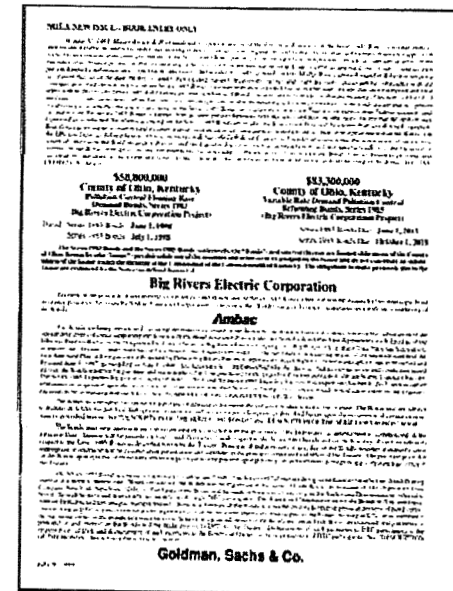
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Executive Summary

- Big Rivers' Series 1983 Bonds were issued in June 1998 and are currently outstanding
 - Insured by Ambac and enhanced with a Standby Bond Purchase Agreement (SBPA) from Dexia which expires coterminously with the Bonds' June 1, 2013 maturity
 - Both enhancers have been downgraded¹
- Variable rate bonds generally trade in accordance with the strength of liquidity provider, and, due to the weakness of Dexia's credit, the bonds trade based on Big Rivers' credit profile (Baa2/BBB-/BBB- with negative outlooks from all three agencies)
 - Due to the resulting inability to garner investor interest, the Bonds are currently held as "bank bonds" by Dexia pursuant to the SBPA
- Our understanding is that the interest rate currently being paid by Big Rivers to Dexia for bank bonds is attractive (~3.25%)² but this arrangement expires at maturity of the notes (June 1, 2013)
 - Both new liquidity providers and similar bank bond terms are highly unlikely to be found in today's market for BBB-rated credits like Big Rivers, and, if found, would be costly
- BECON Engineering is in the process of examining the maximum final maturity for the anticipated refinancing, currently contemplated for 2031 (~18-year maturity)

Series 1983 Bonds

Par Amount	\$58,800,000
Maturity	6/1/2013
Coupon Type	Variable
Issuer	County of Ohio, Kentucky
Obligor	Big Rivers Electric Company
Insurance	Ambac
SBPA Provider	Dexia (expires 6/1/2013)



1. Ratings: Ambac (Ratings Withdrawn) and Dexia (Long Term: Baa2/BBB/A+ Short Term: P-2/A-2/F-1+)
 2. We understand that bank bonds accrue interest at the higher of a) the base commercial lending rate announced from time to time by [Credit Suisse], which we proxy to be the Prime Rate (approximately 3.25%) or b) Fed Funds rate (17 bps) + 50bps (Source: SBPA; Rates as of October 9, 2012)

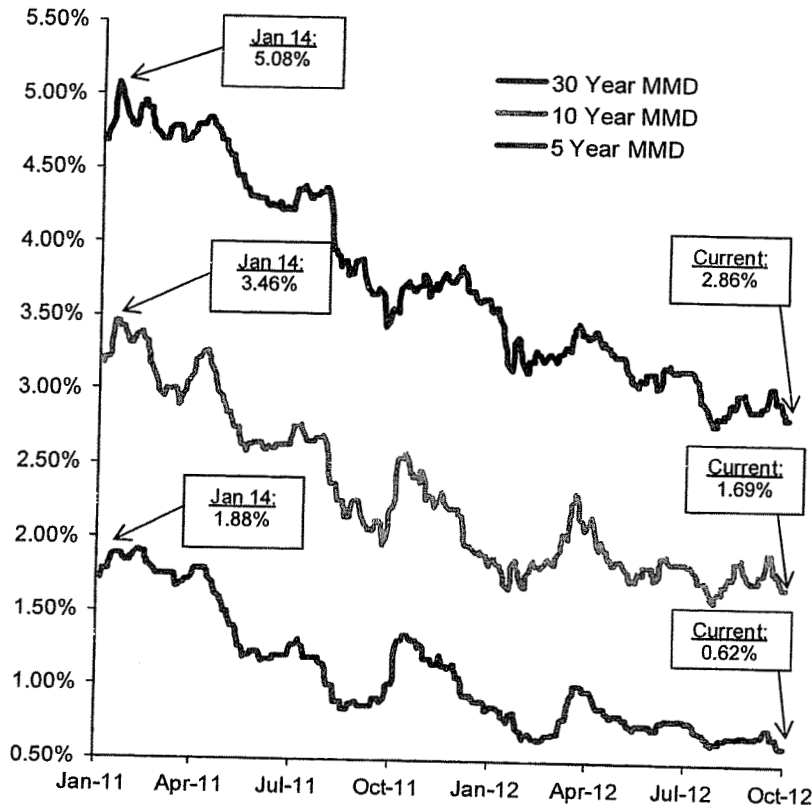
Financing Considerations for Series 1983

Case No. 2012-00492
Attachment for Response to KIUC 1-3
Witness: Billie J. Richert
Page 60 of 156



Despite a slight rise in rates across the curve, the rate environment remains attractive

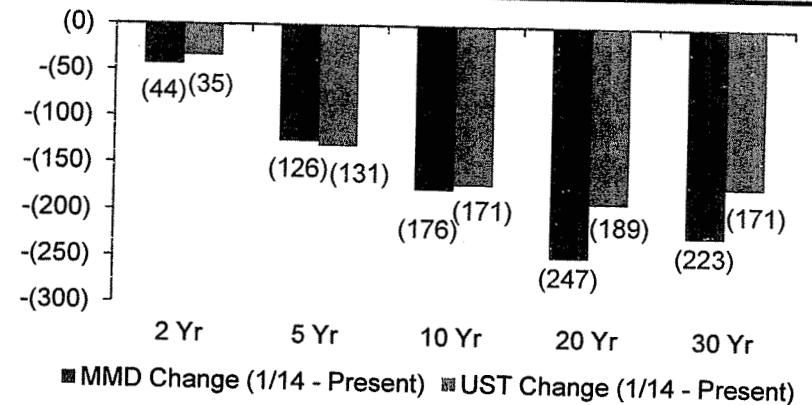
Tax-Exempt Rates Since January 2011



Rates Still Remain Well Below Historical Averages

Benchmark	10/5/12	Max.	Min.	10-Yr Avg.
5-Yr MMD	0.62%	3.97%	0.62%	2.43%
10-Yr MMD	1.69	4.86	1.60	3.30
20-Yr MMD	2.42	5.74	2.42	4.12
30-Yr MMD	2.86	5.94	2.79	4.37
UST5	0.67	5.22	0.55	2.93
UST10	1.73	5.25	1.40	3.72
UST20	2.48	5.62	2.05	4.37
UST30	2.97	5.55	2.47	4.42

MMD vs. Treasury Performance Mixed Across Curve



Note: Rates as of October 5, 2012.

Financing Considerations for Series 1983



The present market environment is robust for BBB-rated issuance.

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- The combination of the abundance of municipal demand relative to supply as well as historically low levels of tax-exempt and Treasury rates have created a very favorable issuance environment
 - Municipal bond funds have seen net inflows of cash in 39 of the 40 weeks of 2012YTD, which has led to the abundance of demand relative to supply
 - Investors continue to sit on the sidelines as they await transactions that will meet their absolute yield requirements, often pushing them farther down the credit spectrum in order to find higher yielding offerings
- Issuance at “BBB” and lower ratings levels has been met with solid demand in the current market
 - In 2012, the percentage of total municipal issuance at ratings at Baa or lower credit quality has doubled relative to 2011¹
- However, investor sentiment is not only driven by rates but also by domestic policy, macroeconomic forces, and global economic conditions
- Should interest rates rise or credit appetites run more conservative in future market conditions, issuers that are rated BBB and lower will tend to feel the effects of tightening investor liquidity first, before higher rated issuers

¹ Thomson Reuters SDC as of October 2012



The availability of financing products to issuers varies across the ratings spectrum.

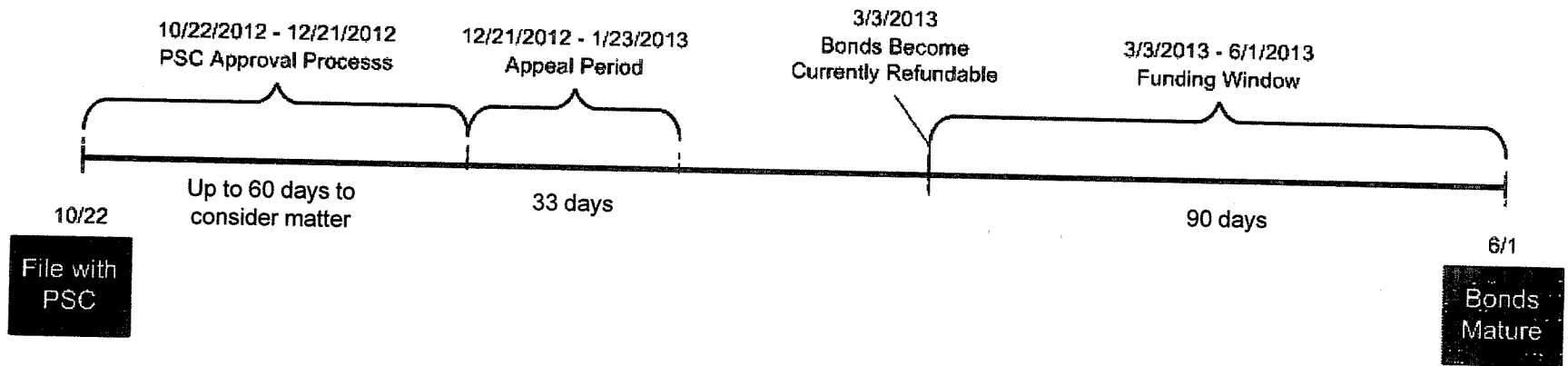
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"A" Rated or Better	"BBB" Rated	Non-Investment Grade
Fixed Rate Bonds	Fixed Rate Bonds	Fixed Rate Bonds
Put Bonds	Put Bonds	[Dashed Box]
Variable Rate Demand Notes (VRDNs)	Variable Rate Demand Notes (VRDNs)	[Dashed Box]
Floating Rate Notes (FRNs)	[Dashed Box]	[Dashed Box]
LIBOR-Indexed Floating Rate Notes (LIBOR Floaters)	[Dashed Box]	[Dashed Box]
<p align="center">Big Rivers Ratings: Baa2 / BBB- / BBB- (Negative Outlooks)</p>		

Financing Considerations for Series 1983



Indicative Timeline for a Refunding of the Series 1983 Bonds



- Because the new debt will be more expensive than the current interest payments to Dexia, there is a cost to issuing earlier
 - Issuing March 3rd versus waiting until June would cost approximately \$400,000¹

While the bonds are not currently callable until 90 days before the call date, it is likely that Dexia would be willing to work with Big Rivers to refund earlier in order to exit the bank bond position.

¹ Differential between interest cost on fixed rate bonds versus Dexia bank bonds over the same period



Big Rivers Financing in Today's Market

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- Recent secondary market trades of Big Rivers' bonds have traded at a yield to maturity of ~5.50% in size of about \$1 million
- Larger (\$50 million plus) financing would require significant new issue concession to bring in large institutional orders (~6% Coupon)
- However, in order to complete the financing, Big Rivers **must** communicate its strategy related to Century load to market participants
- Today's market is very good, particularly for lower rated issuers
- Because of Century issue we believe fixed rate bonds are the only potential refinancing alternative
 - VRDNs would require bank liquidity
 - Short term credit issues preclude Put Bond issuance

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
ent: Tuesday, October 16, 2012 6:41 PM
o: Billie Richert
Subject: Estimated Expenses
Attachments: Estimated Expenses Page.pptx

Billie –

Attached please the estimated deal expenses. Let me know if you have any questions.

Mark

Mark W. Glotfelty
Vice President
Goldman, Sachs & Co.
200 West Street, 33rd Floor
New York, NY 10282-2198
Tel: (212) 902-6467
Cell: (201) 245-4296
Fax: (646) 835-3244



Big Rivers 1983 PCB Bonds Refunding

Estimated Costs of Issuance

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Estimated Expenses - Assumed Par \$58,800,000

	\$/1000	Amount (\$)
Takedown ¹	8.750	\$514,500
Underwriter's Counsel Fee	3.401-4.252	200,000-250,000
BECON ²	0.585	34,400
Net Roadshow	0.128	7,500
Dalcomp Fee	0.084	4,917
Out of Pocket GS Expenses	0.017	1,000
DTC Fee	0.006	350
CUSIP Fee	0.003	159
Dalnet Fee	0.002	114
Total	12.98 -13.83	\$762,940 - 812,940

¹ Assumes current ratings of Big Rivers

² Includes out of pocket expenses

Note: Expenses above do not include Bond Counsel fee

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Sent: Wednesday, October 17, 2012 9:58 AM
To: Billie Richert
Subject: Re: Refunding

We will have to get the bonds rated so there will be a fee. I would need to contact the agencies to get the fee. It may be better to look at what BREC paid on the 2010 bonds rather than contact them. The rating fee is usually based on the par amount of bonds so the fees may be lower. I think Moodys has a minimum fee.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Wednesday, October 17, 2012 10:19 AM
To: Glotfelty, Mark [IBD]
Subject: Refunding

Mark,
What role do the rating agencies play in this refunding? I'm trying to determine if the fees we pay them include the services/activities they might perform as a result of this refunding. Thanks.

Billie Richert, CPA, CFP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Anderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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Billie Richert

From: Billie Richert
Sent: Monday, October 22, 2012 2:30 PM
To: Glotfelty, Mark
Subject: FW: Contact Details

From: Dattalo FD Frank (DEXIA-US) [mailto:Frank.Dattalo@dexia-us.com]
Sent: Thursday, October 18, 2012 1:42 PM
To: Billie Richert
Subject: Contact Details

Billie,

Thank you for taking the time to return my call. My contact are as follows:

Frank Dattalo
Director
Head of Portfolio Management Group
Dexia Credit Local
445 Park Avenue, 8th Floor
New York, NY 10022
Tel: +1-212-705-0717 Fax: +1-212-705-0724
Email: Frank.Dattalo@dexia-us.com



Regards,

Frank Dattalo

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DEXIA Credit Local

Billie Richert

From: Billie Richert
Sent: Thursday, October 25, 2012 9:41 AM
To: Glotfelty, Mark
Subject: Per our discussion
Attachments: Summary of Outstanding Debt and Investments.xlsx

FYI

Billie Richert, CPA, CFP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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Big Rivers Electric Corporation
Summary of Outstanding Debt, Cash, Investments and Reserves as of September 30, 2012

Lender	Description	Outstanding Principal Balance as of Sep. 30, 2012	Final Maturity Date	Stated Interest Rate (a)
Long-Term Debt:				
CoBank	First Mortgage Notes Series 2012A	\$ 233,223,979	June 2032	4.30% (b)
RUS	RUS Series A Promissory Note	\$ 80,010,926	See footnote (c)	5.75% (c)
RUS	RUS Series B Promissory Note	\$ 128,467,849	December 2023	Imputed 5.80% (d)
Bonds	County of Ohio, Kentucky - promissory note, fixed interest rate	\$ 83,300,000	July 2031	6.00%
Bonds	County of Ohio, Kentucky - promissory note, variable interest rate	\$ 58,800,000	June 2013	3.25%
CFC	Refinancing Term Loan	\$ 302,000,000	July 2031	4.60% (e)
CFC	Equity Loan - CTCs (See Equity Investment below)	\$ 43,155,800	July 2031	5.35% (f)
Total Debt Excluding Outstanding Lines of Credit (g)		\$ 928,958,554		
Cash Balances/Investments/Reserves:				
CFC	CFC Equity Investment in CTCs	\$ 43,155,800		4.28%
	Fidelity Prime Money Market Portfolio	\$ 113,244,034		0.17%
	Economic Reserve	\$ 84,917,304		
	Rural Economic Reserve	\$ 64,372,307		
Transition Reserve	Federal National Mortgage Note	\$ 17,500,000	February 2013	0.12%
Transition Reserve	Federal Farm Credit Bank Bond	\$ 17,500,000	January 2014	0.25%
Total Cash Balances/Investments/Reserves		\$ 340,689,445		

- (a) Stated interest rates do not include adjustments to account for patronage income from respective lender.
- (b) CoBank Series 2012 Note: (4.30% Stated Interest Rate) Quarterly principal and interest payments Due Mar 31, Jun 30, Sep 30, and Dec 31
 First payment due : 9/30/2012; Final payment due: 6/30/2032
- (c) RUS Series A Note: (5.75% Stated Interest Rate; 5.8357% Effective GAAP Interest Rate)
 Next principal payment (~\$2.4M) due 10/1/2019; then quarterly payments (between \$10.7M - \$11.6M) due until final maturity date of 7/1/2021
- (d) RUS Series B Note: (No Stated Interest Rate; 5.80% Imputed Interest Rate)
 \$245,530,257 - Total Payment Due on December 31, 2023
- (e) CFC 2012 Refinancing Loan: (Serial note pricing with varying interest rates for each individual note)
 - All in effective interest rate (i.e. including impact of interest income on related CFC Investments in CTCs) ~ 4.48%
 - Quarterly principal and interest payments due Feb. 28, May 31, Aug. 31, and Nov. 30
 - First principal payment due: 11/30/2012; Final payment due: 5/31/2032
- (f) CFC 2012 Equity Loan: (5.35% Stated Interest Rate)
 - Used to finance the required purchase of CFC Capital Term Certificates (CTCs) equal to 14.29% of the original 2012 Refinance Loan balance
 - Quarterly principal and interest payments due Feb. 28, May 31, Aug. 31, and Nov. 30
 - First principal payment due: 11/30/2012; Final payment due: 5/31/2032
- (g) See table below for detail of total lines of credit as of 9/30/2012.

Lines of Credit :				
CoBank:				
CoBank	Syndicated Revolving Credit Facility	\$ 50,000,000	July 2017	
CoBank	Outstanding Draws on Revolving Credit Facility	\$ -		
CoBank	Committed Letters of Credit	\$ -		
Total CoBank Revolving Credit Facility		\$ 50,000,000		
CFC:				
CFC	Revolving Credit Facility	\$ 50,000,000	July 2014	
CFC	Outstanding Draws on Revolving Credit Facility	\$ -		
CFC	Committed Letters of Credit	\$ (5,375,150)		
Total CFC Revolving Credit Facility		\$ 44,624,850		
Total Lines of Credit		\$ 94,624,850		

Billie Richert

From: Billie Richert
Sent: Monday, October 29, 2012 10:21 AM
To: Glotfelty, Mark
Subject: RE: I have a conf call from 4:00 to 4:30

Mark,

This is to confirm we will have an amortizing bond which will allow us to make annual payments and therefore reduce our interest costs over the term of the bond.

Hope you are staying out of the storm/hurricane and are safe.

Billie

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Friday, October 26, 2012 4:02 PM
To: Billie Richert
Subject: RE: I have a conf call from 4:00 to 4:30

Sorry we could not connect. I will be traveling on Monday so you can reach me on my cell phone – 201-245-4296. Have a great weekend.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Friday, October 26, 2012 4:59 PM
To: Glotfelty, Mark [IBD]
Subject: I have a conf call from 4:00 to 4:30

Talk with you Monday. Have a nice weekend.

Billie Richert, CPA, CFP

VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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The information contained in this transmission is intended only for the person or entity to which it is directly addressed or copied. It may contain material of confidential and/or private nature. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is not allowed. If you receive this message and the information contained therein by error, please contact the sender and delete the material from your/any storage medium.

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Sent: Monday, October 29, 2012 12:27 PM
To: Billie Richert
Subject: Re: Big Rivers Amortization

It would be level debt service.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Monday, October 29, 2012 01:21 PM
To: Glotfelty, Mark [IBD]
Cc: Langan, Patrick [IBD]
Subject: RE: Big Rivers Amortization

Mark,
Can you explain why these are not leveled annual payments?

Thanks,
Billie

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Monday, October 29, 2012 11:49 AM
To: Billie Richert
Cc: Langan, Patrick
Subject: Fw: Big Rivers Amortization

Hi Billie-

Please see attached.

Mark

From: Langan, Patrick [IBD]
Sent: Monday, October 29, 2012 12:38 PM
To: Glotfelty, Mark [IBD]
Subject: Big Rivers Amortization

<<Amortization_10.28.2012.pdf>>

Big Rivers 2013 PCB Refunding

Amortization

10/28/2012

<u>Maturity</u>	<u>Principal</u>
6/1/2013	\$465,000
6/1/2014	1,885,000
6/1/2015	2,000,000
6/1/2016	2,120,000
6/1/2017	2,250,000
6/1/2018	2,385,000
6/1/2019	2,525,000
6/1/2020	2,675,000
6/1/2021	2,840,000
6/1/2022	3,010,000
6/1/2023	3,190,000
6/1/2024	3,380,000
6/1/2025	3,585,000
6/1/2026	3,800,000
6/1/2027	4,025,000
6/1/2028	4,265,000
6/1/2029	4,525,000
6/1/2030	4,795,000
6/1/2031	5,080,000
Total	\$58,800,000

Billie Richert

From: Billie Richert
Sent: Monday, October 29, 2012 12:35 PM
To: Glotfelty, Mark
Subject: RE: Big Rivers Amortization

Never mind. I understand now these are just the principal payments.

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Monday, October 29, 2012 12:27 PM
To: Billie Richert
Subject: Re: Big Rivers Amortization

It would be level debt service.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Monday, October 29, 2012 01:21 PM
To: Glotfelty, Mark [IBD]
Cc: Langan, Patrick [IBD]
Subject: RE: Big Rivers Amortization

Mark,
Can you explain why these are not leveled annual payments?

Thanks,
Billie

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Monday, October 29, 2012 11:49 AM
To: Billie Richert
Cc: Langan, Patrick
Subject: Fw: Big Rivers Amortization

Hi Billie-

Please see attached.

Mark

From: Langan, Patrick [IBD]
Sent: Monday, October 29, 2012 12:38 PM
To: Glotfelty, Mark [IBD]
Subject: Big Rivers Amortization

<<Amortization_10.28.2012.pdf>>

Billie Richert

From: Ralph Ashworth
Sent: Wednesday, October 31, 2012 6:09 PM
To: Mark Glotfelty (mark.glotfelty@gs.com)
Cc: Billie Richert; Jim Miller; Susan Gottlieb (fgottlieb@orrick.com); Susan Smith
Subject: 1983 Series PC Bond - Refinancing -- 1st email
Attachments: Authorization for Payment No_36.pdf; Authorization for Payment No_37.pdf; Authorization for Payment No_38.pdf

Mark,

Attached are 3 "Authorization for Payment" related to Contract 602 (the Wilson scrubber). This has been the only type documents we have been able to find reflecting an actual request for payment from the contractor (Kellogg) to the engineering firm (Burns and Roe, Inc.) passed on to Big Rivers for payment.

Based on a restriction on size of files I can attach I will be sending separate emails with additional documents discovered in this process.

Thanks,
Ralph Ashworth

Authorization for Payment

Project ELUE GAS DESULFURIZATION SYSTEM

Work Order No. _____

Contractor PULLMAN KELLOGG

Authorization No. #36

Contract No. C602A 3V

INVOICE NO.	DATE	GROSS AMOUNT	RETAINAGE	NET
01-36	9-30-83	\$ 3,042,415.00	-0-	\$ 3,042,415.00

Total Contract Value \$ 46,323,541.00 thru amend #18
 Value of Work Completed \$ 38,301,759.00 - 34,616,159.00
 Amount Retained \$ -0- letter of credit for \$4,255,077.50
 Total Amount Due \$ 38,301,759.00 34,616,159.00
 Less Previous Payments \$ 35,259,344.00 31,573,744.00
 Current Authorization \$ 3,042,415.00

Remarks:

Approved by: _____

Date _____

827
1071602
940
36

4237

Dumas and Roe, Inc.

P O Box 548 • Centertown, Kentucky 42328

Telephone Ky (502) 232-5701 • Teletype (502) 232-5701

September 27, 1983

Subject: W. O. 3461
Big Rivers Electric Corporation
D. B. Wilson Station
Pay Request No. 36
M. W. Kellogg Construction, Inc.
Contract - 602

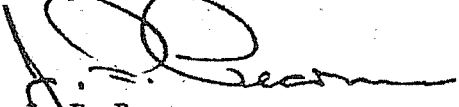
Mr. Floyd Mitchell
Big Rivers Electric Corporation
201 Third Street
Henderson, Kentucky 42420

Dear Floyd:

Attached please find:

- 1) Original and one copy of Contractor M. W. Kellogg Construction, Inc., invoice #01-36, in the net amount of \$3,042,415.00.
- 2) Original and one copy of Contractor's Request for Payment No. 36 also in the net amount of \$3,042,415.00.
- 3) Also find attached one copy of Contractor's Distribution Detail in like amount supporting this pay request.
- 4) Construction Management recommends your approval and payment of this pay request.

Very truly yours,


J.F. Pearson
Resident Manager

JFP/EFC/rg

Attachments

4238

CONTRACTOR'S REQUEST FOR PAYMENT

Owner: BIG RIVERS ELECTRIC CORPORATION

INVOICE 01-36

B&R W.O.

Contractor: M.W. KELLOGG COMPANY

Period: SEPTEMBER 1983

Payment Request

Project: D.B. WILSON STATION

Contract NO.: 602

to SEPT 30, 1983

Page 1 of 1

Approved Contract	Previously Approved	This Request	Total To Date
UNIT I - \$27,136,775 THRU AMENDMENT #18 15,057,861 \$42,194,636	* 47,250 35,259,344	3,042,415	38,349,009
LESS RETAINED AMOUNT	LETTER OF CREDIT IN LIEU OF 10%		
Subtotal	35,306,594	3,042,415	38,349,009
PLUS SALES TAX	-0-	-0-	-0-
Subtotal	35,306,594	3,042,415	38,349,009
LESS DEDUCTIONS	-0-	-0-	-0-
Subtotal	35,306,594	3,042,415	38,349,009
LESS PREVIOUS PAYMENTS REQUESTED	35,306,594	-0-	35,306,594
PAYMENT REQUEST	-0-	3,042,415	3,042,415

DEDUCTIONS DETAIL (OR COMMENTS)

* FROM LIMESTONE CONVERSION MILESTONE INVOICES BILL NO. 8A.

Estimated Value of Extra Work Not Covered By Above (Not to be included in current Invoice for Payment. Summarize and state authority on separate sheet.)

\$

We hereby represent that the above is a true statement of account of the above contract to date and hereby release the Owner from any claims for materials or labor furnished or expense incurred to date which is not included in requests for Payment to Date, except for integrated units of construction partially completed for which no Request for Payment has been made.

CONTRACTOR: M.W. KELLOGG COMPANY

DATE: SEPTEMBER 30, 1983

BY: W.R. Fox
W.R. FOX

TITLE: RESIDENT CONSTRUCTION MGR

REQUEST VERIFIED:

Alfred A. Ginter
Discipline Engineer

DATE: 9-27-83

Recommended for Payment:
BURNS AND ROE, INC.

W. R. Fox 9/27/83

(For Owners Use)

R. L. Phillips 9/28/83

4239

Case No. 2012-00492

Attachment for Response to KIRC 1-3

Witness: Billie J. Richert



The M. W. Kellogg Company

INVOICE

BILL TO :

BIG RIVERS ELECTRIC CORPORATION
201 THIRD STREET
HENDERSON, KENTUCKY 42420

ATTN: MR. FLOYD MITCHELL
VICE GENERAL MANAGER
PRODUCTION / GENERATION

MAIL PAYMENT TO :

THE M. W. KELLOGG COMPANY
TREASURY DEPARTMENT
THREE GREENWAY PLAZA EAST
HOUSTON, TEXAS 77046

(INCLUDE OUR INVOICE NUMBER FOR PROMPT HANDLING)

KG-0327 (4-81)

INVOICE NUMBER	INVOICE DATE	ACCOUNT NUMBER	PROJECT NUMBER	LOCATION	CLIENT ORDER NUMBER	PAGE 1 OF 1
01- 36	30 Sept83	04-00-00	6210-01	C-29	Spec. no. 3461-602	

REQUEST FOR PAYMENT FOR PERIOD SEPTEMBER	MATERIAL	ERECTION
BASE JOB THRU AMENDMENT # 12	568,211 00	835,042 00
LIMESTONE CONVERSION THRU AMENDMENT #18	850,169 00	788,993 00
TOTAL PROJECT SUBTOTALS	1,418,380 00	1,624,035 00

4240

TOTAL DUE

PLEASE PAY THIS AMOUNT

3,042,415 00

10/21/03

10-AP-R26
10-APR26L

BIG RIVERS ELECTRIC CORPORATION
END OF MONTH VOUCHERS PAYABLE DISTRIBUTION - GENERAL FUND -

ORIGINATOR- SUPV. GENERAL ACCOUNTING USER- DAVID ASHBY

ACCT. SUB	NSC	DOC. NUM.	CONTROL NUM.	VENDOR NAME	INVOICE NUMBER	PAID FOR	AMOUNT	CHECK NUM	P/O ST
107.1599B	360		0001319	3301 BURNS AND ROE, INC.	10-07-03	CONSTRUCTION	9,758.17	33149	
107.1599B							9,758.17		
107.1601A	360		0000001	3361 FOSTER WHEELER	F-9-69	CONSTRUCTION	502,565.84	33160	
107.1601A	360		0000918	3381 FOSTER WHEELER	08-30019A	CONSTRUCTION	67,500.00	33160	
107.1601A	360		0000919	3361 FOSTER WHEELER	09-30010A	CONSTRUCTION	150,000.00	33160	
107.1601A	360		0000920	3361 FOSTER WHEELER	09-30020A	CONSTRUCTION	150,000.00	33160	
107.1601A							4,052,565.84		
107.1602A	360		0000921	0827 PULMAN-KELLOGG	01-0-3b	CONSTRUCTION	311,795.75	33170	
107.1602A	360		0000922	0827 PULMAN-KELLOGG	01-0-3b	CONSTRUCTION	47,250.00	33170	
107.1602A	360		0000923	0827 PULMAN-KELLOGG	01-0E-31	CONSTRUCTION	47,250.00	33170	
107.1602A	360		0000924	0827 PULMAN-KELLOGG	01-0-3b	CONSTRUCTION	304,415.00	33170	
107.1602A							1,900,849.29		
107.1610A	360		0000925	3393 RESEARCH-COTTRILL, I	89746	CONSTRUCTION	91,593.78	33171	
107.1610A							91,593.78		
107.1611A	360		0000926	4782 PULMAN-KELLOGG	01-0-3b	CONSTRUCTION	617,295.02	33155	
107.1611A							617,295.02		
107.1612A	360		0000927	1784 BARBUCK & WILSON	012-10-00015	CONSTRUCTION	306,284.00	33148	
107.1612A	360		0000928	1784 BARBUCK & WILSON	012-10-00016	CONSTRUCTION	133,937.93	33148	
107.1612A							350,241.93		
107.1619A	360		0000929	3322 CHERNE CONTRACTING, L	52730	CONSTRUCTION	1215,891.90	33151	
107.1619A							1215,891.90		
107.1625A	360		0000930	339A AUTOMATIC SPRINKLER STATEMENT	01	CONSTRUCTION	87,081.00	33146	
107.1625A							87,081.00		
107.1625A	360		0000932	1286 TRIANGLE INSULATION	83-9-120 KY	CONSTRUCTION	87,133.00	33174	
107.1625A							87,133.00		
107.1637A	360		0000933	1041 CONVERSIONS SYSTEMS	CREDIT MEMO 103	CONSTRUCTION	13,234.00	33887	
107.1637A	360		0000934	1041 CONVERSIONS SYSTEMS	CREDIT MEMO 103	CONSTRUCTION	13,234.00	33887	
107.1637A							449,644.00		
107.1639A	360		0000935	4095 DRAVO CORPORATION	09-60-086	CONSTRUCTION	144,418.57	33147	
107.1639A							144,418.57		
107.1642A	360		0000936	4095 DRAVO CORPORATION	09-60-086	CONSTRUCTION	67,907.70	33152	
107.1642A							67,907.70		
107.1644A	360		0000937	1723 LANDEL INC	6607-7063	CONSTRUCTION	1,280.07	33166	
107.1644A							1,280.07		

Attachment for Response to KFD-1-3
No. 2012-00492
Witness: Billie J. Richert
Page 81 of 156

Authorization for Payment

Project FLUE GAS DESULFURIZATION SYSTEM

Work Order No. _____

Contractor PULLMAN KELLOGG

Authorization No. #37

Contract No. C602A 3V

INVOICE NO.	DATE	GROSS AMOUNT	RETAINAGE	NET
01-37	10-31-83	\$ 1,467,233.00	-0-	\$ 1,467,233.00
			less deductions	351,739.23
				<u>\$ 1,115,493.77</u>
				3215

Total Contract Value \$ 46,323,541.00 thru amend #18
 Value of Work Completed \$ 36,083,392.00
 Amount Retained \$ -0- LETTER OF CREDIT FOR \$4,255,077.50
 Total Amount Due \$ 36,083,392.00
 Less Previous Payments \$ 34,616,159.00
 Current Authorization less deductions \$ 1,115,493.77 ^{351,739.23} - letter of credit (retainage) 0827

Remarks:

We are withholding \$351,739.23 until an extension is received
on Kellogg's letter of credit.
 Sam 11/15/83

1071602A
942
360

Approved by: Tom Majo

Date: 11/15/83

4216

Authorization for Payment

Project FLUE GAS DESULFURIZATION SYSTEM
 Contractor PULLMAN KELLOGG
 Contract No. C602A 3V

Work Order No. _____
 Authorization No. #37

INVOICE NO.	DATE	GROSS AMOUNT	RETAINAGE	NET
01-37	10-31-83	\$ 1,467,233.00	-0-	\$ 1,467,233.00
			less deductions	351,739.23
				<u>\$ 1,115,493.77</u>

3210

Total Contract Value \$ 46,323,541.00 thru amend #18
 Value of Work Completed \$ 36,083,392.00
 Amount Retained \$ -0- LETTER OF CREDIT FOR \$4,255,077.50
 Total Amount Due \$ 36,083,392.00
 Less Previous Payments \$ 34,616,159.00
 Current Authorization less deductions \$ 1,115,493.77

Remarks: _____

0827
 1071602A
 942
 360

Approved by: _____

Date _____

4217

P. O. Box 548 • Centertown, Kentucky 42324
Telephone Ky. (502) 232-5701 • Telefax: (502) 232-5701

October 25, 1983

Subject: W. O. 3461
Big Rivers Electric Corporation
D. B. Wilson Station
Pay Request No. 37
M. W. Kellogg Construction, Inc.
Contract - 602

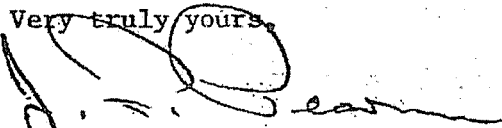
Mr. Floyd Mitchell
Big Rivers Electric Corporation
201 Third Street
Henderson, Kentucky 42420

Dear Floyd:

Attached please find:

- 1) Original and one copy of Contractor M. W. Kellogg Construction, Inc., invoice #01-37, in the net amount of ~~\$1,467,233.00~~
115493.77
- 2) Original and one copy of Contractor's Request for Payment No. 37 also in the net amount of \$1,467,233.00.
- 3) Also find attached one copy of Contractor's Distribution Detail in like amount supporting this pay request.
- 4) Construction Management recommends your approval and payment of this pay request.

Very truly yours,


J. F. Pearson
Resident Manager

JFP/EFC/rg

Attachments

827 3215
107/602A
942
360

4218

CONTRACTORS REQUEST FOR PAYMENT

Owner: BIO-RIVERS ELECTRIC CORPORATION

INVOICE # 01-37

Payment to OCT 3

Contractor: M.W. KELLOGG COMPANY

Period: OCTOBER 1983

Page 1 of 1

Project: D.B. WILSON STATION

Contract NO. 602

Approved Contract	Previously Approved	This Request	Total To Date
UNIT I - 127,136,775 THRU AMENDMENT #18 15,057,861 42,194,636	38,349,009	1,467,233	39,816,242
LESS RETAINED AMOUNT	LETTER OF CREDIT IN LIEU OF 1090		
Subtotal	38,349,009	1,467,233	39,816,242
PLUS SALES TAX	-0-	-0-	-0-
Subtotal	38,349,009	1,467,233	39,816,242
LESS DEDUCTIONS	0	-0-	-0-
Subtotal	38,349,009	1,467,233	39,816,242
LESS PREVIOUS PAYMENTS REQUESTED	38,349,009	-0-	38,349,009
PAYMENT REQUEST	-0-	1,467,233	1,467,233

DEDUCTIONS DETAIL (OR COMMENTS)

Residual 351,739.23
1,115,493.77

Estimated Value of Extra Work Not Covered By Above (Not to be included in current Invoice for Payment. Summarize and state authority on separate sheet.)

\$ _____

We hereby represent that the above is a true statement of account of the above contract to date and hereby release the from any claims for materials or labor furnished or expense incurred to date which is not included in requests for Payment, except for integrated units of construction partially completed for which no Request for Payment has been made.

CONTRACTOR: M.W. KELLOGG COMPANY

DATE: OCTOBER 31, 1983

BY: W.R. Fox
W.R. FOX

TITLE: RESIDENT CONSTRUCTION

REQUEST VERIFIED:

Robert T. Morgan
Discipline Engineer

DATE: 10-26-83

Recommended for Payment:
BURNS AND ROE, INC.

(For Owners Use)

R. J. Philby 10/27/83

4219



The M. W. Kellogg Company

INVOICE

BILL TO :

BIG RIVERS ELECTRIC CORPORATION
201 THIRD STREET
HENDERSON, KENTUCKY 42420

ATTN: MR. FLOYD MITCHELL
VICE GENERAL MANAGER
PRODUCTION / GENERATION

MAIL PAYMENT TO :

THE M. W. KELLOGG COMPANY
TREASURY DEPARTMENT
THREE GREENWAY PLAZA EAST
HOUSTON, TEXAS 77046

(INCLUDE OUR INVOICE NUMBER FOR PROMPT HANDLING)

KG-0327 (4-81)

INVOICE NUMBER	INVOICE DATE	ACCOUNT NUMBER	PROJECT NUMBER	LOCATION	CLIENT ORDER NUMBER	PAGE	OF
01-37	31 Oct. 83	04-00-00	6210-01	C-29	Spec. No. 3461-602	1	1

REQUEST FOR PAYMENT FOR PERIOD OCTOBER	MATERIAL	ERECTION
BASE JOB THRU AMENDMENT # 12	222,802 00	310,295 00
LIMESTONE CONVERSION THRU AMENDMENT # 18	312,646 00	621,490 00
TOTAL PROJECT SUBTOTALS	535,448 00	931,785 00
		4220

PLEASE PAY THIS AMOUNT

TOTAL DDE

1,467,231 00

ID-AP-R26
ID-APR261

BIG RIVERS ELECTRIC CORPORATION
END OF MONTH VOUCHERS PAYABLE DISTRIBUTION - GENERAL FUND -

DATE 11/30/83
PAGE..... 3

ACCT. SUB	RSC	DOC. NUM.	CONTROL NUM.	**** NUM.	VENDOR NAME	****	INVOICE NUMBER	PAYMENT FOR	AMOUNT	CHECK NUM	P/O // REL	STK NUM	LOC	NUMBER QTY.
101.03913	750		0003406	0060	BUSINESS EQUIPMENT		30263	CAPITAL ITEMS	841.05CR	34225		25813	/	
101.03913									.00					
ACCOUNT 101.0 TOTAL									77,267.97					
107.15300	370		0004667	0058	BURNS & MCDONNELL		81-063-2	CONSTRUCTION	132.01	34753			/	
107.15300	370		0004668	0058	BURNS & MCDONNELL		81-063-1	CONSTRUCTION	51.99	34753			/	
107.15300	370		0004669	0058	BURNS & MCDONNELL		81-063-1	CONSTRUCTION	25.09	34753			/	
107.15300									209.09					
107.1533A	370		0003382	4695	KEYSTONE ELECTRICAL		08348	CONSTRUCTION	22,535.48	34453			/	
107.1533A									22,535.48					
107.1533B	370		0003381	4695	KEYSTONE ELECTRICAL		08344	CONSTRUCTION	17,672.27	34453			/	
107.1533B									17,672.27					
107.1540B	370		0003613	6169	GILBERT CORP/N G		EST #14	CONSTRUCTION	69,076.09	34451			/	
107.1540B									69,076.09					
107.1590D	370		0004670	0058	BURNS & MCDONNELL		80-054-2	CONSTRUCTION	844.13	34753			/	
107.1590D									844.13					
107.1591D	370		0004345	3509	USS FABRICATION		PAY AUTH #8	CONSTRUCTION	12,599.82	34471			/	
107.1591D									12,599.82					
107.1594D	370		0004346	3508	HILLER CONSTRUCTION, 7062			CONSTRUCTION	723,849.86	34472			/	
107.1594D									723,849.86					
107.1599A	360		0003377	3301	BURNS AND ROE, INC.		10-132-83	CONSTRUCTION	193,345.52	34437			/	
107.1599A	360		0003378	3301	BURNS AND ROE, INC.		11-59-83	CONSTRUCTION	248,387.27	34437			/	
107.1599A	360		0003379	3301	BURNS AND ROE, INC.		11-140-83	CONSTRUCTION	127,594.86				/	
107.1599A									569,327.65					
107.1599B	360		0003380	3301	BURNS AND ROE, INC.		11-60-83	CONSTRUCTION	9,777.38	34437			/	
107.1599B									9,777.38					
107.1601A	360		0003212	3361	FOSTER WHEELER		09-31252	CONSTRUCTION	280,214.00	34450			/	
107.1601A	360		0003214	3361	FOSTER WHEELER		F-10-20	CONSTRUCTION	551,230.24	34450			/	
107.1601A									831,444.24					
107.1602A	360		0003215	0827	PULLMAN-KELLOGG		01-37	CONSTRUCTION	1,115,493.77	34461			/	
107.1602A	360		0003216	0827	PULLMAN-KELLOGG		01-E-37	CONSTRUCTION	275,076.37	34461			/	
107.1602A	360		0003217	0827	PULLMAN-KELLOGG		01-H-37	CONSTRUCTION	190,595.98	34461			/	
107.1602A	360		0003364	0827	PULLMAN-KELLOGG		01-EX-1	CONSTRUCTION	17,011.31	34461			/	
107.1602A	360		0003759	0827	PULLMAN-KELLOGG		01-37	CONSTRUCTION	351,739.23	34461			/	
107.1602A									1,949,916.66					
107.1610A	360		0003220	3393	RESEARCH-COTTRELL, I		89758	CONSTRUCTION	55,630.44	34462			/	
107.1610A	360		0003224	3393	RESEARCH-COTTRELL, I		89786	CONSTRUCTION	123,397.51	34462			/	
107.1610A	360		0003226	3393	RESEARCH-COTTRELL, I		89755	CONSTRUCTION	19,754.06	34462			/	
107.1610A									198,782.01					

■ E I ■

Case No. 2012-00492
Attachment for Response to KIUC 1-3
Witness: Billie J. Richert
Page 87 of 156

Authorization for Payment

Project FLUE GAS DESULFURIZATION SYSTEM

Work Order No. _____

Contractor PULLMAN KELLOGG

Authorization No. #38

Contract No. C602A 3V

INVOICE NO.	DATE	GROSS AMOUNT	RETAINAGE	NET
01-38	11-30-83	\$ 1,177,614.00	-0-	\$ 1,177,614.00

Total Contract Value \$ 46,323,541.00 thru amend #18
 Value of Work Completed \$ 37,261,006.00
 Amount Retained \$ -0- letter of credit
 Total Amount Due \$ 37,261,006.00
 Less Previous Payments \$ 36,083,392.00
 Current Authorization \$ 1,177,614.00

107 1602A
942
360
827

Remarks: _____

Approved by: _____

Date _____

4196



Burns and Roe, Inc.

P.O. Box 546 • Centertown, Kentucky 42328

Telephone Ky. (502) 232-5701 • Telecopy (502) 232-5701

November 22, 1983

Subject: W. O. 3461
Big Rivers Electric Corporation
D. B. Wilson Station
Pay Request No. 38
M. W. Kellogg Construction, Inc.
Contract - 602

46 3231 341.00

Mr. Floyd Mitchell
Big Rivers Electric Corporation
201 Third Street
Henderson, Kentucky 42420

Dear Floyd:

Attached please find:

- 1) Original and one copy of Contractor M. W. Kellogg Construction, Inc., invoice 01-38 in the net amount of \$1,177,614.00.
- 2) Original and one copy of Contractor's Request for Payment No. 38 also in the net amount of \$1,177,614.00.
- 3) Also find attached one copy of Contractor's Distribution Detail in like amount supporting this pay request.
- 4) This invoice represents approximately 90% of the contract value. BREC may elect to review this contract, with the intention of withholding additional money in accordance with Sam Haddan's letter of October 31, 1983, listing unacceptable Instruction Manuals.
- 5) Construction Management recommends your approval and payment of this pay request.

Very truly yours,

J. F. Pearson
Resident Manager

*1071602A
442
361*

827

597

4197

JFP/EFC/rr

Attachments

Owner: BIG RIVERS ELECTRIC CORPORATION INVO. 6E 0/- 37
 Contractor: M.W. KELLOGG COMPANY
 Project: D.B. WILSON STATION
 Period: NOVEMBER 1983
 Contract NO.: 602
 Payment to NOV 30, 1983
 Page 1 of 1

Approved Contract	Previously Approved	This Request	TOTAL To Date
UNIT I - 27,136,775 THRU AMENDMENT #18 15,057,861 42,194,636	\$ 39,816,242	\$ 1,177,614	\$ 40,993,856
LESS RETAINED AMOUNT	LETTER OF CREDIT IN LIEU OF 1090		
Subtotal	39,816,242	1,177,614	40,993,856
PLUS SALES TAX	0-	0-	0-
Subtotal	39,816,242	1,177,614	40,993,856
LESS DEDUCTIONS	0-	0-	0-
Subtotal	39,816,242	1,177,614	40,993,856
LESS PREVIOUS PAYMENTS REQUESTED	39,816,242	0-	39,816,242
PAYMENT REQUEST	0-	1,177,614	1,177,614

DEDUCTIONS DETAIL (OR COMMENTS)

Estimated Value of Extra Work Not Covered By Above (Not to be included in current invoice for Payment. Summarize and state authority on separate sheet.)

\$

We hereby represent that the above is a true statement of account of the above contract to date and hereby release the Owner from any claims for materials or labor furnished or expense incurred to date which is not included in requests for Payment Date, except for integrated units of construction partially completed for which no Request for Payment has been made.

CONTRACTOR: M.W. KELLOGG COMPANY
 DATE: NOVEMBER 30, 1983 BY: W.R. FOX TITLE: RESIDENT CONSTRUCTION MGR
 W.R. FOX

REQUEST VERIFIED:
 [Signature] 11/23/83
 Discipline Engineer
 [Signature] 11/23/83

DATE: 11-23-83
 Recommended for Payment:
 BURNS AND ROE, INC.
 [Signature]

(For Owners Use)
 [Signature] 11/23/83



The M. W. Kellogg Company

INVOICE

BILL TO :

BIG RIVERS ELECTRIC CORPORATION
201 THIRD STREET
HENDERSON, KENTUCKY 42420

ATTN: MR. FLOYD MITCHELL
VICE GENERAL MANAGER
PRODUCTION/ GENERATION

MAIL PAYMENT TO :

THE M. W. KELLOGG COMPANY
TREASURY DEPARTMENT
THREE GREENWAY PLAZA EAST
HOUSTON, TEXAS 77046

(INCLUDE OUR INVOICE NUMBER FOR PROMPT HANDLING)

KG-0327 (4-81)

INVOICE NUMBER	INVOICE DATE	ACCOUNT NUMBER	PROJECT NUMBER	LOCATION	CLIENT ORDER NUMBER	PAGE 1 OF
01- 38	30 Nov. 83	04-00-00	6210-01	C-29	Spec. No. 3461-602	

REQUEST FOR PAYMENT FOR PERIOD NOVEMBER	MATERIAL	ERECTION
BASE JOB THRU AMENDMENT # 12	122,933 00	74,727 00
LIMESTONE CONVERSION THRU AMENDMENT # 18	164,666 00	815,288 00
TOTAL PROJECT SUBTOTALS	287,599 00	890,015 00

4199

PLEASE PAY THIS AMOUNT

Attachment for Response to LITC 18
Witness: Billie J. Richert

TOTAL DUE

Case No. 2012-00022

10-AP-R26
10-APR261

BIG RIVERS ELECTRIC CORPORATION
END OF MONTH VOUCHERS PAYABLE DISTRIBUTION - GENERAL FUND -

DATE 12/31/83
PAGE 3

ACCT.	SUB	RSC	DOC. NUM.	CONTROL NUM.	**** NUM.	VENDOR NAME	****	INVOICE NUMBER	PAYMENT FOR	AMOUNT	CHECK NUM	P/O	REL	NUMBER	
													STK NUM	LOC	QTY.
107.1531B		370		0006362	2508	BECK & ASSOC/R W		C3-0270	CONSTRUCTION	3,935.87	35429				
107.1531B										3,935.87					
107.1539A		370		0006443	3504	DIS-TRAN PRODUCTS, I		EST #6	CONSTRUCTION	111,987.18	35436				
107.1539A										111,987.18					
107.1539B		370		0006444	3504	DIS-TRAN PRODUCTS, I		EST #7	CONSTRUCTION	118,387.88	35436				
107.1539B										118,387.88					
107.1540B		370		0006451	6169	GILBERT CORP/N G		EST #14	CONSTRUCTION	89,812.47	35446				
107.1540B										89,812.47					
107.1542A		370		0006442	4695	KEYSTONE ELECTRICAL		08343	CONSTRUCTION	21,339.83	35450				
107.1542A										21,339.83					
107.1542B		370		0006441	4695	KEYSTONE ELECTRICAL		0842	CONSTRUCTION	24,418.89	35450				
107.1542B										24,418.89					
107.1544A		370		0006357	6169	GILBERT CORP/N G		60-55748	CONSTRUCTION	1,863.59	35446				
107.1544A										1,863.59					
107.1544B		370		0006359	6169	GILBERT CORP/N G		60-55746	CONSTRUCTION	2,165.24	35446				
107.1544B										2,165.24					
107.15900		370		0006450	0058	BURNS & McDONNELL		80-054-2	CONSTRUCTION	3,100.27	35430				
107.15900										3,100.27					
107.15910		370		0006436	3509	USS FABRICATION		RETAINAGE	CONSTRUCTION	561.23	35462				
107.15910										564.23					
107.15940		370		0006445	3508	MILLER CONSTRUCTION,		7077	CONSTRUCTION	576,451.57	35452				
107.15940		370		0006446	3508	MILLER CONSTRUCTION,		6900,03,04,06 R	CONSTRUCTION	6,160.59	35452				
107.15940										582,612.16					
107.1599A	360		111	0006170	3301	BURNS AND ROE, INC.		12-39-83	CONSTRUCTION	212,539.00	999999				
107.1599A	360		111	0006170	3301	BURNS AND ROE, INC.		12-39-83	CONSTRUCTION	212,539.00	999999				
107.1599A	360	6170000		0006432	3301	BURNS AND ROE, INC.		12-39-83	CONSTRUCTION	215,735.44	35431				
107.1599A	360			0006433	3301	BURNS AND ROE, INC.		12-39-83	CONSTRUCTION	60,720.30					
107.1599A										276,455.74					
107.1599B	360			0006171	3301	BURNS AND ROE, INC.		12-40-83	CONSTRUCTION	8,582.85	35431				
107.1599B										8,582.85					
107.1601A	360			0005936	3361	FOSTER WHEELER		10-31118	CONSTRUCTION	244,430.00	35445				
107.1601A	360			0005937	3361	FOSTER WHEELER		F-11-21	CONSTRUCTION	313,193.28	35445				
107.1601A										557,623.28					
107.1602A	360			0005938	0827	PULLMAN-KELLOGG		01-38	CONSTRUCTION	1177,614.00					
107.1602A	360			0005939	0827	PULLMAN-KELLOGG		01-E-38	CONSTRUCTION	262,745.26					

PSC 803-2712

***** E I *****

Billie Richert

From: Ralph Ashworth
Sent: Wednesday, October 31, 2012 7:00 PM
To: Mark Glotfelty (mark.glotfelty@gs.com)
Cc: Billie Richert; Jim Miller; Susan Gottlieb (fgottlieb@orrick.com); Susan Smith
Subject: 1983 Series PC Bonds - Refinancing -- 2nd email
Attachments: Ohio County Bonds_Special Funds Accounts.pdf; 1983 Series Pollution Control Bonds -- Construction Draws.pdf

Mark,

2nd email with records tracking Investment and draws on the \$58.8 million.

Ralph Ashworth

12/83
WOM

NO. 1000000000

		CASH	INVESTMENT	NET
		120,510	120,320	240,830
1	B.Z.S.M. - 1982			
2	Be. Balance 6/30/83	107,845	105,108.15	212,953.15
3	Premium Amortization		(25,121.47)	
4	Interest Receivable			11,154.49
5	B.Z.S.M. - 7/31/83	107,845	105,057.68	212,902.68
6				
7				
8	B.S.B.M. - 1983			
9	Be. Balance 6/30/83 - (S/B)	109,587,999.99	58,799,999.91	168,387,999.90
10	Sale of Securities	130,151,884.29	(130,023,000.00)	128,868,884.29
11	Purchase of Securities & Interest	(117,990,316.07)	117,430,963.87	55,995,261.80
12	Interest From Non-Maturity	24,192,250		24,192,250
13	Premium Amortization		(21,605,782)	
14	Earned Discount		46,770,722	
15	Interest Receivable			39,602,220
16	Construction Draw	(124,000,000)		
17				
18	Balance 7/31/83	34,908	46,232,128.37	60,880,62
19				
20	Total	431,926	56,738,054.99	9,582,0611
21				
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	128,310	128,320	128,330
1	82,500,000.00 - 1982 SERIES		
2	82645	1056592668	3572284
3	18175000	<17000000>	<11750000
4	1889063		<1889063
5	<3594063>	3592845	
6			10894719
7		<2516777>	
8	<16285467>		
9	295378	1034668706	43566453
10	8/31/83 Balance		
11	58,800,000.00 - 1983 SERIES		
12			
13	349081	4623212831	60088063
14	655374028	<8458000012>	<9574027
15	7485625		<7485625
16	<63200000>	63200000	
17			31568658
18		<2548545>	
19		5465186	
20	<600000000>		
21	<01>		
22	8733	7243529471	74597068
23	8/31/83 Balance		
24	304111	4878198177	118163521
25	Total Ohio County Funds		

00078

		J.E. REF	128.310	128.320	128.330	
	82.5 M	#				
1	Balance @ 9/1/83		295378	10,346,698.06	4,956,445.3	
2	Adjustment of Interest Received	311	<0>			
3	Adjustment of Investment Purchase	311	<12,48>	12.48		
4	Interest Receivable	081			107,331.49	
5	Premium Amortization	081		<24,839.31>		
6			294,129	10,321,871.23	5,229,146.2	
7						
8						
9						
10						
11						
12						
13						
14						
15	58.8 M					
16	Balance @ 9/1/83		8733	38,435,294.71	7,459,706.8	
17	Adjustment for Interest & Purchases	311	<0>			
18	Earned Discount	081		5140.105		
19	Premium Amortization	081		<24,929.68>		
20	Investment Maturities (Z+DIFF)	311	420491904	<4,131,999.99>	<729,190.7>	
21	Investment Purchases	301	<7,970,000.00>	7,970,000.00		
22	Interest on Non-Maturities	230	9215000		<92,150,000>	
23	Interest Receivable	081			264,163.88	
24	Construction Draw	020	<35,000,000.00>			
25			15629	35,126,766.09	8,450,654.9	
26						
27	Total		309758	45,448,637.32	1,388,061.51	

00089

OHIO COUNTY BONDS
OCTOBER 1983

			5	6	7
			128.310	128.320	128.330
		* 82.5 M			
1	Balance @ 10/1/83		294129	1032187123	54299602
08.12	Interest Receivable				10665598
08.13	Premium Amortization			<2304188>	
31.14	Investment Maturities		540089100	<521400000>	<18689100>
30.15	Investment Purchases		<267400000>	267400000	
23.06	Interest on Non-Maturities		44595563		44595563
7	10/31 Balance		317578792	775882935	1678537
8			*	*	*
9	1/1/83 SEMI-ANNUAL INTEREST		<299062500>		
10	11/1/83 QTRLY 1/2 FEE		<16255467>		
11		SUB-TL	2260825		
12	1/2/83 BAL- CAP INT 1/2		<2198964>		
13	1/2/83 BAL- CONST 1/2		<61861>		
14			-0-		
15	* 58.8 M				
16	Balance @ 10/1/83		562935	12676609	84506549
8.17	Earned Discount			5309990	
18	Premium Amortization			<2548545>	
30.119	Interest Receivable				24065699
30.120	Investment Purchases		<13900000>	13900000	
23.021	Interest on Non-Maturities		13915125		<13915125>
31.122	Investment Maturities		388324353	<379699999>	<8674354>
32.023	Construction Draw		<388300000>		
24	10/31 Balance		55107	3149638055	86032769
25			*	*	*
26	11/1/83 FACILITIES A/C		<55107>		
27			-0-		
30	Total Ohio County @ 10/31/83		317633899	3925520990	87711306

00099

OHIO COUNTY BONDS
MONTHLY ANALYSIS

	1	2	3	4	5	6	7
					128.310	128.320	128.330
	82.5 M						
1	Balance @ 11/1/83				317578792	775882935	1678537
2	39.0 Bond Interest				<299062500>		
3	40.0 4/2 Fee Paymt.				<16255467>		
4	08.1 Interest Receivable						7719052
5	08.1 Premium Amortization					<1419101>	
6	Balance @ 11/30/83				2260825	774463834	9397589
7							
8							
9							
10	58.8 M						
11	Balance @ 11/1/83				55107	3149638055	86032769
12	31.1 Maturity				1038157357	<1036796875>	<1360482>
13	30.1 Purchases				<307271250>	307271250	
14	23.0 Interest on Non-Maturities				38048125		<38048125>
15	08.1 Earned Discount					4217337	
16	08.1 Premium Amortization					<1925999>	
17	08.1 Interest Receivable						20902208
18	02.0 Construction Draw				<760000000>		
19	Balance @ 11/30/83				8989339	2422403768	67526370
20							
21							
22				Total	11250164	3196867602	76923959
23							
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00109

DECEMBER 1985
OHIO COUNTY BONDS
MONTHLY ANALYSIS

		128.310	128.320	128.330
1				
2	Balance @ 12/1/83	2260825	774463834	9397589
3	08.1 Interest Receivable			7907493
4	08.1 Premium Amortization		<1452408>	
5		2260825	773011426	17805082
6				
7				
8				
9	Balance @ 12/1/83	8989339	2422403768	67526370
10	08.1 Interest Receivable			17382468
11	08.1 Premium Amortization		<1316737>	
12	08.1 Earned Discount		1131684	
13	31.1 Maturities	862765871	<854640156>	<8125715>
14	30.1 Purchases	<283200000>	283200000	
15	23.0 Interest Received	39648750		<39648750>
16	Bond Interest	<145401916>		
17	Construction Draw	<481000000>		
18		1802044	1850778559	37134373
19				
20	Total - - - ->	4062869	2623789985	54439455
21				
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00133

Sub-Cases Base
Mortgage Analysis

		3	4	5
		128.310	128.320	128.330
1				
2	Balance @ 1/1/84	2260825	773011426	17305082
3	08.1 Interest Receivable			7904428
4	08.1 Premium Amortization		21430601	
5	23.0 Interest Received	918751		2918751
6	30.1 Maturity	17200000	11600000	11200000
7	30.1 Purchase	24070000	4070000	
8		116309576	759650825	23090759
9				
10				
11	Balance @ 1/1/84	1802044	1850778559	37134373
12	08.1 Interest Receivable			14705455
13	08.1 Amortization of Premium		2621688	
14	08.1 Earned Discount		388940	
15	31.1 Maturity	424872160	403069688	21802472
16	30.1 Purchase	26700000	26700000	
17	Draw	40000000		
18		225796	1474176123	30037356
19				
20	Total	16283780	7233826948	53128115
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00102

Case No: 2012-00492

Attachment for Response to KIUC 1-3

Witness: Billie J. Richert

FEBRUARY 1984
OHIO COUNTY
MONTHLY ANALYSIS

	1	2	3	4	5	6
					128.310	128.320
1		82.5 M				128.330
2		Balance @ 2/1/84			1163.09576	2309.0759
3	08.1	Premium Amnt.				2133.1224
4	08.1	Interest Income				7427.654
5	40.0	L/c Fee			4162.4056	
6					69075.7	305184.12
7						
8		58.8 M				
9		Balance @ 2/1/84			45796.7	300373.56
10	08.1	Premium Amnt.				414269
11	08.1	Earned Disc.				700843
12	08.1	Interest Income				11393.170
13	30.1	Purchases			239.00000	
14	31.1	Sales			45112896	47100000
15		- Draw			300.00000	8012896
16					11871.00	33417630
17						
18		Total			1256175	63936043
19						
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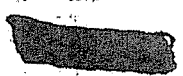
00091
Case No. 2012-00492

					123,310	125,320	125,320
1							
2		32.5					
3		Balance @ 4/1			123,310	125,320	125,320
4	081	Premium Amount				11,250	
5	081	Interest Income					1,820
6	230	Interest Received from Non-Mat. Thr.			25,900		25,900
7	311	Salaries			3,400	3,250,000	189,000
8			EA D. Kent		1,100	3,000	1,200
9			EA W. J. ...		7,900	2,500	
10					1,450	39	
11					2,200		
12		58.8					
13		Balance @ 4/1/64			125,320	227,131	219,791
14	081	Premium Amount				8,000	
15	081	Interest Income					8,732
16	311	Salaries			2,500	1,500	1,396
17	301	Purchases			2,100	1,000	
18		Draws					
19							
20					1,500	1,700	1,200
21		Total @ 4/30/64			27,700	11,600	10,716
22							
23							
24							
25							
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JUNE, 1984

OHIO COUNTY BONDS
MONTHLY ANALYSIS

		3	4	5
		128,310	128,320	128,330
1	* 82.5 M			
2	Bal @ 5/31	2243499	482577361	5735006
3	Prin. Amort		4483396	
4	Interest Income			4428304
5		2243499	482093965	10163310
6				
7				
8				
9				
10	* 58.8 M			
11	Bal @ 5/31	178472303	528000000	5777200
12	Bond Interest	<178468357>		
13	✓ Sales	268369934	<264000000>	<4369934>
14	Draw	<268300000>		
15	Interest Income			3703334
16		73880	264000000	5110600
17				
18				
19		2317379	746093965	15273910
20				
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00121

July 1984
OHIO COUNTY BONDS
MONTHLY ANALYSIS

TE. REF		128.310	128.320	128.330
	82.5 M			
	Balance @ 6/30	2243499	482093965	10163310
B	Interest Income			4482483
B	Prin Amnt		<485515>	
B	Earned Disc.		5050	
31	Sales	19181251	<18000000>	<1181251>
30	Purchases	<1943328>	1943328	
	7/31/84	119481422	465556828	13464542
	58.8 M			
	Balance @ 6/30/84	73880	264000000	5110600
B	Interest Income			2139028
31	Sales	270740067	<264000000>	<6740067>
30	Purchases	<182800000>	182800000	
Z	Draw	<86000000>		
	7/31/84	13947	182800000	509558
	TOTAL	19495369	648356828	13974097

00110

**1983 SERIES POLLUTION CONTROL BONDS
CONSTRUCTION DRAWS**

1983

July	\$12,400,000
August	8,000,000
September	3,500,000
October	3,883,000
November	7,600,000
December	4,810,000

1984

January	4,000,000
February	2,400,000
March	1,900,000
April	1,342,000
May	2,635,000
June	2,683,000
July	880,000

TOTAL	<u><u>\$56,033,000</u></u>
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128.320 LOAN FUND-INTERIM-LOAN AGREEMENT-CASH 01/01/84 \$ 40,628.69

TO

F 3

ID-BRGL15		BIG RIVERS ELECTRIC CORP		GENERAL LEDGER		DATE...	12/31/84
						PAGE NO.	31
ACCOUNT NO.	ACCOUNT TITLE	DATE	DEBIT AMOUNT	CREDIT AMOUNT	BALANCE ACCOUNT		
J/E NO. 01-020	CASH RECEIPTS	1/31/84	.00	\$ 4,000,000.00			
J/E NO. 01-301	PURCHASE SECURITIES	1/31/84	.00	\$ 507,700.00			
J/E NO. 01-311	SALE OF SECURITIES	1/31/84	4,420,721.60				
J/E NO. 01-390	INTEREST RECEIVED	1/31/84	9,167.51				
	CURRENT MONTH ACTIVITY=		4,429,909.11	\$ 4,307,700.00		\$	122,209.11
	CURRENT BALANCE=					\$	162,837.80
J/E NO. 02-020	CASH RECEIPTS	2/29/84	.00	\$ 2,400,000.00			
J/E NO. 02-301	PURCHASE SECURITIES	2/29/84	.00	\$ 2,139,000.00			
J/E NO. 02-311	SALE OF SECURITIES	2/29/84	4,551,128.96				
J/E NO. 02-400	PAYMENT-LETTER OF CR	2/29/84	.00	\$ 162,405.01			
	CURRENT MONTH ACTIVITY=		4,551,128.96	\$ 4,701,405.01		\$	150,276.05CR
	CURRENT BALANCE=					\$	12,561.75
J/E NO. 03-020	CASH RECEIPTS	3/31/84	.00	\$ 1,900,000.00			
J/E NO. 03-301	PURCHASE SECURITIES	3/31/84	.00	\$ 1,169,000.00			
J/E NO. 03-311	SALE OF SECURITIES	3/31/84	3,056,652.31				
	CURRENT MONTH ACTIVITY=		3,056,652.31	\$ 3,069,000.00		\$	12,347.69CR
	CURRENT BALANCE=					\$	214.06
J/E NO. 04-020	CASH RECEIPTS	4/30/84	.00	\$ 1,342,000.00			
J/E NO. 04-301	PURCHASE SECURITIES	4/30/84	.00	\$ 7,914,000.00			
J/E NO. 04-311	SALE OF SECURITIES	4/30/84	12,172,056.65				
J/E NO. 04-390	INTEREST RECEIVED	4/30/84	256,908.75				
	CURRENT MONTH ACTIVITY=		12,428,965.40	\$ 9,256,000.00		\$	3,172,965.40
	CURRENT BALANCE=					\$	3,173,179.46
J/E NO. 05-020	CASH RECEIPTS	5/31/84	.00	\$ 2,635,000.00			
J/E NO. 05-311	SALE OF SECURITIES	5/31/84	4,418,189.95				
J/E NO. 05-390	PAYMENT-LETTER OF CR	5/31/84	.00	\$ 158,586.39			
J/E NO. 05-400	PAYMENT OF INTEREST	5/31/84	.00	\$ 2,990,625.00			
	CURRENT MONTH ACTIVITY=		4,418,189.95	\$ 5,784,211.39		\$	1,366,021.44CR
	CURRENT BALANCE=					\$	1,807,158.02
J/E NO. 06-020	CASH RECEIPTS	6/30/84	.00	\$ 2,683,000.00			
J/E NO. 06-311	SALE OF SECURITIES	6/30/84	2,683,699.34				
J/E NO. 06-400	BOND INTEREST	6/30/84	.00	\$ 1,784,683.57			
	CURRENT MONTH ACTIVITY=		2,683,699.34	\$ 4,467,683.57		\$	1,783,984.23CR
	CURRENT BALANCE=					\$	23,173.79
J/E NO. 07-020	CASH RECEIPTS	7/31/84	.00	\$ 880,000.00			
J/E NO. 07-301	PURCHASE SECURITIES	7/31/84	.00	\$ 1,847,433.28			
J/E NO. 07-311	SALE OF SECURITIES	7/31/84	2,899,213.18				
	CURRENT MONTH ACTIVITY=		2,899,213.18	\$ 2,727,433.28		\$	171,779.90
	CURRENT BALANCE=					\$	194,953.69
J/E NO. 08-081	INTEREST INCOME	8/31/84	.00	\$ 170.04			
J/E NO. 08-301	PURCHASE SECURITIES	8/31/84	.00	\$ 1,874,221.13			
J/E NO. 08-311	SALE OF SECURITIES	8/31/84	1,844,985.17				
J/E NO. 08-390	PAYMENT-LETTER OF CR	8/31/84	.00	\$ 162,110.53			
	CURRENT MONTH ACTIVITY=		1,844,985.17	\$ 2,036,331.70		\$	191,346.53CR
	CURRENT BALANCE=					\$	3,607.16

B-132 X 64 10-5

128.320		TO 128.320				DATE...	12/31/84
						PAGE NO.	32
ACCOUNT NO.	ACCOUNT TITLE	DATE	DEBIT AMOUNT	CREDIT AMOUNT	BALANCE ACCOUNT		
J/E NO. 09-301	PURCHASE SECURITIES	9/30/84	.00	\$ 1,862,000.00			
J/E NO. 09-311	SALE OF SECURITIES	9/30/84	1,862,604.38				
	CURRENT MONTH ACTIVITY=		1,862,604.38	\$ 1,862,000.00		\$	604.38
	CURRENT BALANCE=					\$	4,211.54
J/E NO. 10-301	PURCHASE SECURITIES	10/31/84	.00	\$ 1,999,718.00			
J/E NO. 10-311	SALE OF SECURITIES	10/31/84	4,742,804.95				
J/E NO. 10-710	INTEREST RECEIVED	10/31/84	123,821.25				
	CURRENT MONTH ACTIVITY=		4,866,626.20	\$ 1,999,718.00		\$	2,866,908.20
	CURRENT BALANCE=					\$	2,871,119.74
	VOUCHER DISTRIB. GF	11/30/84	273.80				
J/E NO. 11-311	SALE OF SECURITIES	11/30/84	282,928.63				
J/E NO. 11-390	PAYMENT-LETTER OF CR	11/30/84	.00	\$ 162,110.53			
J/E NO. 11-400	PAYMENT OF INTEREST	11/30/84	.00	\$ 2,990,625.00			
	CURRENT MONTH ACTIVITY=		283,202.43	\$ 3,152,735.53		\$	2,869,535.10CR
	CURRENT BALANCE=					\$	1,586.64
J/E NO. 12-311	SALE OF SECURITIES	12/31/84	1,901,604.33				
J/E NO. 12-400	BOND INTEREST PAID	12/31/84	.00	\$ 1,902,324.58			
J/E NO. 12-400	BOND INTEREST PAID	12/31/84	.00	\$.00			
	CURRENT MONTH ACTIVITY=		1,901,604.33	\$ 1,902,324.58		\$	170,720.25
	CURRENT BALANCE=					\$	666.59

Case No. 2012-00492

Attachment for Response to 1702508

Witness: Billie J. Richert

Page 109 of 156

Billie Richert

From: Ralph Ashworth
Content: Wednesday, October 31, 2012 7:06 PM
To: Mark Glotfelty (mark.glotfelty@gs.com)
Cc: Billie Richert; Jim Miller; Susan Gottlieb (fgottlieb@orrick.com); Susan Smith
Subject: 1983 Series PC Bonds - Refinancing -- Final email
Attachments: Schedule Prepared from Mayer, Brown & Platt Letter.xlsx; The Facilities-Contracts and Values without overheads.xlsx; Mayer Brown & Platt Letter with EXHIBIT A.pdf

Mark,

Attached are schedules prepared by information contained in the Mayer, Brown & Platt Letter and from Contract estimates (without overhead spreads).

Ralph Ashworth

LETTER FROM MAYER, BROWN & PLATT
 DATED: JUNE 30, 1983

SERIES 82 BONDS \$82,500,000
 SERIES 83 BONDS \$58,800,000

	Net		
	Construction	1982 Bonds	1983 Bonds
Electrostatic Precipitator System	12,221,609	8,026,744	4,194,865
Sulphur Dioxide Removal Facility	75,740,864	43,141,234	32,599,630
Solid Waste Treatment Facility	25,324,382	15,929,767	9,394,615
Flyash Collection Facility	5,415,622	-	5,415,622
Solid Waste Railroad System	3,143,026	-	3,143,026
Cooling Tower Facility	11,372,231	-	11,372,231
Waste Water Treatment Facility	2,609,549	80,468	2,529,081
Coal Pile Run-Off Pond	1,397,488	1,131,590	265,898
Waste Water & Waste Impoundment Ponds	663,273	276,611	386,662
Sanitary Waste System	286,659	100,586	186,073
Run-Off Retention Ponds	397,266	-	397,266
TOTAL	138,571,969	68,687,000	69,884,969

TOTAL W/O COOLING TOWER FACILITY 58,512,738

Mechanical Dust Collectors 2,500,000 - -

THE FACILITIES (Exhibit A — Mayer, Brown & Platt Letter):

	<u>Contract Amounts</u> <u>(Excludes Overheads)</u>	<u>Total</u>
GENERATING UNIT 1 FACILITIES:		
1. Electrostatic Precipitator System		
Contract 630-G.E. Environmental-Precipitator	17,585,136.39	
Contract 656-Dick Enterprises-Final Site Improvement (Final Site Work, Precipitator Area)	443,347.00	
Contract 657-Gust Newberg-Plant Area Foundations (Concrete Equip Fdns for Precipitator)	458,373.00	
Contract 697-Cherne Contracting Co.-Superstructures (Precipitator Enclosure-Fdn)	233,089.00	
(Precipitator Enclosure-Protective Equip Siding)	122,603.00	
Contract 699-Whitehouse-Finish Painting (Precipitator Painting)	65,415.00	18,907,963.39
2. Sulphur Dioxide Removal Facility		
Contract 602-Pullman Kellogg-Scrubber	49,053,152.00	
Contract 697-Cherne Contracting Co.-Superstructures (FGD Concrete Equip Fdns)	223,858.00	
(FGD HVAC System for FGD Control Room)	197,754.00	
(FGD Control Room & Instrumentation Fixtures and Wiring)	366,341.00	
(FGD Control Room Roof and Plumbing)	75,690.00	
Contract 699-Whitehouse-Finish Painting (Painting-FGD Tanks & Control Bldg)	188,593.00	
Contract 731-George Eady-FGD Control Bldg & Fdns	184,332.00	50,289,720.00
3. Solid Waste Railroad System		
Contract 668-Atlas Railroad Co.-Railroad Track \$ 2,415,998.56 - 25% Solid Waste Railroad	603,999.64	
Contract 711-Atlas Railroad Co.-Railroad Track-Phase 2-includes Coal \$ 2,319,923.00 - 25% Solid Waste Railroad	579,980.75	
Contract 734-Portec-Side Dump Railroad Cars	914,507.00	2,098,487.39
4. Flyash Collection Facility		
Contract 636-Allen Sherman Hoff-Flyash Hdly System	1,797,278.46	
Contract 664-Pullman Power Products-Fly Ash & Lime Silos	4,693,240.00	6,490,518.46
5. Run-off Retention Ponds		
	None	0.00
6. Cooling Tower Facility		
Contract 610-Research Cottrell-Cooling Tower	7,163,858.96	
Contract 632-J.M. Chemical-Cooling Tower Chlorination	153,878.00	
Contract 656-Dick Enterprises-Final Site Improvement (Final Site Work, Cooling Tower Area)	244,121.00	
Contract 657-Gust Newberg-Plant Area Foundations (Cooling Tower Structural Steel Fdns)	3,655,625.00	
Contract 660-Dick Enterprises-Yard Area Fdns 2 (Fdns for Cooling Tower Concrete Placement)	15,250.00	
Contract 698-Erection Leasing-Yard Area Building (Cooling Tower Electrical Bldg Structure, Roof, HVAC)	246,512.00	11,479,244.96
COMMON FACILITIES:		
1. Waste Water Treatment Facility		
Contract 631-Liquitec-Pretreatment Waste Water System	1,951,003.40	
Contract 656-Dick Enterprises-Final Site Improvement (Final Site Work, Water Treatment Area)	780,746.00	
Contract 693-Courter & Co-Yard Mechanical Facilities (Piping-Boiler Waste Water)	1,079,849.00	3,811,598.40

THE FACILITIES (Exhibit A — Mayer, Brown & Platt Letter):

	<u>Contract Amounts (Excludes Overheads)</u>	<u>Total</u>
2. Coal Pile Run-Off Pond	None	0.00
3. Waste Water Pond		
Contract 655-George Eady-Ash Hdlg System Waste Water Pond	1,259,149.00	
Contract 659-Dick Enterprises-Yard Area Fdns 1 (Waste Water Pond Settling Basin)	21,447.00	1,280,596.00
4. Waste Impoundment Pond	None	0.00
5. Solid Waste Treatment Facility		
Contract 637-IU Conversion System-Solid Waste Treatment	19,092,679.48	
Contract 656-Dick Enterprises-Final Site Improvement (Final Site Work, Solid Waste Area)	590,162.00	
Contract 657-Gust Newberg-Plant Area Foundations (Concrete Equip Fdns for Solid Waste Hdlg System)	936,663.00	
Contract 659-Dick Enterprises-Yard Area Fdns 1 (Steel Equip Supports for Solid Waste Treatment)	21,405.00	
Contract 697-Cherne Contracting Co.-Superstructures (Solid Waste Hdlg Bldg, Concrete Supports, Roof)	238,848.00	
Contract 724-Gust Newberg-Stacker/Reclaimer Foundations (Fdn for Floor Crane for Solid Waste Hdlg)	56,791.00	
Contract 733-Koester Contracting-Solid Waste Hdlg Fdns for Bldg	1,525,100.00	22,461,648.48
6. Solid Waste Landfill Area	None	0.00
7. Sanitary Waste System		
Contract 665-Clow Corporation-Sewage Treatment Plant	150,297.00	
Contract 659-Dick Enterprises-Yard Area Fdns 1 (Water Treatment Piping System)	252,526.00	
Contract 693-Courter & Co-Yard Mechanical Facilities (Gen Plant Site-Storm & Sanitary Sewer System)	1,100,544.00	
Contract 693-Courter & Co-Yard Mechanical Facilities (Gen Plant Site-Service Water & Steam Piping)	2,302,580.00	3,805,947.00
TOTAL	<u>120,625,724.08</u>	<u>120,625,724.08</u>

Big Rivers Electric Corporation
P.O. Box 24
Henderson, Kentucky 42420

June 30, 1983

Mayer, Brown & Platt
231 South LaSalle
Chicago, Illinois 60604

Gentlemen:

Attached hereto as Exhibit A is a list of certain air and water pollution control facilities, sewage and solid waste disposal facilities and certain other facilities (collectively, the "Facilities") which have been, or will be, constructed, acquired and installed at Generating Unit 1 ("Generating Unit 1") of the D.B. Wilson Station (the "Station"), a coal-fired steam electric power generating plant located within the boundaries of Ohio County, Kentucky (the "County"). The facilities listed under Item II in Exhibit A include facilities which will be used in common with Generating Unit 2 ("Generating Unit 2"), which is intended to be constructed as part of the Station. The Station, including the Facilities, is owned by Big Rivers Electric Corporation ("Big Rivers"). A portion of the cost of the Facilities has been financed by proceeds of the County's \$82,500,000 aggregate principal amount Pollution Control Interim Revenue Bonds, Series 1982 (Big Rivers Electric Corporation Project)(the "1982 Series Bonds") and by investment income on proceeds of the 1982 Series Bonds. Capitalized terms used herein, except to the extent specifically defined herein, are used as defined in the Financing and Loan Agreement, dated as of June 1, 1983, entered into by the County and Big Rivers in connection with the issuance of \$58,800,000 aggregate principal amount of the County's Pollution Control Floating Rate Demand Bonds, Series 1983 (Big Rivers Electric Corporation Project)(the "Bonds").

For purposes of this letter, the term "Net Cost of Construction" shall mean that portion of the Cost of Construction which is chargeable to the Facilities' capital account for Federal income tax purposes or would be so chargeable either with a proper election or but for a proper election to deduct such amounts but computed without regard to: (a) Administration Expenses, legal, accounting, financial, advertising, recording and printing expenses and all other expenses incurred in connection with the issuance

of any debt obligations of the County; and (b) interest on debt obligations of the County used to finance the facilities which would be eligible for capitalization pursuant to the election available under Section 266 of the Internal Revenue Code of 1954, as amended (the "Code"), and the Treasury Regulations promulgated thereunder. In addition, the Net Cost of Construction of the Facilities in Exhibit A hereto shall not include any costs paid or incurred prior to September 9, 1980 or attributable to construction or fabrication occurring prior to September 9, 1980.

The Electrostatic Precipitator System listed as Item I.1 in Exhibit A hereto is designed to remove flyash from the stack gases emitted from the boilers of Generating Unit 1. The recovered flyash will be disposed of by the Solid Waste Treatment Facility listed as Item II.5 in Exhibit A hereto. The Electrostatic Precipitator System will consist of two rigid electrode type precipitators, each of which will treat 50 percent of the flue gas stream. The flyash is collected on a series of electrodes in the precipitators and then removed to fall into hoppers by electromagnetic rappers. The cleaned flue gas flows to a common outlet plenum and then to the induced draft fans. The flyash is removed from the precipitators by the Flyash Collection Facility to the Solid Waste Treatment Facility. The ductwork connecting the air heaters of the boiler to the inlet manifold of the Electrostatic Precipitator System and connecting the outlet manifold of the Electrostatic Precipitator System to the induced draft fans is not included as part of the facility. However, transitional ducting which constitutes an integral part of the Electrostatic Precipitator System is included as a component of the facility.

The Net Cost of Construction of the Electrostatic Precipitator System listed as Item I.1 in Exhibit A hereto is estimated to be \$12,221,609. \$8,026,744 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$4,194,865 of said Net Cost of Construction has not been so financed. It is estimated that such facility will have an economic useful life of 30 years and will have no net salvage value at the end of such 30 year period. The annual expenses of operation and maintenance of such facility for each year of its useful life, based on current cost and price levels, are estimated to be \$187,364. The investment and energy tax credits claimed with respect to such facility will not exceed 10 percent of the Net Cost of Construction of such Facility.

In the absence of pollution control requirements, Big Rivers would install less efficient mechanical dust collectors instead of the Electrostatic Precipitator System in order to protect the induced draft fans from erosion caused by particulates contained in the flue gases. The greater efficiency of the Electrostatic Precipitator System will not reduce the maintenance costs of the induced draft fans from what such costs would have been if mechanical dust collectors had been installed and the estimated useful life of the induced draft fans will not be increased. It is estimated that the Net Cost of Construction of such mechanical dust collectors would be \$2,500,000. It is estimated that such mechanical dust collectors would have an economic useful life of 30 years and would have no net salvage value at the end of such 30 year period. The annual expenses of operation and maintenance of such mechanical dust collectors for each year of their useful lives are, based on current cost and price levels, estimated to be \$124,758. The investment and energy tax credits claimed with respect to such mechanical dust collectors would not exceed 10 percent of the net cost of construction of such mechanical dust collectors.

The Sulphur Dioxide Removal Facility listed as Item I.2 in Exhibit A hereto is designed to remove sulphur dioxide from the flue gases emitted from the boiler of Generating Unit 1. Such facilities are known as "wet spray type" systems and consist of sulphur dioxide spray absorbers, lime and limestone receiving, storage, conveying and handling facilities, lime and limestone slurry preparation and transport facilities, sludge dewatering facilities, flue gas reheat facilities, other associated appurtenances, support steel, piping, wiring, and controls.

The lime and limestone receiving, storage, conveying and handling facilities described as part of Item I.2 in Exhibit A hereto include a stationary clamshell bucket type barge unloader, complete conveyor system, silos, dust collection systems, control systems, and associated appurtenances. The limestone and pebble lime are brought to the unloading facility by barge. They are removed via the clamshell bucket unloader and transported to separate storage silos on the conveyors. The storage silos each have a capacity of 12,000 tons of reagent. The respective reagents are stored in these silos until required by the slurry preparation systems.

The slurry preparation facilities include ball mills for limestone slurry preparation, slakers for lime slurry Preparation, pumps and holding tanks. The slurry produced

in the ball mills and slakers is stored in hold tanks prior to being pumped to the sulphur dioxide absorber.

The sludge dewatering system includes thickeners, pumps, spray piping and associated appurtenances. The limestone/lime slurry is recirculated and sprayed in a horizontal vessel to absorb the sulphur dioxide. A bleed stream is continuously diverted to the sludge dewatering system and makeup is continuously introduced from the slurry preparation and transfer system in order to maintain system chemistry. From the spray absorbers, the cleaned flue gas is ducted to the plant stack. The ductwork connecting the induced draft fans to the inlet of the Sulphur Dioxide Removal Facility and connecting the outlet of the Sulphur Dioxide Removal Facility to the plant stack is not included as part of the facility. However, transitional ducting which constitutes an integral part of the Sulphur Dioxide Removal Facility is included as a component of the facility.

The Net Cost of Construction of the Sulphur Dioxide Removal Facility listed as Item I.2 in Exhibit A hereto is estimated to be \$75,740,864. \$43,141,234 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$32,599,630 of said Net Cost of Construction has not been so financed. Were it not for pollution control requirements, Big Rivers would not install such a facility, or any component thereof, for any other purpose and Big Rivers will derive no economic benefit from the installation of such a facility.

The Solid Waste Treatment Facility listed in Item II.5 in Exhibit A hereto is designed to concentrate and process waste slurry from the sludge dewatering systems of the Generating Unit I and 2 sulphur dioxide removal facilities by addition of flyash and lime to produce a suitable landfill material. The facility consists of a sludge receiving system, mechanical dewatering system, flyash feed system, fixation additive system, ash sludge mixing system, conveyor system and associated appurtenances.

The sludge receiving system receives and stores the discharge material from the Sulphur Dioxide Removal Facility. The facility includes surge tanks, filter feed pumps and associated piping valves and controls.

The mechanical dewatering system further dewateres the sludge received from the Sulphur Dioxide Removal Facility. The facility consists of vacuum filters, vacuum pumps, pumps, piping, valves and controls.

The fixation additive system stores and transports lime to the ash-sludge mixing system. The facility consists of the storage silos and additive feed conveyors.

The ash-sludge mixing system mixes the dewatered sludge, flyash, and fixation agent (lime) to form a suitable landfill material. The facility consists of mixers, feeders, and conveyors.

The conveyor system transports the mixed material to the Solid Waste Railroad System or the emergency solid waste stockpile area.

The Solid Waste Treatment Facility, with the exception of the outdoor storage tanks and silos and associated equipment, is located in the solid waste treatment building. This building is included as part of this facility as its sole function is to house the components and control room of the solid waste treatment system.

The Net Cost of Construction of the Solid Waste Treatment Facility listed as Item II.5 in Exhibit A hereto is estimated to be \$25,324,382. \$15,929,767 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$9,394,615 of said Net Cost of Construction has not been so financed. Were it not for pollution control requirements, Big Rivers would not install such a facility, or any component thereof, for any other purpose and Big Rivers will derive no benefit from the installation of such a facility.

The Flyash Collection Facility listed as Item I.4 in Exhibit A hereto is designed to remove the flyash collected by the Electrostatic Precipitator System and transport it through piping to silos where it is stored prior to disposal through the Solid Waste Treatment Facility. The precipitator flyash system is of the "pressure" type consisting of motive air blowers, silo aeration air blowers, air locks, piping, valves and controls. The piping and valves include the silo return vent system which transports vented air and entrained ash from the flyash silos to the inlet duct of the electrostatic precipitator. The flyash feed system stores and transfers flyash from the flyash silos to the ash-sludge mixing system. The facility consists of silos, rotary feeders and conveyors.

The Net Cost of Construction of the Flyash Collection Facility listed as Item I.4 in Exhibit A hereto is estimated to be \$5,415,622. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The Solid Waste Railroad System listed as Item I.3 in Exhibit A hereto is designed to load the processed solid waste material from the Solid Waste Treatment Facility and ash from the bottom ash handling facility and transport such material to the Solid Waste Landfill Area. The Solid Waste Railroad System consists of a locomotive, side dump rail cars, rail car positioner, track, landfill area material handling equipment, and associated appurtenances.

The locomotive will be a diesel electric unit with 1100 horsepower of available power.

Side dump rail cars will be designed to dump either side and will handle 50 cubic yards of solid waste material each. Eleven cars will be purchased to support the operations of Generating Unit 1.

The car positioner is designed to provide for indexing of rail cars under the Solid Waste Treatment Facility conveyor discharge chute. The car positioner will be of the cable type.

The landfill area material handling equipment is required to distribute and compact the dumped landfill material to achieve acceptable landfill grades and material density. The equipment will consist of land moving and compaction equipment to support the landfill operation for Generating Unit I.

The Net Cost of Construction of the Solid Waste Railroad System listed as Item I.3 in Exhibit A hereto is estimated to be \$3,143,026. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The Cooling Tower Facility listed as Item I.6 in Exhibit A hereto is designed to dissipate to the atmosphere the turbine cycle waste heat of Generating Unit 1. Such facilities are known as counterflow multicell induced draft type cooling towers and consist of fans, fill, structural supports, piping, wiring and controls. Were it not for pollution control requirements, Big Rivers would install an open loop cooling water system and discharge heated water directly to the Green River. The net cost of construction of the Cooling Tower Facility listed as Item I.6 in Exhibit A hereto is estimated to be \$11,372,231. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The Waste Water Treatment Facility listed as Item II.1 in Exhibit A hereto is designed to provide treatment, processing and final disposal of waste water from the Coal Pile Run-Off Pond, Waste Water Pond and Waste Impoundment Pond. The facility consists of a pH trim tank, waste water clarifier, pumps, piping, monitoring and control equipment and associated appurtenances. Big Rivers would not construct such facility or any comparable facility in the absence of pollution control requirements and Big Rivers will derive no economic benefit as a result of the installation of such facility. The Net Cost of Construction of such facility is estimated to be \$2,609,549. \$80,468 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$2,529,081 of said Net Cost of Construction has not been so financed.

The Coal Pile Run-Off Pond listed as Item II.2 in Exhibit A hereto is designed to collect acidic water run-off from the station's coal storage area and dispose of it through the Waste Water Treatment Facility. The facility includes a pond and earthwork diking, floating pump structure with pumps and controls, and piping between these pumps and the Waste Water Pond. Water accumulated in the Coal Pile Run-off Pond is pumped to the Waste Water Pond for eventual processing by the Waste Water Treatment Facility. Were it not for pollution control requirements, Big Rivers would not have constructed such facility and Big Rivers will derive no economic benefit from the installation of such facility. The Net Cost of Construction of such facility is estimated to be \$1,397,488. \$1,131,590 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$265,898 of said Net Cost of Construction has not been so financed.

The Waste Water Pond and Waste Impoundment Pond listed as Items II.3 and II.4 in Exhibit A hereto are designed to collect a wide variety of liquid plant discharges for eventual discharge to the Green River through the Waste Water Treatment Facility. Each facility includes a pond and earthwork diking, floating pump structure with pumps and controls, and piping between these pumps and the waste water treatment facilities. Were it not for pollution control requirements, Big Rivers would discharge such liquid wastes to a local river or system without treatment. The Net Cost of Construction of such facilities is estimated to be \$663,273. \$276,611 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$386,662 of said Net Cost of Construction has not been so financed.

The Sanitary Waste System listed as Item II.7 in Exhibit A hereto is designed to provide for the collection, storage, treatment, processing and final disposal of sanitary wastes from the Station. The facility consists of a packaged aeration plant. The Net Cost of Construction of such facility is estimated to be \$286,659. \$100,586 of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon, and \$186,073 of said Net Cost of Construction has not been so financed.

The Run-off Retention Ponds listed as Item I.5 in Exhibit A hereto are provided for the settling of suspended solids contained in rain water run-off prior to the discharge of the run-off through the normal drainage system. Big Rivers would not have constructed such facility in the absence of pollution control requirements. The Net Cost of Construction of such facilities is estimated to be \$397,266. None of said Net Cost of Construction has been financed by proceeds of the 1982 Series Bonds or investment income thereon.

The term of the Bonds is 30 years. The estimated taxable borrowing rate for capital construction for Big Rivers using obligations having a 30-year maturity is within 90 days preceding the date hereof 10.819%, which rate is the rate charged at such time by the Federal Financing Bank.

Each of the Facilities listed as Items I.1, I.2, I.3, I.4, I.5, I.6, II.1, II.2, II.3, II.4, II.5, and II.6 in Exhibit A hereto (the "Pollution Control Facilities"): (1) is a unit which is discrete and which is used in whole or in part to abate or control water or atmospheric pollution or contamination by removing, altering, disposing or storing pollutants, contaminants or wastes (hereinafter individually and collectively referred to as "pollutants") and which cannot be further reduced in size without losing one or more of such characteristics; (2) is not property that avoids the creation of pollutants; (3) is not property which is used solely for the processing and manufacturing of material after such material is no longer a pollutant; and (4) does not treat or process a material in such a manner as to prevent the discharge or release of pollutants when such material is subsequently used. As used herein, the term "pollutant" does not include any material unless such material is in a state or form such that its discharge or release would result in pollution.

All of the property comprising the Facilities is (a) land or an improvement to land, or tangible personal

property subject to exhaustion, wear and tear or obsolescence and (b) has a useful life in the hands of Big Rivers of more than one year. In addition, all of the property comprising the Pollution Control Facilities and the Facility listed as Item II.7 is either (a) to be used, in whole or in part, to abate or control water or atmospheric pollution or contamination by removing, altering, disposing or storing pollutants or for the collection, storage, treatment, utilization, processing or final disposal of sewage or solid waste or (b) is property that is (i) functionally related and subordinate to one or more items of property described in clause (a) of this sentence, and (ii) of a character and size commensurate with the character and size of the property to which such property is functionally related and subordinate.

Each of the Pollution Control Facilities: (a) is designed to control, and will serve the function of controlling, pollution resulting from substances that, but for the installation of such Facility, would be released or discharged in the normal course of operations at the Station; and (b) is of a size and capacity not in excess of the size or capacity required to control the amount of such discharge or release that occurs in the normal course of operations at the Station.

None of the Pollution Control Facilities would be installed by Big Rivers for the purpose of avoiding the creation of a risk of harm to the Station's employees as a result of the release of substances, the release or discharge of which is controlled by such Facilities.

None of the Pollution Control Facilities controls materials that traditionally have been controlled because their release would constitute a nuisance under the laws of the State of Kentucky.

The release or discharge of any substance, the release or discharge of which is controlled by the Pollution Control Facilities, would not cause an immediate risk of substantial damage or injury to property or persons.

Except as noted in this letter, Big Rivers has not installed any item of equipment comparable to the Pollution Control Facilities, or designed to serve a function comparable to the function served by any such Facility, at the Station or plants comparable to the Station, as a customary practice for reasons other than compliance with Federal, State or local pollution control laws, regulations or rulings.

The Commonwealth of Kentucky, Department of Natural Resources and Environmental Protection, has certified that the Facilities as designed, are in furtherance of the purpose of abating or controlling water or atmospheric pollution or contamination.

Except as herein described, the acquisition, construction and installation of all or any portion of the Pollution Control Facilities will not result in: (1) any increase in production or capacity; (2) any material extension of the economic useful life of any manufacturing or production facility or any part thereof; (3) any decrease in the cost of operation or maintenance of any manufacturing or production facility, or any other costs related thereto; or (4) the realization of any other economic benefit as a result of the installation of the Pollution Control Facilities, in each case without taking into account any costs incurred in connection with or as a result of the installation or operation of the Pollution Control Facilities.

All of the flyash collected, stored, treated, utilized, processed or disposed of by the Electrostatic Precipitator System, the Flyash Collection Facility and the Solid Waste Treatment Facility listed as Items I.1, I.3, I.4, and II.5, in Exhibit A hereto is property which will not be marketed and will be mixed with sludge from the Sulfur Dioxide Removal Facility to produce a suitable landfill material.

None of the Facilities have yet been operated at substantially the level for which they were designed. It is estimated that Generating Unit 1 will first be synchronized with the power grid no earlier than May 1, 1984 and that construction work on all of the Facilities listed as Items I and II in Exhibit A hereto will be substantially completed as of such date.

The Facilities have been, or will be, constructed according to the specifications of Big Rivers. With the exception of items I.1, I.2 and II.5 listed in Exhibit A hereto, no physical work on the manufacture or fabrication of the Facilities listed in Exhibit A hereto or any component thereof, had commenced on or prior to September 9, 1980 and no equipment to be included as a component of such Facilities had been ordered, acquired or delivered to the Station site prior thereto. No other physical work at the Station site for the purpose of constructing, installing or equipping such Facilities had been commenced on or prior to such date. The County on such date, in order to induce Big Rivers to proceed with the acquisition and construction of

pollution control facilities and sewage and solid waste disposal facilities at the Station, including such Facilities, adopted a resolution in which it agreed to issue revenue bonds to finance the acquisition and construction of such facilities.

A description of the Facilities contained in this letter and Exhibit A hereto is based upon information supplied by H. Bartoli of Burns and Roe, Inc., the firm of engineers responsible for the design, construction and acquisition of the Facilities. The statements contained herein and in Exhibit A hereto fully and accurately represent the facts as known to Big Rivers and are, in its opinion, true and no information available to Big Rivers has been omitted herefrom or from Exhibit A hereto, the omission of which would tend to render misleading any of the statements contained herein or in Exhibit A hereto in the circumstances in which they are made.

Very truly yours,

BIG RIVERS ELECTRIC CORPORATION

By:

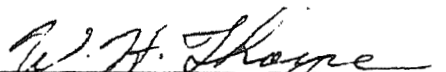

William H. Therpe
General Manager

EXHIBIT A
THE FACILITIES

The following are the air and water pollution control facilities, sewage and solid waste disposal facilities and other facilities to be installed at or in connection with the Station:

I. GENERATING UNIT 1 FACILITIES

1. Electrostatic Precipitator System - designed to remove flyash from the flue gases emitted from Generating Unit 1's boiler. Such facilities consist of two precipitators and transitional ducting.

2. Sulphur Dioxide Removal Facility - consists of a "wet spray type scrubber" system to remove sulphur from the flue gases emitted from Generating Unit 1's boiler. Such facilities consist of sulphur dioxide spray absorbers, lime and limestone receiving, storage, conveying and handling facilities, flue gas reheat facilities, and transitional ducting.

3. Solid Waste Railroad System - designed to load the processed solid material from the solid waste treatment facilities and the bottom ash handling facilities into side dump rail cars and transport same to the Solid Waste Landfill Area. Such facilities consist of a locomotive, side dump cars, car positioning system, track, landfill area material handling equipment, and associated appurtenances.

4. Flyash Collection Facility - designed to transport ash collected by the electrostatic precipitator and consists of blowers, air locks and an ash transport and silo vent piping system.

5. Run-off Retention Ponds - designed to provide settling of rain water suspended solids prior to discharge through normal drainage system.

6. Cooling Tower Facility - designed to dissipate waste thermal energy to the atmosphere and consists of fans, fill, supports, piping, wiring and controls.

II. COMMON FACILITIES

(Those facilities designed and constructed to support both Generating Unit 1 and the eventual installation of Generating Unit 2).

1. Waste Water Treatment Facility - consists of pH trim tank and clarifier to treat and process liquids from the following Items 2, 3 and 4.

2. Coal Pile Run-Off Pond - designed to collect acidic water run-off from the station's coal storage area. The facility includes a pond and pumping equipment.

3. Waste Water Pond - designed to collect various Station waste streams. The facility includes a pond and pumping equipment.

4. Waste Impoundment Pond - designed to collect highly contaminated liquid wastes. The facility includes a pond and pumping equipment.

5. Solid Waste Treatment Facility - designed to concentrate and process waste slurry from the dewatering system of the Sulphur Dioxide Removal Facility by addition of flyash and lime to produce a suitable landfill material.

6. Solid Waste Landfill Area - land required for placement of all plant solid wastes.

7. Sanitary Waste System - designed to process station sanitary wastes.

Billie Richert

From: Billie Richert
Content: Tuesday, November 06, 2012 3:22 PM
To: Glotfelty, Mark
Subject: Becon's Visit to Wilson

Mark,
What do we need to do to schedule the visit?

Thanks,
Billie

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
ent: Wednesday, November 07, 2012 10:26 AM
o: Billie Richert
Subject: Re: Becon's Visit to Wilson

I will have Russ contact you when he is ready to set up the visit.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Tuesday, November 06, 2012 04:49 PM
To: Glotfelty, Mark [IBD]
Subject: Becon's Visit to Wilson

Mark,
What do we need to do to schedule the visit?

Thanks,
Billie

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Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
ent: Wednesday, November 07, 2012 10:50 AM
o: Billie Richert
Subject: Re: Becon's Visit to Wilson

I called Russ and asked that he contact you directly to set the date. He is out of the office today. I would think you will here from him in the next day or so.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Wednesday, November 07, 2012 11:41 AM
To: Glotfelty, Mark [IBD]
Subject: RE: Becon's Visit to Wilson

Mark,
I'm being asked the date for this visit. Can we determine the date?

Thanks,
Billie

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Wednesday, November 07, 2012 10:26 AM
To: Billie Richert
Subject: Re: Becon's Visit to Wilson

I will have Russ contact you when he is ready to set up the visit.

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Tuesday, November 06, 2012 04:49 PM
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Subject: Becon's Visit to Wilson

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Thanks,
Billie

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Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Sent: Monday, November 12, 2012 4:49 PM
To: Billie Richert
Subject: RE: Tax Exempt Refunding Bonds

Billie –

Hope all is well. I am checking in to see if you filed the rate case last week. I have not seen a confirming e-mail.

Thanks,

Mark

From: Billie Richert [mailto:Billie.Richert@bigrivers.com]
Sent: Friday, November 09, 2012 5:11 PM
To: Russ (Becon Corp)
Cc: 'Joseph Malek'; 'Alison (Becon Corp)'; Glotfelty, Mark [IBD]; Ralph Ashworth
Subject: RE: Tax Exempt Refunding Bonds

Excellent. Thanks.

From: Russ (Becon Corp) [mailto:rbm@beconcorp.com]
Sent: Friday, November 09, 2012 4:10 PM
To: Billie Richert
Cc: 'Joseph Malek'; 'Alison (Becon Corp)'; 'Glotfelty, Mark'
Subject: Tax Exempt Refunding Bonds

Billie,

Thanks for your message re scheduling our due diligence site inspection for the Wilson Station tax exempt refunding. We expect to have our draft report available next week (Nov 12-16) and would like to schedule the site visit after the report is distributed. We will check back with you to determine availability of your working group member(s) to accompany me on the site inspection which typically is completed in a single day. Our plan is to schedule the site inspection to complete the process as soon as possible so all is final before end of November. Does that schedule look OK with you?

Regards,
Russ

Billie Richert

From: Billie Richert
nt: Monday, November 12, 2012 5:08 PM
o: 'Glottfelty, Mark'
Subject: RE: Tax Exempt Refunding Bonds

Mark,
Filing PCB refunding application on Wednesday. Signed papers today.

Billie

From: Glottfelty, Mark [mailto:mark.glottfelty@gs.com]
Sent: Monday, November 12, 2012 4:49 PM
To: Billie Richert
Subject: RE: Tax Exempt Refunding Bonds

Billie –

Hope all is well. I am checking in to see if you filed the rate case last week. I have not seen a confirming e-mail.

Thanks,

Mark

From: Billie Richert [mailto:Billie.Richert@bigdrivers.com]
Sent: Friday, November 09, 2012 5:11 PM
To: Russ (Becon Corp)
Cc: 'Joseph Malek'; 'Alison (Becon Corp)'; Glottfelty, Mark [IBD]; Ralph Ashworth
Subject: RE: Tax Exempt Refunding Bonds

Excellent. Thanks.

From: Russ (Becon Corp) [mailto:rbm@beconcorp.com]
Sent: Friday, November 09, 2012 4:10 PM
To: Billie Richert
Cc: 'Joseph Malek'; 'Alison (Becon Corp)'; 'Glottfelty, Mark'
Subject: Tax Exempt Refunding Bonds

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Regards,
Russ

Billie Richert

From: Billie Richert
nt: Tuesday, November 20, 2012 3:54 PM
o: 'Glotfelty, Mark'
Subject: 2012 Audited Financial Statements - Issuance and Board Approval

Mark,

To follow-up I've confirmed that our audited financial statements for 2012 will be issued during March 2013 and approved by the Board the same month.

Also, Rus called me.

Billie

Billie Richert

From: Billie Richert
Sent: Wednesday, November 21, 2012 2:01 PM
To: 'Glotfelty, Mark'
Subject: FW: PCB Refinancing Case

FYI

From: Jim Miller [mailto:jmiller@smsmlaw.com]
Sent: Wednesday, November 21, 2012 12:40 PM
To: Billie Richert; Albert Yockey; Ralph Ashworth
Subject: PCB Refinancing Case

FYI, the Commission has found that this application meets the minimum filing requirements, and has accepted it.

Jim

James M. Miller
Sullivan, Mountjoy, Stainback & Miller, P.S.C.
100 St. Ann Street
P.O. Box 727
Owensboro, KY 42302-0727
Telephone (270) 926-4000
Direct Dial (270) 691-1640
Fax (270) 683-6694

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Billie Richert

From: Billie Richert
nt: Monday, November 26, 2012 9:09 AM
o: 'Glotfelty, Mark'
Subject: RE: Phone call

Ok. I'll call you.

From: Glotfelty, Mark [mailto:mark.glotfelty@gs.com]
Sent: Monday, November 26, 2012 9:08 AM
To: Billie Richert
Subject: RE: Phone call

Yes. I have a call from 10:30 to 12:00. Other than that I am open. If you want to talk now I am available.

From: Billie Richert [mailto:Billie.Richert@bigdrivers.com]
Sent: Monday, November 26, 2012 10:06 AM
To: Glotfelty, Mark [IBD]
Subject: Phone call

Good morning, Mark. Hope you had a nice holiday. Are you available for a brief phone call today?

Thanks.

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Billie Richert

From: Ralph Ashworth
Sent: Monday, December 17, 2012 12:18 PM
To: Mark Glotfelty (mark.glotfelty@gs.com)
Cc: Billie Richert
Subject: \$58.8 million PC Bond Refunding

Mark,

Billie Richert and I would like to discuss with you the \$58.8 million PC Bond Refunding. What is your availability this week for a conference call?

Thanks,

Ralph A. Ashworth
Director of Finance
Office Direct: (270) 844-6131
Mobile: (270) 577-6815
Email: Ralph.Ashworth@bigrivers.com

Billie Richert

From: Glotfelty, Mark <mark.glotfelty@gs.com>
Sent: Monday, December 17, 2012 12:31 PM
To: Ralph Ashworth
Cc: Billie Richert
Subject: RE: \$58.8 million PC Bond Refunding

We are available today and tomorrow. Is there a time that works best for you?

From: Ralph Ashworth [mailto:Ralph.Ashworth@bigrivers.com]
Sent: Monday, December 17, 2012 1:18 PM
To: Glotfelty, Mark [IBD]
Cc: Billie Richert
Subject: \$58.8 million PC Bond Refunding

Mark,

Billie Richert and I would like to discuss with you the \$58.8 million PC Bond Refunding. What is your availability this week for a conference call?

Thanks,

Ralph A. Ashworth
Director of Finance
Office Direct: (270) 844-6131
Mobile: (270) 577-6815
Email: Ralph.Ashworth@bigrivers.com

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Billie Richert

From: Goldstein, Sandy Pae <sandy.goldstein@gs.com>
Sent: Tuesday, December 18, 2012 5:30 PM
To: Billie Richert; Ralph Ashworth
Cc: Glotfelty, Mark; Langan, Patrick
Subject: Data request
Attachments: 2012-12-18 Information Packet.pdf

Billie and Ralph,

As per yesterday's discussion, attached please find the requested market data on:

- cooperative USPP issuance 2012YTD,
- utility sector investment grade issuance 2012YTD,
- corporate related utility issuance 2012YTD, and
- current municipal AAA yields (MMD)

Please let us know if you'd like any other information, happy to be of help.

Best,
Sandy

Sandy Pae Goldstein

Vice President
Investment Banking Division
Goldman, Sachs & Co.
100 West Street New York NY 10282
Tel: 212-902-6575 | Fax: 646-769-7686
E-mail: sandy.goldstein@gs.com

**Summary of Cooperative Offerings in the Private Placement Market
2011 - 2012YTD**

Issuer	Date	NAIC	Moody's	S&P	Total Par (\$mm)	Tranche (\$mm)	Final Maturity	Avg. Life	Spread (bp)	Coupon
Basin Electric Power Cooperative	Oct-12	NAIC-1	A1	A	100	100	30	20	170	4.06
CoServ Electric	Aug-12	NAIC-1		AA-	550	550	28	15	166	3.75
Chugach Electric	Oct-11	NAIC-1	A3	A-	250	75	20	11	170	4.01
Chugach Electric	Oct-11	NAIC-1	A3	A-		125	30	16	210	4.41
Chugach Electric	Oct-11	NAIC-1	A3	A-		50	30	21	190	4.78
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+	350	250	20	13	182	4.00
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+		100	38	34	190	5.10
Hoosier Energy	Sep-11	NAIC-1	A3	A	240	190	29	26	200	4.86
Hoosier Energy	Sep-11	NAIC-1	A3	A		50	18	18	185	4.07
Golden Spread Electric	Jun-11	NAIC-1	A2	A-	430	30	5	5	120	2.79
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		250	20	12	140	3.99
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		150	30	19	145	5.65
Square Butte Electric Cooperative	Jun-11	NAIC-1	A3	A-	13	13	15.5	16	168	4.65
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-	57	28	20	12	130	4.42
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-		30	31	27	145	5.68
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-	200	120	30	26	85	5.62
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-		80	19	13	100	4.71
Old Dominion Electric	Jan-11	NAIC-1	A3	A	350	90	30	15	140	4.83
Old Dominion Electric	Jan-11	NAIC-1	A3	A		165	30	20	95	5.54
Old Dominion Electric	Jan-11	NAIC-1	A3	A		95	40	20	95	5.54
Total					\$ 2,440					

**"BBB" Rated Utility Issuance - US Investment Grade Market
2012 YTD**

2012YTD "BBB"-Rated Utility Issuance

Issuer Name	Date	Moody's	S&P	Tranche Size (\$mm)	Total Transaction Size (\$mm)	Maturity (years)	Coupon
Arizona Public Service Co	1/10/2012	Baa2	BBB	325	325	30.2	4.500%
Entergy Corp	1/10/2012	Baa3	BBB-	500	500	5.0	4.700%
Scana Corporation	1/18/2012	Baa3	BBB	250	250	10.0	4.125%
Southern California Edison Co	1/30/2012	Baa2	BBB-	100	350	--	6.250%
Southwestern Electric Power	1/31/2012	Baa3	BBB	275	275	10.0	3.550%
Progress Energy	3/5/2012	Baa2	BBB	450	450	10.1	3.150%
NextEra Energy Capital Holdings Inc.	3/20/2012	Baa2	BBB	400	400	60.0	5.700%
SCE Trust I	5/10/2012	Baa2	BBB-	475	475	--	5.625%
NextEra Energy Capital Holdings Inc.	5/16/2012	Baa1	BBB+	350	350	2.0	1.611%
Nisource Finance Corp	6/11/2012	Baa3	BBB-	250	750	10.7	3.850%
Nisource Finance Corp	6/11/2012	Baa3	BBB-	500	750	30.7	5.250%
PPL Capital Funding	6/11/2012	Baa3	BBB-	400	400	10.0	4.200%
NextEra Energy Capital Holdings Inc.	6/12/2012	Baa2	BBB	325	325	60.0	5.625%
Exelon Generation	6/13/2012	Baa1	BBB	275	775	10.0	4.250%
Exelon Generation	6/13/2012	Baa1	BBB	500	775	30.0	5.600%
Duke Energy Corp	8/13/2012	Baa2	BBB	700	1200	5.0	1.625%
Duke Energy Corp	8/13/2012	Baa2	BBB	500	1200	10.0	3.050%
Baltimore Gas & Electric	8/14/2012	Baa1	BBB+	250	250	10.0	2.800%
Agilent Technologies	9/10/2012	Baa2	BBB+	400	400	10.0	3.200%
Tuscon Electric Power Company	9/11/2012	Baa3	BBB-	150	150	10.5	3.850%
Sempra Energy	9/19/2012	Baa1	BBB+	500	500	10.0	2.875%
DTE Energy	9/25/2012	Baa3	BBB-	200	200	50.0	5.250%
PPL Capital Funding	10/10/2012	Baa3	BBB-	400	400	10.0	3.500%
Perusahaan Listrik Negara PT	10/16/2012	Baa3	BBB	1000	1000	30.0	5.350%
American Electric Power Co	11/28/2012	Baa2	BBB-	550	850	5.0	1.650%
American Electric Power Co	11/28/2012	Baa2	BBB-	300	850	10.0	2.950%
El Paso Electric Company	12/3/2012	Baa2	BBB	150	150	10.0	3.300%
American Water Capital Corp	12/12/2012	Baa2	BBB+	300	300	30.0	4.300%
Total				\$10,775			

**Corporate Related Municipal Issuance - Utility Sector
2012YTD**

Issuer	Date	ST	Par (\$MM)	Rating (Moody's/S&P/Fitch)	Tenor (years)	Coupon of Final Maturity
IDA of the Crnty of Apache (Tucson Electric Power Co)	03/20/12	AZ	\$ 177.00	Baa3/BBB-/BBB-	17.9	4.50%
NJEDA (UMM Energy Partners) - AMT	08/22/12	NJ	\$ 51.27	Baa3/NR/NR	30.8	5.125%
Beaver County IDA (First Energy Generation)	08/21/12	PA	\$ 28.53	Baa3/BBB-/NR	4.5	2.15%
City of Chula Vista (San Diego Gas & Electric) - 3y call	09/13/12	CA	\$ 161.24	Aa3/A+/AA-	5.8	1.65%
City of Chula Vista (San Diego Gas & Electric) - 5y call	09/13/12	CA	\$ 75.00	Aa3/A+/AA-	73.4	4.00%
Fort Bend County Ind Dev Corp (NRG Energy, Inc.)	10/11/12	TX	\$ 127.10	Baa3/NR/NR	30.1	4.75%
Mass Dev Fin Agency (Covanta Energy) - 5y call	11/15/12	MA	\$ 67.23	Ba2/BB-/BB+	30.0	4.875%
Mass Dev Fin Agency (Covanta Energy) - AMT - 5y call	11/15/12	MA	\$ 102.37	Ba2/BB-/BB+	15.0	5.25%
Niagara Area Dev Corp (Covanta Energy) - 5y call	11/15/12	NY	\$ 35.01	Ba2/BB-/BB+	12.0	4.00%
Niagara Area Dev Corp (Covanta Energy) - AMT - 5y call	11/15/12	NY	\$ 130.00	Ba2/BB-/BB+	30.0	5.25%
Total			\$ 954.74			

MMD Yields
As of December 17, 2012 close

Tenor (years)	Year	"AAA" MMD
1	2013	0.21%
2	2014	0.31%
3	2015	0.44%
4	2016	0.62%
5	2017	0.83%
6	2018	0.99%
7	2019	1.20%
8	2020	1.43%
9	2021	1.64%
10	2022	1.82%
11	2023	1.94%
12	2024	2.00%
13	2025	2.05%
14	2026	2.10%
15	2027	2.15%
16	2028	2.21%
17	2029	2.27%
18	2030	2.33%
19	2031	2.39%
20	2032	2.45%
21	2033	2.52%
22	2034	2.60%
23	2035	2.67%
24	2036	2.74%
25	2037	2.80%
26	2038	2.82%
27	2039	2.83%
28	2040	2.84%
29	2041	2.85%
30	2042	2.86%

Billie Richert

From: Goldstein, Sandy Pae <sandy.goldstein@gs.com>
Sent: Thursday, December 20, 2012 5:37 PM
To: 'jmillier@smsmlaw.com'
Cc: Billie Richert; Ralph Ashworth; Glotfelty, Mark; Langan, Patrick
Subject: Data request
Attachments: 2012-12-20 Information Packet.pdf

Hi Jim (cc'ing Billie and Ralph),

Attached please find market data on:

- cooperative USPP issuance 2012YTD;
- current municipal AAA yields (MMD);
- utility sector investment grade issuance 2012YTD;
- corporate related utility issuance 2012YTD;
- summary of electric utility first mortgage bond issuance 2010 to date; and
- summary of pollution control bond issuance 2010 to date

Each section of the packet has an attributable data source to accompany.

Best regards,
Sandy

Sandy Pae Goldstein

Vice President

Investment Banking Division

Goldman, Sachs & Co.

200 West Street New York NY 10282

Tel: 212-902-6575 | Fax: 646-769-7686

E-mail: sandy.goldstein@gs.com

**Summary of Cooperative Offerings in the Private Placement Market
2010 - 2012YTD**

Issuer	Date	NAIC	Moody's	S&P	Total Par (\$mm)	Tranche (\$mm)	Final Maturity	Avg. Life	Spread (bp)	Coupon
Basin Electric Power Cooperative	Oct-12	NAIC-1	A1	A	100	100	30	20	170	4.06
CoServ Electric	Aug-12	NAIC-1		AA-	550	550	28	15	166	3.75
Chugach Electric	Oct-11	NAIC-1	A3	A-	250	75	20	11	170	4.01
Chugach Electric	Oct-11	NAIC-1	A3	A-		125	30	16	210	4.41
Chugach Electric	Oct-11	NAIC-1	A3	A-		50	30	21	190	4.78
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+	350	250	20	13	182	4.00
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+		100	38	34	190	5.10
Hoosier Energy	Sep-11	NAIC-1	A3	A	240	190	29	26	200	4.86
Hoosier Energy	Sep-11	NAIC-1	A3	A		50	18	18	185	4.07
Golden Spread Electric	Jun-11	NAIC-1	A2	A-	430	30	5	5	120	2.79
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		250	20	12	140	3.99
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		150	30	19	145	5.65
Square Butte Electric Cooperative	Jun-11	NAIC-1	A3	A-	13	13	15.5	16	168	4.65
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-	57	28	20	12	130	4.42
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-		30	31	27	145	5.68
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-	200	120	30	26	85	5.62
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-		80	19	13	100	4.71
Old Dominion Electric	Jan-11	NAIC-1	A3	A	350	90	30	15	140	4.83
Old Dominion Electric	Jan-11	NAIC-1	A3	A		165	30	20	95	5.54
Old Dominion Electric	Jan-11	NAIC-1	A3	A		95	40	20	95	5.54
Chugach Electric	Nov-10	NAIC-1	A3	A-	275	185	30	16	180	4.75
Chugach Electric	Nov-10	NAIC-1	A3	A-		90	20	10	125	4.20
South Mississippi	Nov-10	NAIC-1	A3	A-	150	75	20	13	150	5.00
South Mississippi	Nov-10	NAIC-1	A3	A-		75	30	20	120	5.75
Southern Illinois Power Cooperative	May-10	NAIC-2		BBB	360	36	15	9	175	5.00
Southern Illinois Power Cooperative	May-10	NAIC-2		BBB		324	30	16	165	5.75
Wolverine Power Supply Corp	May-10	NAIC-1			150	30	5	5	105	3.29
Wolverine Power Supply Corp	May-10	NAIC-1				120	30	16	155	5.04
Total					\$ 3,475					

Source: The Private Placement Monitor

Goldman Sachs Is Not Acting as a Municipal Advisor

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MMD Yields
As of December 17, 2012 close

Tenor (years)	Year	"AAA" MMD
1	2013	0.21%
2	2014	0.31%
3	2015	0.44%
4	2016	0.62%
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8	2020	1.43%
9	2021	1.64%
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11	2023	1.94%
12	2024	2.00%
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15	2027	2.15%
16	2028	2.21%
17	2029	2.27%
18	2030	2.33%
19	2031	2.39%
20	2032	2.45%
21	2033	2.52%
22	2034	2.60%
23	2035	2.67%
24	2036	2.74%
25	2037	2.80%
26	2038	2.82%
27	2039	2.83%
28	2040	2.84%
29	2041	2.85%
30	2042	2.86%

Source: Municipal Market Data

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**"BBB" Rated Utility Issuance - US Investment Grade Market
2012 YTD**

2012YTD "BBB"-Rated Utility Issuance							
Issuer Name	Date	Moody's	S&P	Tranche Size (\$mm)	Total		Coupon
					Transaction Size (\$mm)	Maturity (years)	
Arizona Public Service Co	1/10/2012	Baa2	BBB	325	325	30.2	4.500%
Entergy Corp	1/10/2012	Baa3	BBB-	500	500	5.0	4.700%
Scana Corporation	1/18/2012	Baa3	BBB	250	250	10.0	4.125%
Southern California Edison Co	1/30/2012	Baa2	BBB-	100	350	--	6.250%
Southwestern Electric Power	1/31/2012	Baa3	BBB	275	275	10.0	3.550%
Progress Energy	3/5/2012	Baa2	BBB	450	450	10.1	3.150%
NextEra Energy Capital Holdings Inc.	3/20/2012	Baa2	BBB	400	400	60.0	5.700%
SCE Trust I	5/10/2012	Baa2	BBB-	475	475	--	5.625%
NextEra Energy Capital Holdings Inc.	5/16/2012	Baa1	BBB+	350	350	2.0	1.611%
Nisource Finance Corp	6/11/2012	Baa3	BBB-	250	750	10.7	3.850%
Nisource Finance Corp	6/11/2012	Baa3	BBB-	500	750	30.7	5.250%
PPL Capital Funding	6/11/2012	Baa3	BBB-	400	400	10.0	4.200%
NextEra Energy Capital Holdings Inc.	6/12/2012	Baa2	BBB	325	325	60.0	5.625%
Exelon Generation	6/13/2012	Baa1	BBB	275	775	10.0	4.250%
Exelon Generation	6/13/2012	Baa1	BBB	500	775	30.0	5.600%
Duke Energy Corp	8/13/2012	Baa2	BBB	700	1200	5.0	1.625%
Duke Energy Corp	8/13/2012	Baa2	BBB	500	1200	10.0	3.050%
Baltimore Gas & Electric	8/14/2012	Baa1	BBB+	250	250	10.0	2.800%
Agilent Technologies	9/10/2012	Baa2	BBB+	400	400	10.0	3.200%
Tuscon Electric Power Company	9/11/2012	Baa3	BBB-	150	150	10.5	3.850%
Sempra Energy	9/19/2012	Baa1	BBB+	500	500	10.0	2.875%
DTE Energy	9/25/2012	Baa3	BBB-	200	200	50.0	5.250%
PPL Capital Funding	10/10/2012	Baa3	BBB-	400	400	10.0	3.500%
Perusahaan Listrik Negara PT	10/16/2012	Baa3	BBB	1000	1000	30.0	5.350%
American Electric Power Co	11/28/2012	Baa2	BBB-	550	850	5.0	1.650%
American Electric Power Co	11/28/2012	Baa2	BBB-	300	850	10.0	2.950%
El Paso Electric Company	12/3/2012	Baa2	BBB	150	150	10.0	3.300%
American Water Capital Corp	12/12/2012	Baa2	BBB+	300	300	30.0	4.300%
Total					\$10,775		

Source: Public Filings; Bloomberg

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**Summary of Electric Utility First Mortgage Bond Issuance 2010-2012
2010 - 2012YTD**

Issuer	Date	Moody's	S&P	Total Par (\$mm)	Tranche (\$mm)	Final Maturity	Final Maturity	Spread (bp)	Coupon
Florida Power & Light Co	Feb-10	Aa2	A	500	500	3/1/2040	30	110	5.69
Puget Sound Power & Light Co	Mar-10	Baa1	A-	325	325	3/15/2040	30	120	5.80
Southern California Edison Co	Mar-10	A1	A	500	500	3/15/2040	30	90	5.50
Entergy Louisiana LLC	Mar-10	Baa2	BBB	150	150	3/15/2040	30		6.00
Progress Energy Florida Inc	Mar-10	A1	A-	600	250	4/1/2020	10	90	4.55
Progress Energy Florida Inc	Mar-10	A1	A-		350	4/1/2040	30	110	5.65
Entergy Mississippi Inc	Apr-10	Baa1	A-	80	80	4/15/2040	30		6.20
San Diego Gas & Electric Co	May-10	Aa3	A+	250	250	5/15/2040	30	95	5.35
Entergy Texas Inc	May-10	Baa2	BBB+	200	200	6/1/2015	5	150	3.60
Empire District Electric Co	May-10	A3	BBB+	100	100	6/1/2020	10	145	4.65
Duke Energy Carolinas LLC	Jun-10	A1	A	450	450	6/15/2020	10	100	4.30
Tri-State Generation & Transmission As	Jun-10	Baa1	A	400	400	6/15/2040	30	188	6.00
Duke Energy Indiana Inc	Jul-10	A2	A	500	500	7/15/2020	10	80	3.75
Commonwealth Edison Co	Jul-10	Baa1	A-	500	500	8/1/2020	10	100	4.00
Northern States Power Co	Aug-10	A1	A	500	250	8/15/2040	30	80	4.85
Northern States Power Co	Aug-10	A1	A		250	8/15/2015	5	38	1.95
Empire District Electric Co	Aug-10	A3	BBB+	50	50	9/1/2040	30	150	5.20
San Diego Gas & Electric Co	Aug-10	Aa3	A+	500	500	8/15/2040	30	88	4.50
Consumers Energy Co	Mar-10	A3	BBB	300	50	9/1/2040	30		4.72
Consumers Energy Co	Mar-10	A3	BBB		250	9/1/2022	12		3.85
Southern California Edison Co	Aug-10	A1	A	500	500	9/1/2040	30	100	4.50
Idaho Power Co	Aug-10	A2	A-	200	100	11/1/2020	10	95	3.40
Idaho Power Co	Aug-10	A2	A-		100	8/15/2040	30	130	4.85
Nevada Power Co	Sep-10	Baa3	BBB	250	250	9/15/2040	30	160	5.38
Consumers Energy Co	Aug-10	A3	BBB	300	100	8/23/2020	10	120	3.77
Consumers Energy Co	Aug-10	A3	BBB		100	8/23/2017	7	120	3.21
Consumers Energy Co	Aug-10	A3	BBB		50	8/23/2040	30	135	4.97
Consumers Energy Co	Aug-10	A3	BBB		50	8/23/2015	5	120	2.60
ALLETE Inc	Jun-10	A2	A-	75	45	4/15/2040	30		5.82
ALLETE Inc	Jun-10	A2	A-		30	10/15/2025	15		4.90
Southern Illinois Power Cooperative	May-10			360	324	6/15/2040	30		5.75
Southern Illinois Power Cooperative	May-10				36	6/15/2025	15		5.00
Entergy Louisiana LLC	Sep-10	A3	A-	250	250	1/15/2026	16	185	4.44
Entergy Gulf States Louisiana LLC	Sep-10	A3	BBB+	250	250	10/1/2020	10	145	3.95
South Jersey Gas Co	Sep-10	A2	A	55	10	12/30/2025	15	110	3.63
South Jersey Gas Co	Sep-10	A2	A		45	12/30/2027	17	120	4.03
Entergy Arkansas Inc	Oct-10	A3	A-	225	225	11/1/2040	30		5.75
Tri-State Generation & Transmission As	Oct-10	Baa1	A	100	100	6/15/2040	30		6.00
Great River Energy	Oct-10	A3	A-	400	400	7/1/2030	20	200	4.48
Georgia Transmission	Oct-10	A3	AA-	135	135	10/28/2039	29	85	4.81
Oglethorpe Power Corp	Nov-10	Baa1	A	450	450	11/1/2040	30	135	5.38
Public Service Co of Colorado	Nov-10	A2	A	400	400	11/15/2020	10	70	3.20
Kentucky Utilities Co	Nov-10	A2	A	1,500	750	11/1/2040	30	108	5.13
Kentucky Utilities Co	Nov-10	A2	A		500	11/1/2020	10	75	3.25
Kentucky Utilities Co	Nov-10	A2	A		250	11/1/2015	5	58	1.63
Louisville Gas & Electric Co	Nov-10	A2	A	535	250	11/15/2015	5	58	1.63
Louisville Gas & Electric Co	Nov-10	A2	A		285	11/15/2040	30	108	5.13
Entergy Arkansas Inc	Nov-10	A3	A-	350	350	2/15/2021	11	110	3.75
Southern California Gas Co	Nov-10	Aa3	A+	300	300	11/15/2040	30	85	5.13
Avista Corp	Nov-10			87	35	12/20/2040	30	130	5.55
California Water Service Co	Nov-10			100	100	11/22/2040	30		5.50
Entergy New Orleans Inc	Nov-10	Baa3		25	25	12/1/2020	10		5.10
Entergy Louisiana LLC	Nov-10	A3	A-	150	150	6/15/2041	31		5.88
Florida Power & Light Co	Dec-10	Aa3	A	400	400	2/1/2041	31	98	5.25
Commonwealth Edison Co	Jan-11	Baa1	A-	600	600	1/15/2014	3	70	1.63
South Carolina Electric & Gas Co	Jan-11	A3	A	250	250	2/1/2041	30	90	5.45
Arkansas Electric Cooperative Corp	Feb-11	A1		200	200	3/3/2041	30		
Entergy Louisiana LLC	Mar-11	A3	A-	200	200	5/1/2021	10	150	4.80
Atlantic City Electric Co	Mar-11	A3	A	200	200	4/1/2021	10	90	4.35
Entergy Mississippi Inc	Apr-11	Baa1	A-	150	150	5/1/2051	40		6.00
Nevada Power Co	May-11	Baa3	BBB	250	250	5/15/2041	30	115	5.45
PacifiCorp	May-11	A2	A	400	400	5/12/2021	10	73	3.95
Entergy Mississippi Inc	May-11	Baa1	A-	125	125	6/1/2016	5	138	3.25
Detroit Edison Co	May-11	A2	A	250	250	6/1/2021	10	77	3.90
Southern California Edison Co	May-11	A1	A	500	500	6/1/2021	10	75	3.88
Duke Energy Carolinas LLC	May-11	A1	A	500	500	6/15/2021	10	75	3.90
South Carolina Electric & Gas Co	May-11	Baa3	BBB	100	100	2/1/2041	30	105	5.45
Public Service Co of New Hampshire	May-11	A3	A-	122	122	6/1/2021	10	88	4.05
Rochester Gas & Electric Corp	May-11	A3	A-	125	125	7/29/2021	10	90	4.10
Florida Power & Light Co	Jun-11	Aa3	A	250	250	6/1/2041	30	87	5.13
Northern Illinois Gas Co	Jan-11			75	75	1/20/2016	5	85	2.86
Golden Spread Electric Co	Jun-11	A2	A	430	30	6/13/2016	5	120	2.74
Golden Spread Electric Co	Jun-11	A2	A		250	6/13/2031	20	140	4.35
Golden Spread Electric Co	Jun-11	A2	A		150	6/13/2041	30	145	4.95
Detroit Edison Co	Jun-11			225	102	9/1/2023	12	120	3.11
Detroit Edison Co	Jun-11				77	9/1/2026	15	135	3.11
PPL Electric Utilities Corp	Jul-11	A3	A-	250	250	7/15/2041	30	105	5.20

Public Service Co of Colorado	Aug-11	A2	A	250	250	8/15/2041	30	78	4.75
Southwestern Public Service Co	Aug-11	A2	A-	200	200	8/15/2041	30	78	4.50
Peoples Gas Co	Aug-11	A1	A-	50	50	11/1/2016	5	105	2.21
Southern Connecticut Gas Co	Jul-11	A3	A-	50	25	9/22/2041	30	109	5.39
Southern Connecticut Gas Co	Jul-11	A3	A-		25	9/22/2021	10	90	3.88
San Diego Gas & Electric Co	Aug-11	Aa3	A+	350	350	8/15/2021	10	78	3.00
Progress Energy Florida Inc	Aug-11	A2	A	300	300	8/15/2021	10	85	3.10
Oglethorpe Power Corp	Aug-11	Baa1	A	300	300	9/1/2050	39	163	5.25
PPL Electric Utilities Corp	Aug-11	A3	A-	400	400	9/15/2021	10	100	3.00
Commonwealth Edison Co	Aug-11	Baa1	A-	600	250	9/1/2016	5	103	1.95
Commonwealth Edison Co	Aug-11	Baa1	A-		350	9/1/2021	10	123	3.40
Detroit Edison Co	Sep-11	A2	A	140	140	9/1/2041	30	135	4.50
Public Service Co of New Hampshire	Sep-11	A3	A-	160	160	9/1/2021	10	128	3.20
Northwest Natural Gas Co	Sep-11	A1	A+	50	50	9/15/2021	10	115	3.18
Entergy Texas Inc	Sep-11	Baa2	BBB+	75	75	9/1/2021	10	210	4.10
Progress Energy Carolinas	Sep-11	A1	A	500	500	9/15/2021	10	110	3.00
Nicor Gas	Jan-11	Aa3	AA	75	75	1/7/2016	5		2.86
Avista Corp	Sep-11	A3	A-	85	85	9/23/2041	30	161	4.45
Southern California Edison Co	Oct-11	A1	A	150	150	9/15/2014	3	45	3-mth
San Diego Gas & Electric Co	Nov-11	Aa3	AA-	250	250	11/15/2041	30	90	3.95
Indianapolis Power & Light Co	Nov-11	A3	BBB	140	140	11/1/2041	30	180	4.88
Southern California Edison Co	Nov-11	A1	A	250	250	12/1/2041	30	98	3.90
Oncor Electric Delivery Co LLC	Nov-11	Baa1	A-	300	300	12/1/2041	30	160	4.55
Duke Energy Carolinas LLC	Dec-11	A1	A	1,000	650	12/15/2041	30	125	4.25
Duke Energy Carolinas LLC	Dec-11	A1	A		350	12/15/2016	5	85	1.75
Florida Power & Light Co	Dec-11	Aa3	A	600	600	2/1/2042	31	115	4.13
Chugach Electric Association Inc	Oct-11	A3	A-	250	125	1/11/2042	31		4.41
Chugach Electric Association Inc	Oct-11	A3	A-		50	1/11/2042	31		4.78
Chugach Electric Association Inc	Oct-11	A3	A-		75	1/11/2032	21		4.01
Green Mountain Power Corp	Nov-11	A2	A-	75	25	11/18/2041	30		4.61
Green Mountain Power Corp	Nov-11	A2	A-		50	11/18/2041	30		4.56
Duquesne Light Co	Oct-11	A3	BBB+	200	200	2/3/2042	31		4.76
Cleco Power LLC	Nov-11	Baa2	BBB	100	100	12/16/2041	30		5.12
PacifiCorp	Jan-12	A2	A	650	300	2/1/2042	30	115	4.10
PacifiCorp	Jan-12	A2	A		350	2/1/2022	10	100	2.95
Entergy Louisiana LLC	Jan-12	A3	A-	250	250	12/15/2014	2	150	1.88
South Carolina Electric & Gas Co	Jan-12	A3	A	250	250	2/1/2042	30	125	4.35
Westar Energy Inc	Feb-12	A3	BBB+	250	250	3/1/2042	30	110	4.13
Southern California Edison Co	Mar-12	A1	A	400	400	3/15/2042	30	95	4.05
Duke Energy Indiana Inc	Mar-12	A2	A	250	250	3/15/2042	30	105	4.20
San Diego Gas & Electric Co	Mar-12	Aa3	A+	250	250	4/1/2042	30	85	4.30
Potomac Electric Power Co - PEPCO	Mar-12	A3	A	200	200	4/1/2022	10	90	3.05
PacifiCorp	Feb-12	A2	A	100	100	2/1/2022	10		2.95
Idaho Power Co	Apr-12	A2	A-	150	75	4/1/2022	10	100	2.85
Idaho Power Co	Apr-12	A2	A		75	4/1/2042	30	120	4.30
Consumers Energy Co	May-12	A3	BBB+	375	375	5/15/2022	10	90	2.85
Florida Power & Light Co	May-12	Aa3	A	600	600	6/1/2042	30	100	4.05
Westar Energy Inc	May-12	A3	BBB+	300	300	3/1/2042	30	120	4.13
Progress Energy Carolinas	May-12	A1	A	1,000	500	5/15/2042	30	120	4.10
Progress Energy Carolinas	May-12	A1	A		500	5/15/2022	10	105	2.80
Oncor Electric Delivery Co LLC	May-12	Baa1	A-	900	400	6/1/2022	10	235	4.10
Oncor Electric Delivery Co LLC	May-12	Baa1	A-		500	6/1/2042	30	240	5.30
Southwestern Public Service Co	Jun-12	A2	A-	100	100	8/15/2041	29	130	4.50
Central Maine Power Co	Jun-12			350	125	6/15/2022	10		3.07
Central Maine Power Co	Jun-12				225	1/15/2043	31		4.45
Northwestern Energy	May-12	A2	A-	150	90	8/10/2042	30		4.15
Northwestern Energy	May-12	A2			60	8/10/2052	40		4.30
Consumers Energy Co	Jun-12	A3	BBB+	350	263	12/15/2042	30		4.31
Consumers Energy Co	Jun-12	A3	BBB+		36	12/15/2027	15		3.39
Consumers Energy Co	Jun-12	A3	BBB+		52	12/16/2024	12		3.19
Detroit Edison Co	Jun-12	A2	A	500	250	6/15/2042	30	125	3.95
Detroit Edison Co	Jun-12	A2	A		250	6/15/2022	10	105	2.65
Delmarva Power & Light Co	Jun-12	A3	A	250	250	6/1/2042	30	130	4.00
Avista Corp	May-12			80	80	11/29/2047	35		4.23
ALLETE Inc	May-12			160	75	5/18/2026	14		3.20
ALLETE Inc	May-12				85	5/18/2043	31		4.08
Entergy Louisiana LLC	Jun-12	A3	A-	200	200	7/1/2052	40		5.25
West Penn Power Co	Apr-12			100	100	4/16/2022	10		3.34
South Carolina Electric & Gas Co	Jul-12	A3	A	250	250	2/1/2042	30	125	4.35
Northern States Power Co	Aug-12	A1	A	800	300	8/15/2022	10		2.15
Northern States Power Co	Aug-12	A1	A		500	8/15/2042	30		3.40
Centerpoint Energy Houston Electric LL	Aug-12	A3		300	300	8/1/2022	10	65	2.25
Centerpoint Energy Houston Electric LL	Aug-12	A3	A-	500	500	8/1/2042	30	85	3.55
Ameren Illinois Co	Aug-12	A3	BBB	400	400	9/1/2022	10	105	2.70
PPL Electric Utilities Corp	Aug-12	A3	A-	250	250	9/1/2022	10	70	2.50
Public Service Co of Colorado	Sep-12	A2	A	800	500	9/15/2042	30	15	3.60
Public Service Co of Colorado	Sep-12	A2	A		300	9/15/2022	10	68	2.25
South Jersey Gas Co	Aug-12	A2	A	85	85	8/24/2024	12		3.00
Public Service Electric & Gas Co	Sep-12	A1	A-	350	350	9/1/2042	30	85	3.65
PECO Energy Co	Sep-12	A1	A-	350	350	9/13/2022	10	70	2.38
Duke Energy Carolinas LLC	Sep-12	A1	A	650	650	9/30/2042	30	105	4.00
Southern California Gas Co	Sep-12	Aa3	A+	350	350	9/15/2042	30	80	3.75
System Energy Resources Inc	Sep-12	Baa1	BBB+	250	250	4/1/2023	11	238	4.10

Commonwealth Edison Co	Sep-12	A3	A-	350	350	10/1/2042	30	92	3.80
Northern States Power Co (Wisconsin)	Oct-12	A1	A	100	100	10/1/2042	30	95	3.70
Florida Power Corp	Nov-12	A2	A	650	250	11/15/2015	3	35	0.65
Florida Power Corp	Nov-12	A2	A		400	11/15/2042	30	115	3.85
Entergy New Orleans Inc	Nov-12	Baa3	BBB+	30	30	12/1/2052	40		5.00
Entergy Louisiana LLC	Nov-12	A3	A-	200	200	12/1/2022	10	170	3.30
Entergy Mississippi Inc	Dec-12	Baa1	A-	250	250	7/1/2023	11		3.10
Entergy Arkansas Inc	Dec-12	A3	A-	200	200	Perpetual			4.90
Florida Power & Light Co	Dec-12	Aa3	A	400	400	12/15/2042	30	92	3.80
Green Mountain Power Corp	Nov-12			85	85	12/1/2042	30		3.99
Total				\$ 41,071					

Source: Dealogic

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**Corporate Related Municipal Issuance - Utility Sector
2012YTD**

Issuer	Date	ST	Par (\$MM)	Rating (Moody's/S&P/Fitch)	Tenor (years)	Coupon of Final Maturity
IDA of the Cnty of Apache (Tucson Electric Power Co)	03/20/12	AZ	\$ 177.00	Baa3/BBB-/BBB-	17.9	4.50%
NJEDA (UMM Energy Partners) - AMT	08/22/12	NJ	\$ 51.27	Baa3/NR/NR	30.8	5.125%
Beaver County IDA (First Energy Generation)	08/21/12	PA	\$ 28.53	Baa3/BBB-/NR	4.5	2.15%
City of Chula Vista (San Diego Gas & Electric) - 3y call	09/13/12	CA	\$ 161.24	Aa3/A+/AA-	5.8	1.65%
City of Chula Vista (San Diego Gas & Electric) - 5y call	09/13/12	CA	\$ 75.00	Aa3/A+/AA-	73.4	4.00%
Fort Bend County Ind Dev Corp (NRG Energy, Inc.)	10/11/12	TX	\$ 127.10	Baa3/NR/NR	30.1	4.75%
Mass Dev Fin Agency (Covanta Energy) - 5y call	11/15/12	MA	\$ 67.23	Ba2/BB-/BB+	30.0	4.875%
Mass Dev Fin Agency (Covanta Energy) - AMT - 5y call	11/15/12	MA	\$ 102.37	Ba2/BB-/BB+	15.0	5.25%
Niagara Area Dev Corp (Covanta Energy) - 5y call	11/15/12	NY	\$ 35.01	Ba2/BB-/BB+	12.0	4.00%
Niagara Area Dev Corp (Covanta Energy) - AMT - 5y call	11/15/12	NY	\$ 130.00	Ba2/BB-/BB+	30.0	5.25%
Total			\$ 954.74			

Source: Thomson SDC

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Summary of Pollution Control Bond Issuance 2010-2012
2010 - 2012YTD

Issuer	Date	Moody's	S&P	Total Par (\$mm)	Final Maturity	Coupon
Pennsylvania Eco Dev Fin Au	Jan-10	NR	NR	45	32	Var
Harris Co Industrial Dev Corp	Jan-10	A2	A	143	23	Var
New Hampshire Business Fin Auth	Jan-10	Baa2	BBB	28	17	Var
California Poll Control Fin Auth	Feb-10	NR	NR	3	0	Var
New York	Feb-10	Aa3	AA	181	30	4.50
New York	Feb-10	Aa3	AA	51	10	4.25
Russell Co Industrial Dev Auth	Mar-10	Baa2	BBB	18	11	4.63
DeSoto Parish-Louisiana	Mar-10	Baa3	BBB	54	9	Var
West Virginia Economic Dev Auth	Mar-10	Baa1	BBB	86	33	Var
Lower Cape Fear Water & Sewer Au	Mar-10	NR	NR	25	24	Var
Minnesota Public Facilities Auth	Mar-10	Aaa	AAA	33	18	5.25
Burke Co Development Authority	Mar-10	Aaa	AAA	90	27	Var
Monroe Co Development Authority	Mar-10	Aaa	AAA	43	26	Var
Port of Port Arthur Navig Dt	Apr-10	A2	A	100	30	Var
Port of Port Arthur Navig Dt	Apr-10	A2	AA	200	30	Var
California Infrstr & Eco Dev Bank	Apr-10	A3	BBB+	50	16	Var
California Poll Control Fin Auth	Apr-10	NR	AA	150	10	Var
Florida Dept of Environ Protect	Apr-10	Aa3	AA-	227	3	5.00
McLean Co-North Dakota	Apr-10	A3	A-	23	16	4.88
Indiana Finance Authority	Apr-10	Ba2	BB	89	16	6.00
California Poll Control Fin Auth	May-10	NR	NR	27	25	Var
Columbus Co Ind Fac & PC Fin Auth	May-10	Baa3	BBB	20	24	5.70
West Virginia Economic Dev Auth	May-10	Baa2	BBB	50	28	5.38
McLean Co-North Dakota	May-10	A3	A-	50	30	5.15
McLean Co-North Dakota	May-10	A3	A-	33	28	Var
Farmington City-New Mexico	May-10	Baa3	BB+	12	30	6.25
Farmington City-New Mexico	May-10	Baa3	BB+	255	30	5.90
Ohio Air Quality Dev Authority	May-10	NR	BBB	79	31	Var
Ohio Co-Kentucky	May-10	Baa1	BBB-	83	21	6.00
Monroe Co Development Authority	May-10	A2	A	21	39	Var
Lincoln Co-Wyoming	May-10	NR	NR	45	6	Var
Farmington City-New Mexico	Jun-10	Baa3	BB+	77	30	Var
Maricopa Co Pollution Ctl Corp	Jun-10	Baa3	BB+	60	33	Var
Hartford Co Metropolitan Dt	Jun-10	Aa1	AA+	46	30	4.50
Mission Economic Dev Corp	Jun-10	NR	BBB	56	10	Var
Missouri	Jul-10	Aaa	AAA	106	12	5.00
Oregon	Jul-10	Aa1	AA	5	20	3.75
Florida Water Pollution Fin Corp	Jul-10	Aaa	AAA	225	20	5.00
Alabama Water Poll Control Auth	Aug-10	NR	AA-	65	11	3.00
California Poll Control Fin Auth	Aug-10	NR	BBB	21	14	Var
California Poll Control Fin Auth	Aug-10	NR	BBB	144	13	Var
California Poll Control Fin Auth	Aug-10	NR	NR	2	15	Var
California Poll Control Fin Auth	Aug-10	NR	NR	16	20	Var
Ohio Air Quality Dev Authority	Aug-10	Baa1	BBB	39	4	Var
North Carolina Cap Facs Fin Agency	Aug-10	A1	A	243	30	4.63
California Poll Control Fin Auth	Sep-10	NR	NR	24	20	Var
California Statewide Comm Dev Au	Sep-10	A1	A	100	19	4.50
Indiana Finance Authority	Sep-10	A1	AA	70	12	3.75
Converse Co-Wyoming	Sep-10	NR	NR	22	10	Var
Sweetwater Co-Wyoming	Sep-10	NR	NR	16	10	Var
Pima Co Industrial Dev Auth	Sep-10	Baa3	BBB-	100	30	5.25
Louisiana Public Facs Auth (LPFA)	Sep-10	A3	A-	115	20	5.00
Louisiana Public Facs Auth (LPFA)	Sep-10	A3	BBB+	116	18	5.00
Ohio Air Quality Dev Authority	Sep-10	Baa2	BBB-	8	23	Var
Ohio Water Development Authority	Sep-10	Baa2	BBB-	99	23	Var
Pennsylvania Eco Dev Fin Au	Sep-10	NR	BBB	18	20	Var
Pennsylvania Eco Dev Fin Au	Sep-10	NR	BBB	35	9	Var
California Poll Control Fin Auth	Oct-10	NR	NR	61	30	Var
Delaware Economic Dev Auth	Oct-10	Baa3	NR	190	35	5.38
New Jersey Economic Dev Auth	Oct-10	A2	A-	100	21	Var
Boulder Co-Colorado	Oct-10	NR	NR	2	10	5.68
Boulder Co-Colorado	Oct-10	NR	NR	0	1	2.13
Port of Port Arthur Navig Dt	Nov-10	A2	A	150	30	Var
Port of Port Arthur Navig Dt	Nov-10	A2	A	150	30	Var
Wise Co Industrial Dev Auth	Nov-10	Baa1	A-	105	30	Var
NYS Energy Research & Dev Auth	Nov-10	A3	A-	225	26	Var
California Poll Control Fin Auth	Nov-10		A+	10	24	Var
Polk Co Industrial Dev Auth	Nov-10	Baa1	BBB	75	20	Var
Boone Co-Kentucky	Nov-10	NR	NR	27	17	Var
Indiana Finance Authority	Nov-10	NR	BBB	30	18	Var
Indiana Finance Authority	Nov-10	NR	BBB	51	24	Var
Kentucky Economic Dev Fin Auth	Nov-10	NR	BBB	16	21	Var
Kentucky Economic Dev Fin Auth	Nov-10	NR	BBB	29	21	Var
North Carolina Cap Facs Fin Agency	Nov-10	NR	BBB	15	10	Var
North Carolina Cap Facs Fin Agency	Nov-10	NR	BBB	70	24	Var
Ohio	Nov-10	NR	BBB	30	25	Var
Miami-Dade Co Indus Dev Auth	Nov-10		BBB	12	8	Var

Beaver Co Industrial Dev Auth	Nov-10	Baa2	BBB	25		Var
Michigan Strategic Fund	Dec-10			95	32	Var
Ohio Air Quality Dev Authority	Dec-10	Baa2	BBB-	26	23	Var
Ohio Water Development Authority	Dec-10	Baa2	BBB-	55	23	Var
Mississippi Business Fin Corp	Dec-10	A2	A	50	30	2.25
Ohio Water Development Authority	Dec-10	Baa2	BBB-	47	23	Var
Sussex Co-Delaware	Dec-10	Baa3	NR	57	30	6.00
Michigan Strategic Fund	Dec-10	A2	A-	20	20	5.00
Coconino Co PC Corp	Dec-10	Aa1	AA	37	22	Var
Ohio Air Quality Dev Authority	Dec-10	A2	A-	75	30	6.00
Brick Twp-New Jersey	Dec-10	NR	AA+	14	15	4.25
Three Rivers Solid Waste Auth	Dec-10		A+	11	12	4.00
Clark Co-Nevada	Dec-10	A1	A	75	21	Var
Forsyth City-Montana	Dec-10			17	24	Var
Forsyth City-Montana	Dec-10			67	22	Var
California Poll Control Fin Auth	Dec-10	NR	NR	5	30	Var
Puyallup City-Washington	Feb-11	NR	AA	3	9	4.00
West Virginia Economic Dev Auth	Feb-11	NR	BBB	65	30	Var
California Poll Control Fin Auth	Mar-11	NR	NR	5	15	Var
Mission Economic Dev Corp	Mar-11	NR	NR	40	13	6.88
Whiting City-Indiana	Mar-11	NR	NR	188	10	5.25
Millport Industrial Dev Auth	Mar-11	NR	A+	20	30	Var
Appling Co Development Auth	Mar-11	Baa1	A	41	27	Var
Burke Co Development Authority	Mar-11	Baa1	A	92	29	Var
Monroe Co Development Authority	Mar-11	Baa1	A	48	27	Var
Rhode Island Clean Water Fin Agy	Mar-11			10	15	4.30
Farmington City-New Mexico	May-11			56	18	Var
Rockport City-Indiana	Jul-11	NR	A+	45	14	Var
California Poll Control Fin Auth	Aug-11	NR	NR	20	30	Var
Michigan Strategic Fund	Aug-11	A2	A	82	19	Var
Indiana Finance Authority	Aug-11	Aa3	BBB	95	10	3.88
Appling Co Development Auth	Aug-11	NR	NR	67	30	Var
Port of Bellingham Indus Dev Cp	Sep-11	NR	NR	23	5	5.00
NYS Energy Research & Dev Auth	Sep-11	NR	BBB+	132	4	2.25
Connecticut Development Auth	Sep-11	A2	A-	121	17	4.38
Connecticut Development Auth	Sep-11	A2	A-	125	17	Var
West Virginia Economic Dev Auth	Sep-11	NR	NR	59	16	Var
California Poll Control Fin Auth	Oct-11	NR	NR	11	25	Var
Allegheny Co Industrial Dev Auth	Nov-11	B1	BB	29	16	6.75
Bucks Co Industrial Dev Auth	Nov-11	B1	BB	19	15	6.75
Ohio Water Development Authority	Nov-11	B1	BB	22	18	6.60
Indiana Finance Authority	Nov-11	B1	BB	55	8	6.00
Gulf Coast Waste Disposal Auth	Nov-11	B1	BB	11	6	5.75
Fairfield Industrial Dev Board	Nov-11	B1	BB	17	4	5.38
Ohio Air Quality Dev Authority	Nov-11	B1	BB	10	4	5.38
Utah Co-Utah	Nov-11	B1	BB	32	4	5.38
Chatom Industrial Dev Board	Dec-11	NR	A	75	30	Var
Richmond City-Indiana	Dec-11	NR	NR	33	15	Var
California Municipal Fin Auth	Dec-11	NR	NR	23	21	7.50
Charles River Pollution Ctrl Dt	Jan-12	NR	NR	2	1	1.50
Rockport City-Indiana	Jan-12	B2	BB-	30	16	7.00
Ohio Air Quality Dev Authority	Jan-12	B2	BB-	36	12	6.75
Butler Co Industrial Dev Auth	Jan-12	B2	BB-	7	8	6.25
Sacramento Metro Air Qual Mgmt Dt	Feb-12	NR	AA+	4	14	4.00
Apache Co Industrial Dev Auth	Mar-12	Baa3	BBB-	177	18	4.50
Monroe Co Development Authority	Mar-12	NR	A	10	27	Var
Burke Co Development Authority	Apr-12	A2	AA-	94	40	1.25
Calhoun Port Authority	Apr-12	NR	A+	50	30	Var
NYS Environmental Facs Corp	Apr-12	NR	BBB	25	18	Var
Monroe Co Development Authority	May-12	NR	NR	49	30	4.00
Indiana Finance Authority	May-12	NR	NR	200	27	5.00
California Poll Control Fin Auth	Jun-12	NR	NR	32	30	Var
Burke Co Development Authority	Jun-12	A3	A	85	37	Var
Burke Co Development Authority	Jun-12	NR	A	100	37	Var
Salem Co Poll Control Fin Auth	Jun-12	NR	A-	50	34	Var
Rhode Island Clean Water Fin Agy	Jun-12	NR	AAA	26	21	3.38
Indiana Finance Authority	Jun-12	NR	NR	100	28	Var
Lewisburg Indust Dev Board	Jun-12	NR	BBB	18	23	Var
California Poll Control Fin Auth	Jul-12	NR	NR	12	30	Var
Mission Economic Dev Corp	Jul-12	NR	BBB	57	14	Var
Allegheny Co Industrial Dev Auth	Aug-12	NR	NR	25	30	5.75
Indiana Finance Authority	Aug-12	NR	NR	29	30	5.75
Southwestern Illinois Dev Auth	Aug-12	NR	NR	40	30	5.75
Maricopa Co Pollution Ctl Corp	Aug-12	Baa2	BBB	59	30	4.50
California Poll Control Fin Auth	Aug-12	NR	NR	8	30	Var
South Carolina Jobs Econ Dev Au	Sep-12	NR	NR	16	6	8.13
Washington Co-Nebraska	Sep-12	NR	A	35	18	Var
California Poll Control Fin Auth	Oct-12	NR	NR	16	30	Var
St Paul Port Authority	Oct-12	Baa3	BBB-	51	25	4.50
California Poll Control Fin Auth	Nov-12	NR	NR	17	30	Var
Oregon	Nov-12	Aa1	AA+	11	20	3.00
Massachusetts Dev Finance Agcy	Nov-12	Ba2	BB-	102	30	5.25
Niagara Area Development Corp	Nov-12	Ba2	BB-	130	30	5.25

Massachusetts Dev Finance Agcy	Nov-12	Ba2	BB-	67	30	4.88
Niagara Area Development Corp	Nov-12	Ba2	BB-	35	12	4.00
Burke Co Development Authority	Nov-12	NR	NR	50	40	Var
Indiana Finance Authority	Nov-12	NR	BBB	25	25	Var
Burbank City-California	Nov-12	NR	AAA	6	10	3.00
Phenix City Indust Dev Board	Nov-12	Baa3	BBB	51	23	4.13
Phenix City Indust Dev Board	Nov-12	Baa3	BBB	7	18	3.63
Chandler Industrial Dev Auth	Dec-12	NR	A+	125	25	Var
California Poll Control Fin Auth	Dec-12	NR	NR	10	25	Var
Lake Charles Harbor & Term Dt	Dec-12	NR	NR	309	30	Var
Total				\$ 10,222		

Source: Thomson SDC

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**Summary of Cooperative Offerings in the Private Placement Market
2011 - 2012YTD**

Issuer	Date	NAIC	Moody's	S&P	Total Par (\$mm)	Tranche (\$mm)	Final Maturity	Avg. Life	Spread (bp)	Coupon
Basin Electric Power Cooperative	Oct-12	NAIC-1	A1	A	100	100	30	20	170	4.06
CoServ Electric	Aug-12	NAIC-1		AA-	550	550	28	15	166	3.75
Chugach Electric	Oct-11	NAIC-1	A3	A-	250	75	20	11	170	4.01
Chugach Electric	Oct-11	NAIC-1	A3	A-		125	30	16	210	4.41
Chugach Electric	Oct-11	NAIC-1	A3	A-		50	30	21	190	4.78
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+	350	250	20	13	182	4.00
Basin Electric Power Cooperative	Oct-11	NAIC-1	A1	A+		100	38	34	190	5.10
Hoosier Energy	Sep-11	NAIC-1	A3	A	240	190	29	26	200	4.86
Hoosier Energy	Sep-11	NAIC-1	A3	A		50	18	18	185	4.07
Golden Spread Electric	Jun-11	NAIC-1	A2	A-	430	30	5	5	120	2.79
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		250	20	12	140	3.99
Golden Spread Electric	Jun-11	NAIC-1	A2	A-		150	30	19	145	5.65
Square Butte Electric Cooperative	Jun-11	NAIC-1	A3	A-	13	13	15.5	16	168	4.65
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-	57	28	20	12	130	4.42
Square Butte Electric Cooperative	May-11	NAIC-1	A3	A-		30	31	27	145	5.68
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-	200	120	30	26	85	5.62
Arkansas Electric Cooperative Corp	Feb-11	NAIC-1	A1	AA-		80	19	13	100	4.71
Old Dominion Electric	Jan-11	NAIC-1	A3	A	350	90	30	15	140	4.83
Old Dominion Electric	Jan-11	NAIC-1	A3	A		165	30	20	95	5.54
Old Dominion Electric	Jan-11	NAIC-1	A3	A		95	40	20	95	5.54
Total						\$ 2,440				

**"BBB" Rated Utility Issuance - US Investment Grade Market
2012 YTD**

2012YTD "BBB"-Rated Utility Issuance							
Issuer Name	Date	Moody's	S&P	Tranche Size (\$mm)	Total Transaction Size (\$mm)	Maturity (years)	Coupon
Arizona Public Service Co	1/10/2012	Baa2	BBB	325	325	30.2	4.500%
Entergy Corp	1/10/2012	Baa3	BBB-	500	500	5.0	4.700%
Scana Corporation	1/18/2012	Baa3	BBB	250	250	10.0	4.125%
Southern California Edison Co	1/30/2012	Baa2	BBB-	100	350	--	6.250%
Southwestern Electric Power	1/31/2012	Baa3	BBB	275	275	10.0	3.550%
Progress Energy	3/5/2012	Baa2	BBB	450	450	10.1	3.150%
NextEra Energy Capital Holdings Inc.	3/20/2012	Baa2	BBB	400	400	60.0	5.700%
SCE Trust I	5/10/2012	Baa2	BBB-	475	475	--	5.625%
NextEra Energy Capital Holdings Inc.	5/16/2012	Baa1	BBB+	350	350	2.0	1.611%
Nisource Finance Corp	6/11/2012	Baa3	BBB-	250	750	10.7	3.850%
Nisource Finance Corp	6/11/2012	Baa3	BBB-	500	750	30.7	5.250%
PPL Capital Funding	6/11/2012	Baa3	BBB-	400	400	10.0	4.200%
NextEra Energy Capital Holdings Inc.	6/12/2012	Baa2	BBB	325	325	60.0	5.625%
Exelon Generation	6/13/2012	Baa1	BBB	275	775	10.0	4.250%
Exelon Generation	6/13/2012	Baa1	BBB	500	775	30.0	5.600%
Duke Energy Corp	8/13/2012	Baa2	BBB	700	1200	5.0	1.625%
Duke Energy Corp	8/13/2012	Baa2	BBB	500	1200	10.0	3.050%
Baltimore Gas & Electric	8/14/2012	Baa1	BBB+	250	250	10.0	2.800%
Agilent Technologies	9/10/2012	Baa2	BBB+	400	400	10.0	3.200%
Tuscon Electric Power Company	9/11/2012	Baa3	BBB-	150	150	10.5	3.850%
Sempra Energy	9/19/2012	Baa1	BBB+	500	500	10.0	2.875%
DTE Energy	9/25/2012	Baa3	BBB-	200	200	50.0	5.250%
PPL Capital Funding	10/10/2012	Baa3	BBB-	400	400	10.0	3.500%
Perusahaan Listrik Negara PT	10/16/2012	Baa3	BBB	1000	1000	30.0	5.350%
American Electric Power Co	11/28/2012	Baa2	BBB-	550	850	5.0	1.650%
American Electric Power Co	11/28/2012	Baa2	BBB-	300	850	10.0	2.950%
El Paso Electric Company	12/3/2012	Baa2	BBB	150	150	10.0	3.300%
American Water Capital Corp	12/12/2012	Baa2	BBB+	300	300	30.0	4.300%
Total				\$10,775			

**Corporate Related Municipal Issuance - Utility Sector
2012YTD**

Issuer	Date	ST	Par (\$MM)	Rating (Moody's/S&P/Fitch)	Tenor (years)	Coupon or Final Maturity
IDA of the Crnty of Apache (Tucson Electric Power Co)	03/20/12	AZ	\$ 177.00	Baa3/BBB-/BBB-	17.9	4.50%
NJEDA (UMM Energy Partners) - AMT	08/22/12	NJ	\$ 51.27	Baa3/NR/NR	30.8	5.125%
Beaver County IDA (First Energy Generation)	08/21/12	PA	\$ 28.53	Baa3/BBB-/NR	4.5	2.15%
City of Chula Vista (San Diego Gas & Electric) - 3y call	09/13/12	CA	\$ 161.24	Aa3/A+/AA-	5.8	1.65%
City of Chula Vista (San Diego Gas & Electric) - 5y call	09/13/12	CA	\$ 75.00	Aa3/A+/AA-	73.4	4.00%
Fort Bend County Ind Dev Corp (NRG Energy, Inc.)	10/11/12	TX	\$ 127.10	Baa3/NR/NR	30.1	4.75%
Mass Dev Fin Agency (Covanta Energy) - 5y call	11/15/12	MA	\$ 67.23	Ba2/BB-/BB+	30.0	4.875%
Mass Dev Fin Agency (Covanta Energy) - AMT - 5y call	11/15/12	MA	\$ 102.37	Ba2/BB-/BB+	15.0	5.25%
Niagara Area Dev Corp (Covanta Energy) - 5y call	11/15/12	NY	\$ 35.01	Ba2/BB-/BB+	12.0	4.00%
Niagara Area Dev Corp (Covanta Energy) - AMT - 5y call	11/15/12	NY	\$ 130.00	Ba2/BB-/BB+	30.0	5.25%
Total			\$ 954.74			

MMD Yields
As of December 17, 2012 close

Tenor (years)	Year	"AAA" MMD
1	2013	0.21%
2	2014	0.31%
3	2015	0.44%
4	2016	0.62%
5	2017	0.83%
6	2018	0.99%
7	2019	1.20%
8	2020	1.43%
9	2021	1.64%
10	2022	1.82%
11	2023	1.94%
12	2024	2.00%
13	2025	2.05%
14	2026	2.10%
15	2027	2.15%
16	2028	2.21%
17	2029	2.27%
18	2030	2.33%
19	2031	2.39%
20	2032	2.45%
21	2033	2.52%
22	2034	2.60%
23	2035	2.67%
24	2036	2.74%
25	2037	2.80%
26	2038	2.82%
27	2039	2.83%
28	2040	2.84%
29	2041	2.85%
30	2042	2.86%

BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 4)** *Provide a copy of all correspondence between BREC and Dexia*
2 *Credit Local regarding the transactions described in the Application.*

3

4 **Response)** Please see attached copy of all correspondence between Big Rivers
5 and Dexia Credit Local regarding the transactions described in the Application.

6

7

8 **Witness)** Billie J. Richert

9

Billie Richert

From: Dattalo FD Frank (DEXIA-US) <Frank.Dattalo@dexia-us.com>
Sent: Thursday, October 18, 2012 1:42 PM
To: Billie Richert
Subject: Contact Details

Billie,

Thank you for taking the time to return my call. My contact are as follows:

Frank Dattalo

Director

Head of Portfolio Management Group

Dexia Credit Local

445 Park Avenue, 8th Floor

New York, NY 10022

Tel: +1-212-705-0717 Fax: +1-212-705-0724

Email: Frank.Dattalo@dexia-us.com



Regards,

Frank Dattalo

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DEXIA Credit Local

Billie Richert

From: Billie Richert
Sent: Thursday, October 18, 2012 2:27 PM
To: Dattalo FD Frank (DEXIA-US)
Subject: Thank you as well

Frank,
Here is my contact information. Thank you for your time.

Billie Richert, CPA, COTP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 5)** *Provide a copy of all correspondence between BREC and*
2 *Ambac regarding the transactions described in the Application.*

3

4 **Response)** There is no correspondence between Big Rivers and Ambac regarding
5 the transactions described in the Application.

6

7

8 **Witness)** Billie J. Richert

9

BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 6)** *Provide a copy of all correspondence between BREC and U.S.*
2 *Bank National Association regarding the transactions described in the*
3 *Application.*

4

5 **Response)** There is no correspondence between Big Rivers and U.S. Bank
6 National Association regarding the transactions described in the Application.

7

8

9 **Witness)** Billie J. Richert

10

BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 7)** *Provide copies of all correspondence between BREC and any*
2 *other banking institution or any other investment advisory entity*
3 *regarding the transactions described in the Application.*

4

5 **Response)** Please see attached correspondence between Big Rivers and any
6 other banking institution regarding the transactions described in the Application.
7 There is no such correspondence with an investment advisory entity.

8

9

10 **Witness)** Billie J. Richert

11

Billie Richert

From: Ralph Ashworth
Sent: Friday, September 14, 2012 5:14 PM
To: Childs, Jeffrey
Cc: Billie Richert
Subject: RE: A Few Questions
Attachments: CoBank Questions 9-13-12.docx

Jeff,

Attached is the responses to all your questions except the request for an updated long-range projection. As noted on the attached, I want to discuss this with Travis Siewert (he is out of the office today) before a response is provided. Travis or I will provide the response on Monday.

Thanks,
Ralph

From: Childs, Jeffrey [mailto:jchilds@cobank.com]
Sent: Thursday, September 13, 2012 3:53 PM
To: Ralph Ashworth
Cc: Billie Richert
Subject: A Few Questions

Ralph,

I have a few questions I could use your help with. Can you please help me answer the following:

1. When does the contract with HMP&L for the 207MW of capacity/energy from HMP&L Unit 2 expire? And does this plant get dispatched heavily?
2. When does the \$34 million letter of credit from Wells Fargo for 2 months of Century's electric bill expire?
3. Can you send me an updated long-range projection yet? I have one from April 2012, but it assumed the full smelter load. If you have one that resembles Big Rivers current strategy to address the Century cancellation (rate increase and idling the Coleman plant), that would be helpful.
4. How liquid are the funds in the Economic Reserve? Rural Economic Reserve? Transition Reserve? What types of securities are they held in? Other than the KPSC's requirements, are there any impediments to accessing these funds?
5. What is the most likely use for the Transition Reserve? In other words, do you plan to use those funds at all? Or save them for a more dire situation? If the latter, what would that situation look like?
6. Regarding the Series 1983 County of Ohio PCBs, what is BREC's plan to pay off/refinance the \$58.8 million maturity in 2013?
7. Has Big Rivers had any initial discussions with the KPSC about the rate case? And if so did the KPSC provide any initial thoughts?

Thank you,
Jeff

Jeffrey E. Childs | CoBank, ACB

Tel: (303) 740-4005 | Cell (303) 520-9351 | Fax (303) 224-2706

Case No. 2012-00492
Attachment for Response to KIUC 1-7
Witness: Billie J. Richert
Page 1 of 20

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1. When does the contract with HMP&L for the 207MW of capacity/energy from HMP&L Unit 2 expire? And does this plant get dispatched heavily?

HMP&L Station Two is a two unit plant owned by the city of Henderson. It is my understanding that the contract for Big Rivers to operate the HMP&L Station Two plant runs for the life of the plant. However, in accordance with Section 3.3 of the Power Sales Contract Henderson Municipal Power and Light (HMP&L) has the right to change their allocation from HMP&L Station Two by up to 5 MW annually, if required to serve their load. As of June 1, 2012, the allocation to HMP&L increased by 5 MW to 115 MW and Big Rivers allocation decreased by 5 MW to 197 MW.

In accordance with the contracts that cover HMP&L Station Two's operation these units must run if available. HMP&L receives its allocation first from these units before Big Rivers gets share.

2. When does the \$34 million letter of credit from Wells Fargo for 2 months of Century's electric bill expire?

The \$34 million letter of credit from Wells Fargo was originally issued on November 16, 2010, with an original expiration date of November 15, 2011. However, the letter of credit has an evergreen provision which provides for automatic annual extensions.

3. Can you send me an updated long-range projection yet? I have one from April 2012, but it assumed the full smelter load. If you have one that resembles Big Rivers current strategy to address the Century cancellation (rate increase and idling the Coleman plant), that would be helpful.

Jeff, I will need for Travis Siewert to address this question. Travis is out of the office today (Sept. 14) but will return on Monday (Sept 17). I know he has a financial forecast addressing the type scenario you mention (with idling Wilson plant instead of Coleman plant).

4. How liquid are the funds in the Economic Reserve? Rural Economic Reserve? Transition Reserve? What types of securities are they held in? Other than the KPSC's requirements, are there any impediments to accessing these funds?

Description	Liquidity/Maturity	Investment Securities	Restrictions on Access
Economic Reserve	01/16/13; 12/23/13; 02/03/14; 05/02/14; 08/07/14; 12/26/14	Government Agency Bonds: FEDL Home Loan Bank; FEDL Home Loan Mtg Corp; FEDL Farm Credit Bank	KPSC only
Rural Economic Reserve	07/31/13; 01/31/14	Government Bonds: U S Treasury Notes	KPSC only
Transition Reserve	02/06/13; 01/30/14	Government Agency Bonds: FEDL National Mtg Assn; FEDL Farm Credit Bank	KPSC only

5. What is the most likely use for the Transition Reserve? In other words, do you plan to use those funds at all? Or save them for a more dire situation? If the latter, what would that situation look like?

The Transition Reserve will be used as intended, to mitigate cash flow shortfalls in the process of transitioning from the loss of smelter load. This transition will be accomplished by either adding a new load which will replace lost revenues or by laying up a unit(s) to reduce costs.

6. Regarding the Series 1983 County of Ohio PCBs, what is BREC's plan to pay off/refinance the \$58.8 million maturity in 2013?

My understanding is that the current plans are to pursue a refinancing. Big Rivers will start by consulting with our investment advisor at Goldman Sachs to determine the best approach to take. Prior to the Century termination notice the plan was to issue Pollution Control Refunding Revenue Bonds (similar to the Series 2010A).

7. Has Big Rivers had any initial discussions with the KPSC about the rate case? And if so did the KPSC provide any initial thoughts?

Big Rivers has not had any discussions with the KPSC about the upcoming rate case filing. The regulations set out the steps that must be followed in requesting an adjustment in rates. To begin the process of requesting an adjustment in rates a notice of intent to file must be submitted to the KPSC (no later than) four weeks in advance of the application.

Billie Richert

From: Childs, Jeffrey <jchilds@cobank.com>
Sent: Friday, September 14, 2012 5:33 PM
To: Ralph Ashworth
Cc: Billie Richert
Subject: RE: A Few Questions

Thank you Ralph. Have a good weekend.

Jeff

From: Ralph Ashworth [mailto:Ralph.Ashworth@bigrivers.com]
Sent: Friday, September 14, 2012 4:14 PM
To: Childs, Jeffrey
Cc: Billie Richert
Subject: RE: A Few Questions

Jeff,

Attached is the responses to all your questions except the request for an updated long-range projection. As noted on the attached, I want to discuss this with Travis Siewert (he is out of the office today) before a response is provided. Travis or I will provide the response on Monday.

Thanks,
Ralph

From: Childs, Jeffrey [mailto:jchilds@cobank.com]
Sent: Thursday, September 13, 2012 3:53 PM
To: Ralph Ashworth
Cc: Billie Richert
Subject: A Few Questions

Ralph,

I have a few questions I could use your help with. Can you please help me answer the following:

1. When does the contract with HMP&L for the 207MW of capacity/energy from HMP&L Unit 2 expire? And does this plant get dispatched heavily?
2. When does the \$34 million letter of credit from Wells Fargo for 2 months of Century's electric bill expire?
3. Can you send me an updated long-range projection yet? I have one from April 2012, but it assumed the full smelter load. If you have one that resembles Big Rivers current strategy to address the Century cancellation (rate increase and idling the Coleman plant), that would be helpful.
4. How liquid are the funds in the Economic Reserve? Rural Economic Reserve? Transition Reserve? What types of securities are they held in? Other than the KPSC's requirements, are there any impediments to accessing these funds?
5. What is the most likely use for the Transition Reserve? In other words, do you plan to use those funds at all? Or save them for a more dire situation? If the latter, what would that situation look like?
6. Regarding the Series 1983 County of Ohio PCBs, what is BREC's plan to pay off/refinance the \$58.8 million maturity in 2013?
7. Has Big Rivers had any initial discussions with the KPSC about the rate case? And if so did the KPSC provide any initial thoughts?

Thank you,
Jeff

Jeffrey E. Childs | CoBank, ACB

Tel: (303) 740-4005 | Cell (303) 520-9351 | Fax (303) 224-2706

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Billie Richert

From: Childs, Jeffrey <jchilds@cobank.com>
Sent: Monday, October 22, 2012 10:11 AM
To: Billie Richert; Ralph Ashworth
Subject: A few quick questions...

Billie and Ralph,

A few questions on some details have come up that would help with our understanding of the situation. Can you please help with the following?

- How much production will likely be curtailed? I.E. what would the resulting capacity factor be for the Wilson plant? Coleman plant? Big Rivers as a whole?
- Do you have any recent comparisons of your electric rates to those of neighboring utilities?
- How much \$\$ is the rate case designed to add to Big Rivers' revenues?
- What metrics, if any(MFI? DSC? Equity/Assets? Etc.), is the rate case designed to achieve?
- Are there any other specific goals of the rate case?
- Have you formally engaged Goldman Sachs to handle the refinancing of the PCBs?
- Can PCBs be issued for issuers whose ratings are below investment grade? Or would such an issuer have to obtain some other type of debt product?

Thank you!

Regards,
Jeff

Jeffrey E. Childs | CoBank, ACB

Tel: (303) 740-4005 | Cell (303) 520-9351 | Fax (303) 224-2706

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Billie Richert

From: Billie Richert
Sent: Monday, October 22, 2012 12:56 PM
To: Childs, Jeffrey; Ralph Ashworth
Subject: RE: A few quick questions...

Jeff,
Hope your day is going well. Ralph and I are working on responses. Will get back with you as soon as we can.

Billie.

From: Childs, Jeffrey [mailto:jchilds@cobank.com]
Sent: Monday, October 22, 2012 10:11 AM
To: Billie Richert; Ralph Ashworth
Subject: A few quick questions...

Billie and Ralph,

A few questions on some details have come up that would help with our understanding of the situation. Can you please help with the following?

- How much production will likely be curtailed? I.E. what would the resulting capacity factor be for the Wilson plant? Coleman plant? Big Rivers as a whole?
Do you have any recent comparisons of your electric rates to those of neighboring utilities?
How much \$\$ is the rate case designed to add to Big Rivers' revenues?
- What metrics, if any (MFI? DSC? Equity/Assets? Etc.), is the rate case designed to achieve?
- Are there any other specific goals of the rate case?
- Have you formally engaged Goldman Sachs to handle the refinancing of the PCBs?
- Can PCBs be issued for issuers whose ratings are below investment grade? Or would such an issuer have to obtain some other type of debt product?

Thank you!

Regards,
Jeff

Jeffrey E. Childs | CoBank, ACB
Tel: (303) 740-4005 | Cell (303) 520-9351 | Fax (303) 224-2706

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Billie Richert

From: Dan Lyzinski <Dan.Lyzinski@nrucfc.coop>
Sent: Wednesday, October 24, 2012 2:44 PM
To: Billie Richert
Cc: Thomas Hall
Subject: Financial Forecast

Billie,

As we work forward in assisting you to obtain financing for the environmental construction workplan, I am planning to begin my underwriting for the credit with expectation to take it to our board in early December. In that process I would need the following if its available:

Long-term financial forecast with Century leaving in August 2013
A brief description of the purpose of the financing (i.e., summary of the workplan and timeline for completion)
Expected filing date for RUS financing (if possible could we get a copy if not too massive?)
Big Rivers' Next Board meeting for approving the loan
Expected filing with the KYPSC for this loan
Expected draw schedule for this loan
Have you updated the Disclosure Statement? If so, can we get a copy?
What is the amount of cash on hand and how is it expected to be used?
Any update on the refunding of the PCB?

As I start working through my credit recommendation, I may need to follow-up with additional questions.

Please let me know if you have any questions.

Thanks,

CFC: Created and Owned by America's Electric Cooperative Network

Dan Lyzinski

National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Ph.: (703) 467-2741
Fax: (703) 467-5653

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Billie Richert

From: Billie Richert
Sent: Thursday, October 25, 2012 5:34 PM
To: Dan Lyzinski
Cc: Ralph Ashworth; Thomas Hall
Subject: RE: Financial Forecast

Dan,

I want to follow-up on some of the items you asked about previously:

- 1) We just got results from our production model run (from ACES) for the four year period (2013-14-15-16) which is what we are using for the rate case. We also requested ACES to run a fifteen year model using the same assumptions as the four year period (but extended another 11 years) but we won't have these results rolled into our financial model until after we are finished with submitting our application to the PSC in January. (Note: Staff informs me today they won't have time to complete a 15 year financial forecast until after the rate case submission.) We will get you're the 15 year forecast after that, as soon as possible.
- 2) We are going to take the information included in the RUS application and provide you the brief description for the purpose of the financing including the timeline.
- 3) We will provide you a copy of the RUS application. We are visiting with RUS next Thursday and I suspect after that meeting we will file the application. The board has approved the submission of the RUS application.
- 4) We can have a board resolution for the CFC loan in November.
- 5) We would then file as soon as feasible with the PSC.
- 6) Expected draw schedule for this loan as follows:

Summary of Cash Flows for MATS CWP Expenditures (\$ in millions):

Location	2013	2014	Total
Wilson	\$6.00	\$5.24	\$11.24
Coleman	15.60	12.84	28.44
Green	9.20	9.28	18.48
HMPL (net)	-	0.28	0.28
Total	\$30.80	\$27.64	\$58.44

- 7) We have not updated our disclosure statement dated July 12, 2012, but need to. It is now on my 'to do' list. Is there a specific date by which you need an updated document?
- 8) Cash on hand today: \$119.5m - this includes the \$60m 'additional' borrowed from CoBank on July 27, 2012. In the PSC's order for Case 2012-00119 entered May 25, 2012, the \$60m is to be used for 'capital expenditures in the ordinary course of business'. As I mentioned the other day it is imperative Big Rivers maintains its liquidity keeping in mind the impact this has on our rating agencies. In addition if for some reason we are unable to successfully refund our \$58.8m Series 1983 PCB, we will need to have cash available as the maturity date of these bonds is June 1, 2013. We need a minimum of \$30 - 35\$m on hand for our daily operations. This leaves us with $(\$119.5 - \$58.8 - \$35) = \$26m$ 'cushion if you will'. If an emergency arises and we need readily available liquidity we will have this \$26m available. It is also available as we ramp up for the MATS ECP if for some reason we are unable to complete the 3 year short-term financing with CFC.
- 9) We've received documents for review on the PCB but have not finalized anything for this. The board has passed a resolution for us to pursue refunding.

Dan, we look forward speaking with you tomorrow. Let me know if I missed anything.

Billie

-----Original Message-----

From: Dan Lyzinski [mailto:Dan.Lyzinski@nrucfc.coop]

Sent: Thursday, October 25, 2012 3:08 PM

To: Billie Richert

Cc: Ralph Ashworth; Thomas Hall

Subject: RE: Financial Forecast

Billie,

Can we arrange to have a conference call with you and Mark Bailey sometime tomorrow for an update?

Please let me know what times work for you.

Thanks,

CFC: Created and Owned by America's Electric Cooperative Network

Dan Lyzinski

National Rural Utilities Cooperative Finance Corporation

20701 Cooperative Way

Dulles, VA 20166

Ph.: (703) 467-2741

Fax: (703) 467-5653

|----->
| From: |
|----->
>-----|
| Billie Richert <Billie.Richert@bigrivers.com> |
>-----|
|----->
| To: |
|----->
>-----|
| Dan Lyzinski <Dan.Lyzinski@nrucfc.coop> |
>-----|
|----->
| Cc: |
|----->
>-----|
| Thomas Hall <Thomas.Hall@nrucfc.coop>, Ralph Ashworth <Ralph.Ashworth@bigrivers.com> |
|
>-----|
|----->
| Date: |
|----->

>-----|
| 10/24/2012 05:52 PM |
>-----|
|----->
| Subject: |
|----->
>-----|
| RE: Financial Forecast |
>-----|

Dan,
I've been out of office most of today. I will get with Ralph to prepare responses for you. We certainly will provide you copies as you have requested. No update on the refunding other than we are reviewing documents and awaiting draft document to file with PSC.

Billie

-----Original Message-----

From: Dan Lyzinski [mailto:Dan.Lyzinski@nrucfc.coop]
Sent: Wednesday, October 24, 2012 2:44 PM
To: Billie Richert
Cc: Thomas Hall
Subject: Financial Forecast

Billie,

As we work forward in assisting you to obtain financing for the environmental construction work plan, I am planning to begin my underwriting for the credit with expectation to take it to our board in early December. In that process I would need the following if its available:

Long-term financial forecast with Century leaving in August 2013
A brief description of the purpose of the financing (i.e., summary of the work plan and timeline for completion)
Expected filing date for RUS financing (if possible could we get a copy if not too massive?)
Big Rivers' Next Board meeting for approving the loan
Expected filing with the KYPSC for this loan
Expected draw schedule for this loan
Have you updated the Disclosure Statement? If so, can we get a copy?
What is the amount of cash on hand and how is it expected to be used?
Any update on the refunding of the PCB?

As I start working through my credit recommendation, I may need to follow-up with additional questions.

Please let me know if you have any questions.

Thanks,

Dan Lyzinski

National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Ph.: (703) 467-2741
Fax: (703) 467-5653

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Billie Richert

From: Childs, Jeffrey <jchilds@cobank.com>
Sent: Thursday, October 25, 2012 12:11 PM
To: Billie Richert; Telesz, Todd
Cc: Ralph Ashworth
Subject: RE: Request for term sheet on proposal

Okay. We will want our attorney's help with this. And they are telling me that they may not be able to provide this until early next week. Would that be alright? If not, just let me know, and I will expedite.

Thanks, Jeff

Sent from my iPhone.

-----Original Message-----

From: Billie Richert [Billie.Richert@bigrivers.com]
Sent: Thursday, October 25, 2012 08:08 AM Mountain Standard Time
To: Childs, Jeffrey; Telesz, Todd
Cc: Ralph Ashworth
Subject: RE: Request for term sheet on proposal

Jeff,

As soon as you can we greatly appreciate it. Also, we are working on the PCB refunding documents and we'll keep you posted. Jeff, can you let me know when we might expect the term sheet?

Thanks,
Billie

From: Childs, Jeffrey [<mailto:jchilds@cobank.com>]
Sent: Thursday, October 25, 2012 8:31 AM
To: Billie Richert; Telesz, Todd
Cc: Ralph Ashworth
Subject: RE: Request for term sheet on proposal

Good morning Billie,

We will get on this right away. When do you need the term sheet by? Have our discussions made it possible for you to finish up your KPSC application regarding the PCBs?

Thanks,
Jeff

Sent from my iPhone.

-----Original Message-----

From: Billie Richert [Billie.Richert@bigrivers.com]

Sent: Thursday, October 25, 2012 06:43 AM Mountain Standard Time

To: Childs, Jeffrey; Telesz, Todd

Cc: Ralph Ashworth

Subject: Request for term sheet on proposal

Jeff/Todd,

Good morning. Hope you are both doing well. Following up on the proposal you presented to us on Tuesday, I'm requesting a term sheet from CoBank which will provide a comprehensive explanation for our review. It seems this makes sense as the next step prior to incorporating changes to the revolving credit facility.

If you concur, please let me know when we may expect this.

Again, I want to express our appreciation for your efforts and continued support.

Billie Richert, CPA, CFP

VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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Billie Richert

From: Mark Bailey
Sent: Friday, October 26, 2012 3:05 PM
To: Billie Richert
Subject: Fwd: P C B

FYI. Mark

Sent from my iPhone

Begin forwarded message:

From: Sheldon Petersen <Sheldon@nrucfc.coop>
Date: October 26, 2012 3:01:49 PM CDT
To: Mark Bailey <Mark.Bailey@bigrivers.com>
Cc: Burns Mercer <bmercer@mcrecc.coop>
Subject: P C B

Mark,

The read we got is around 2.65% - 2.90% over the interpolated Treasury rate for a yield of 5% - 5.25% on a bullet maturity basis.

Amortizing is not the preferred investor model right now so there would probably be a premium for that.

I hope this helps.

Sheldon.

CFC: Created and Owned by America's Electric Cooperative Network

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

Billie Richert

From: Mark Bailey
Sent: Thursday, October 25, 2012 12:06 PM
To: Billie Richert
Subject: Fwd: PC BOND

Billie, The answer is "no", correct? Thanks, Mark

Sent from my iPhone

Begin forwarded message:

From: Sheldon Petersen <Sheldon@nrucfc.coop>
Date: October 25, 2012 12:03:55 PM CDT
To: Mark Bailey <Mark.Bailey@bigrivers.com>
Subject: Re: PC BOND

Is the bond currently Amortizing?

CFC: Created and Owned by America's Electric Cooperative Network

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

On Oct 25, 2012, at 11:56 AM, "Mark Bailey" <Mark.Bailey@bigrivers.com> wrote:

Sheldon,

Presently we are looking at a fixed interest rate to maturity but are open to other options, if available. We prefer to amortize the bond (18 years) rather than a bullet maturity.

Thanks,
Mark

From: Sheldon Petersen [<mailto:Sheldon@nrucfc.coop>]
Sent: Thursday, October 25, 2012 11:44 AM
To: Mark Bailey

Cc: Burns Mercer
Subject: PC BOND

Mark,

A couple of questions.

Do you plan to only fix to maturity or are you also entertaining shorter term options ?

Is this an amortizing bond or a bullet maturity?

Sheldon

CFC: Created and Owned by America's Electric Cooperative Network

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

Billie Richert

From: Mark Bailey
Sent: Thursday, October 25, 2012 11:49 AM
To: Billie Richert
Subject: FW: PC BOND

Billie, How do you wish to respond? Thanks, Mark

From: Sheldon Petersen [mailto:Sheldon@nrucfc.coop]
Sent: Thursday, October 25, 2012 11:44 AM
To: Mark Bailey
Cc: Burns Mercer
Subject: PC BOND

Mark,

A couple of questions.

Do you plan to only fix to maturity or are you also entertaining shorter term options ?

Is this an amortizing bond or a bullet maturity?

Sheldon

CFC: Created and Owned by America's Electric Cooperative Network

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

Billie Richert

From: Mark Bailey
Sent: Monday, October 22, 2012 11:27 AM
To: sheldon@nrucfc.coop
Cc: Burns Mercer (bmercer@mcrecc.com); Billie Richert
Subject: Big Rivers' PCB Refinancing

Hello Sheldon:

Burns Mercer indicates he has spoken with you about Big Rivers' upcoming Pollution Control Bond refinancing and that you asked for some additional information that might enable you to make some queries on our behalf. Please see the following summary from our VP Accounting and Interim CFO, Billie Richert. If you need additional information, please let me know. We appreciate your interest and assistance.

Regards, Mark

From: Billie Richert
Sent: Monday, October 22, 2012 11:08 AM
To: Mark Bailey
Subject: County of Ohio, Kentucky - Pollution Control Bonds \$58,800,000

Mark,
To recap, these \$58,800,000 tax-exempt Pollution Control Bonds mature June 1, 2013. These are variable rate demand bonds. Both of the enhancers for these bonds, Ambac and Dexia, have been downgraded. It is my understanding due to the weakness of Dexia's credit, these bonds trade on our credit profile. Our present credit ratings are:

- 1) Moody's Baa2 (rating under review)
- 2) Fitch BBB- (outlook negative)
- 3) S&P BBB- (outlook negative)

I've been provided with information which indicates we can expect to refund these bonds with a fixed coupon rate of 6%. This is based upon recent secondary market trades of our other \$83,300,000 County of Ohio, Kentucky, Pollution Control Bonds, which mature in 2031. These bonds have been trading with a yield to maturity of 5.50% in \$1 million lots.

Billie Richert, CPA, CFP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

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Case No. 2012-00492

Attachment for Response to KIUC 1-7

Witness: Billie J. Richert

Page 20 of 20

BIG RIVERS ELECTRIC CORPORATION

**THE APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO ISSUE EVIDENCES OF INDEBTEDNESS
CASE NO. 2012-00492**

**Response to the Kentucky Industrial Utility Customers'
Initial Request for Information
Dated December 19, 2012**

January 3, 2013

1 **Item 8)** *Provide a copy of all correspondence internally within BREC*
2 *regarding the transactions described in the Application.*

3

4 **Response)** Please see attached copies of all correspondence internally within Big
5 Rivers regarding the transactions described in the Application. Big Rivers
6 objects to producing any correspondence that contains information protected by
7 the attorney-client privilege or the attorney work product rule.

8

9

10 **Witness)** Billie J. Richert

11

Billie Richert

From: Billie Richert
Sent: Monday, October 15, 2012 10:59 AM
To: Mark Bailey
Cc: Paula Mitchell
Subject: Refunding \$58.8 Series 1983 PCB and Board Member Login Guidance Document
Attachments: Financing Considerations for Big Rivers Series 1983 Bonds.pdf; Board Member Instructions for BR Access.pptx

Mark,
Per our discussion.

Thanks.

Billie Richert, CPA, CFP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420


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Big Rivers Electric Corporation



Your Touchstone Energy[®] Cooperative 

Financing Considerations for Series 1983 Pollution Control Bonds Goldman, Sachs & Co.

October 10, 2012

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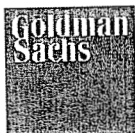
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Overview of Big River Electric Corporation's Series 1983 Bonds

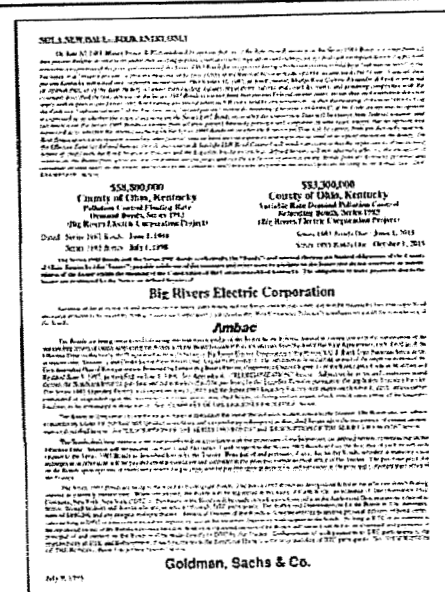
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Executive Summary

- Big Rivers' Series 1983 Bonds were issued in June 1998 and are currently outstanding
 - Insured by Ambac and enhanced with a Standby Bond Purchase Agreement (SBPA) from Dexia which expires coterminously with the Bonds' June 1, 2013 maturity
 - Both enhancers have been downgraded¹
- Variable rate bonds generally trade in accordance with the strength of liquidity provider, and, due to the weakness of Dexia's credit, the bonds trade based on Big Rivers' credit profile (Baa2/BBB-/BBB- with negative outlooks from all three agencies)
 - Due to the resulting inability to garner investor interest, the Bonds are currently held as "bank bonds" by Dexia pursuant to the SBPA
- Our understanding is that the interest rate currently being paid by Big Rivers to Dexia for bank bonds is attractive (~3.25%)² but this arrangement expires at maturity of the notes (June 1, 2013)
 - Both new liquidity providers and similar bank bond terms are highly unlikely to be found in today's market for BBB-rated credits like Big Rivers, and, if found, would be costly
- BECON Engineering is in the process of examining the maximum final maturity for the anticipated refinancing, currently contemplated for 2031 (~18-year maturity)

Series 1983 Bonds

Par Amount	\$58,800,000
Maturity	6/1/2013
Coupon Type	Variable
Issuer	County of Ohio, Kentucky
Obligor	Big Rivers Electric Company
Insurance	Ambac
SBPA Provider	Dexia (expires 6/1/2013)



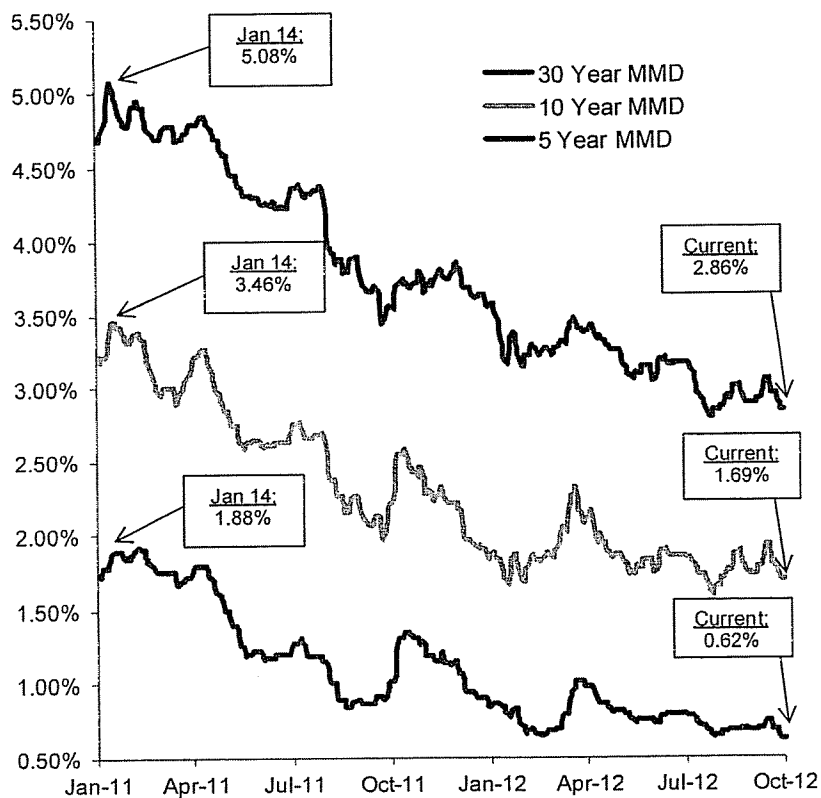
1. Ratings: Ambac (Ratings Withdrawn) and Dexia (Long Term: Baa2/BBB/A+ Short Term: P-2/A-2/F-1+)
 2. We understand that bank bonds accrue interest at the higher of a) the base commercial lending rate announced from time to time by [Credit Suisse], which we proxy to be the Prime Rate (approximately 3.25%) or b) Fed Funds rate (17 bps) + 50bps (Source: SBPA; Rates as of October 9, 2012)

Attachment for Response to KIUC 1-8
 Witness: Billie J. Richert
 Case No. 2012-00492
 Page 4 of 41
 Financing Considerations for Series 1983



Despite a slight rise in rates across the curve, the rate environment remains attractive

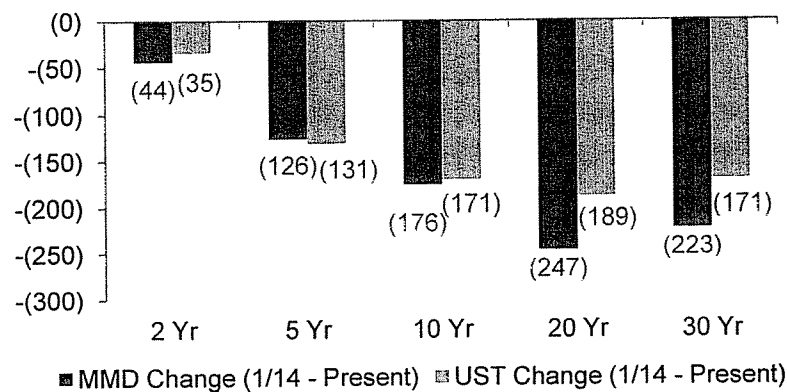
Tax-Exempt Rates Since January 2011



Rates Still Remain Well Below Historical Averages

Benchmark	10/5/12	Max.	Min.	10-Yr Avg.
5-Yr MMD	0.62%	3.97%	0.62%	2.43%
10-Yr MMD	1.69	4.86	1.60	3.30
20-Yr MMD	2.42	5.74	2.42	4.12
30-Yr MMD	2.86	5.94	2.79	4.37
UST5	0.67	5.22	0.55	2.93
UST10	1.73	5.25	1.40	3.72
UST20	2.48	5.62	2.05	4.37
UST30	2.97	5.55	2.47	4.42

MMD vs. Treasury Performance Mixed Across Curve



Note: Rates as of October 5, 2012.



The present market environment is robust for BBB-rated issuance.

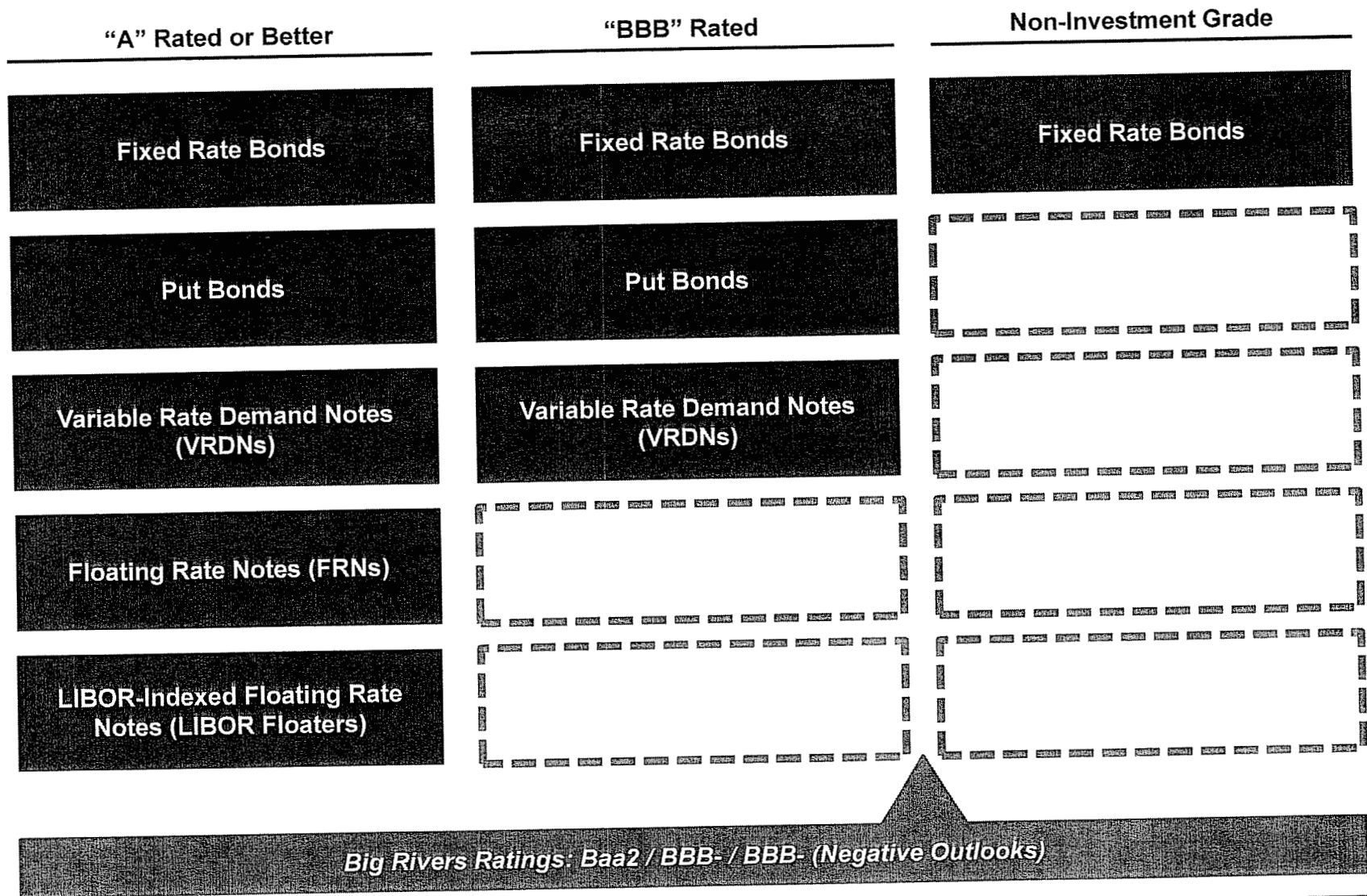
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- The combination of the abundance of municipal demand relative to supply as well as historically low levels of tax-exempt and Treasury rates have created a very favorable issuance environment
 - Municipal bond funds have seen net inflows of cash in 39 of the 40 weeks of 2012YTD, which has led to the abundance of demand relative to supply
 - Investors continue to sit on the sidelines as they await transactions that will meet their absolute yield requirements, often pushing them farther down the credit spectrum in order to find higher yielding offerings
- Issuance at “BBB” and lower ratings levels has been met with solid demand in the current market
 - In 2012, the percentage of total municipal issuance at ratings at Baa or lower credit quality has doubled relative to 2011¹
- However, investor sentiment is not only driven by rates but also by domestic policy, macroeconomic forces, and global economic conditions
- Should interest rates rise or credit appetites run more conservative in future market conditions, issuers that are rated BBB and lower will tend to feel the effects of tightening investor liquidity first, before higher rated issuers

¹ Thomson Reuters SDC as of October 2012

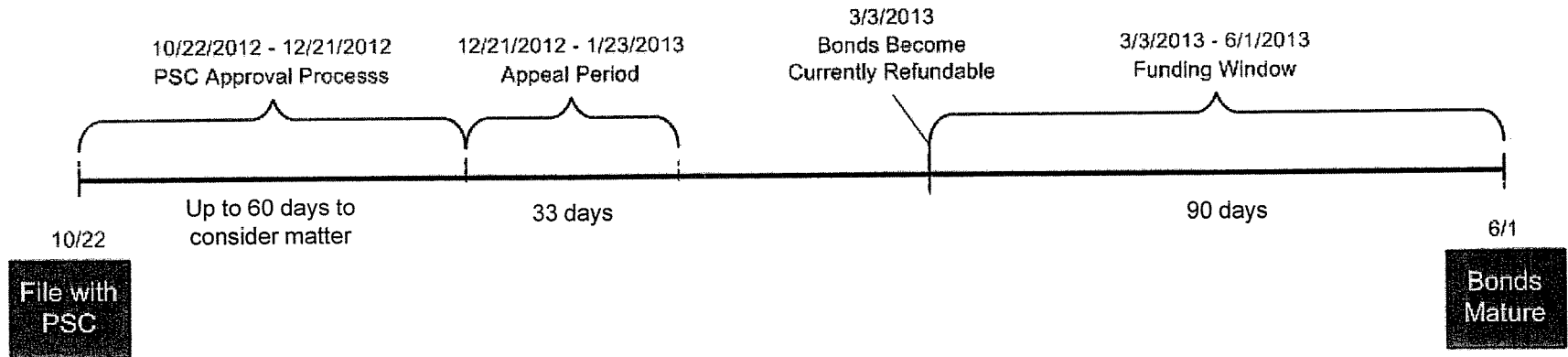


The availability of financing products to issuers varies across the ratings spectrum.





Indicative Timeline for a Refunding of the Series 1983 Bonds



- Because the new debt will be more expensive than the current interest payments to Dexia, there is a cost to issuing earlier
 - Issuing March 3rd versus waiting until June would cost approximately \$400,000¹

While the bonds are not currently callable until 90 days before the call date, it is likely that Dexia would be willing to work with Big Rivers to refund earlier in order to exit the bank bond position.

¹ Differential between interest cost on fixed rate bonds versus Dexia bank bonds over the same period



Big Rivers Financing in Today's Market

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- Recent secondary market trades of Big Rivers' bonds have traded at a yield to maturity of ~5.50% in size of about \$1 million
- Larger (\$50 million plus) financing would require significant new issue concession to bring in large institutional orders (~6% Coupon)
- However, in order to complete the financing, Big Rivers **must** communicate its strategy related to Century load to market participants
- Today's market is very good, particularly for lower rated issuers
- Because of Century issue we believe fixed rate bonds are the only potential refinancing alternative
 - VRDNs would require bank liquidity
 - Short term credit issues preclude Put Bond issuance

Billie Richert

From: Billie Richert
Sent: Wednesday, October 17, 2012 12:36 PM
To: Paula Mitchell
Subject: FW: Board presentation for \$58.8 PCB Refunding

FYI.

From: Mark Bailey
Sent: Wednesday, October 17, 2012 12:26 PM
To: Billie Richert
Subject: RE: Board presentation for \$58.8 PCB Refunding

Billie, Let's wait until the end of the day to determine whether Orrick responds. If you don't hear by then, go ahead and have Paula distribute what you have. Thanks, Mark

From: Billie Richert
Sent: Wednesday, October 17, 2012 11:54 AM
To: Mark Bailey
Subject: Board presentation for \$58.8 PCB Refunding

Mark,
I've made the following changes:

Page 2 – Footnote to explain SBPA

Page 5 – Incorporated numbers obtained from Goldman and Jim. Reduced estimate for Orrick – used pro-rated amount based upon 2010A refunding and per my discussion with Jim, this refunding is less complex. Per my conversation with Joe Charles, partner on our engagement, I've increased the estimate to \$60,000 which is a reasonable estimate for services required for this bond offering. These services will include an 'agreed upon procedures letter' or comfort letter as well as a consent letter to include the 12/31/2011 audited financials in the bond offering documents. Turnaround time for the consent report is about a week and about 30 days for the agreed upon procedures letter.

Page 6 – Added your comments so noted.

Still waiting to hear back from Orrick. They are working on the estimate. I spoke with Jim and he was working on the resolution. Let me know if you want to wait on Orrick's estimate before I finalize this. The submission to PSC will include all supporting documents for this refunding, including indentures and loan agreements. Jim still believes we can complete this for filing next week with the PSC.

Thank you.

Billie Richert, CPA, CFP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

Case No. 2012-00492
Attachment for Response to KIUC 1-8

Witness: Billie J. Richert

Page 10 of 41

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Billie Richert

From: Billie Richert
Sent: Wednesday, October 17, 2012 2:10 PM
To: Ralph Ashworth; DeAnna McCormick Speed; Travis Siewert; Donna Windhaus
Subject: My presentation to the board re: Refunding the 1983 PCB
Attachments: Series 1983 Pollution Control Bonds.pptx

FYI. Please let me know if there are questions.

Billie Richert, CPA, COTP

VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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Series 1983 Pollution Control Bonds – Maturing June 1, 2013

Board Meeting Date: October 19, 2012



Overview of Series 1983 Bonds

Par Amount	\$58,800,000
Maturity	6/1/2013
Coupon Type	Variable
Issuer	County of Ohio, Kentucky
Obligor	Big Rivers Electric Corporation
Insurance	Ambac
SBPA¹ Provider	Dexia (expires 6/1/2013)

1 - Standby Bond Purchase Agreement



Financing Options

- Refund bonds prior to maturity date
- Seek PSC approval to use all or part of \$35,000,000 Transition Reserve (Per Case No. 2012-00119 Order dated May 25, 2012 for our refinancing with CoBank and CFC)
- Utilize Cash – \$113m as of September 30, 2012
- Draw-down on revolving lines of credit



Refunding Bonds Prior to Maturity

- **Advantages**
 - Preserves both Transition Reserve and cash balance
 - Locks in long-term financing with new maturity date of 2031, with level payments
 - We maintain our liquidity which is viewed favorably by rating agencies
 - We demonstrate our ability to refinance the bonds
 - By refunding early, we achieve best interest rate and avoid last-minute issues that could result in a payment default
- **Disadvantages**
 - More expensive due to Big Rivers' ratings : Baa2/BBB-/BBB- (6.0% fixed); estimated annual cost increase of \$1.6m (6.00% vs. 3.25%)
 - Timing - as present market liquidity may tighten if interest rates rise or investors become more conservative
 - Cannot refund the fixed rate bonds earlier than ten years from closing



Expenses Associated with Refunding

The following estimated one-time expenses associated with this refunding are deferred and amortized over the term of the bond (18 years):

1.	Underwriter Fees	\$ 515,000 Estimated
2.	Counsel for Underwriter	\$ 225,000 Estimated
3.	Big Rivers Counsel Orrick, Herrington	\$ 250,000 - \$500,000 Estimated
4.	Big Rivers Counsel Sullivan, Mountjoy	\$ 125,000 Estimated
5.	KPMG LLP	\$ 60,000 Estimated
6.	Other Fees	\$ <u>100,000</u> Estimated
	Total Estimated expenses	\$1,275,000 - \$1,525,000
	Annual Amortization for 18 years	\$71,000 - \$85,000



Utilize Transition Reserve/Cash

- **Advantages**
 - Reduces cost of financing – interest expense reduction estimated at \$3.4m (net of interest income)
 - Timing of payments remains in our control
- **Disadvantages**
 - Requires PSC approval to utilize transition reserve
 - Reduces cushion should other unforeseen circumstances arise
 - May need liquidity to fund Environmental Compliance Plan (ECP) for MATS - \$58.4m
 - RUS approval of loan application for long-term funding of ECP is estimated to take 2 -3 years
 - Reduces liquidity which likely would be viewed unfavorably by rating agencies
 - Reduces funds available to offset smelter-driven rate increases and for cash needs during Century's closure transition



Draw Down on Revolving Lines of Credit

- **Advantages**
 - Funding already in place – cost of drawdowns estimated at \$1.2m
 - assumes \$40m from CFC line at current rate of 2.9% PLUS
 - \$18.8m from cash currently earning .17%
 - We control date for drawdown

- **Disadvantages**
 - Lines are used to issue letters of credits to our fuel suppliers; \$2m for MISO Financial Transmission Right (FTR) auctions; MISO counter party transactions; and to meet KY landfill requirements
 - Use of CFC line of credit impacts the only ready source of borrowed liquidity
 - CoBank line not available due to Century notice – still researching

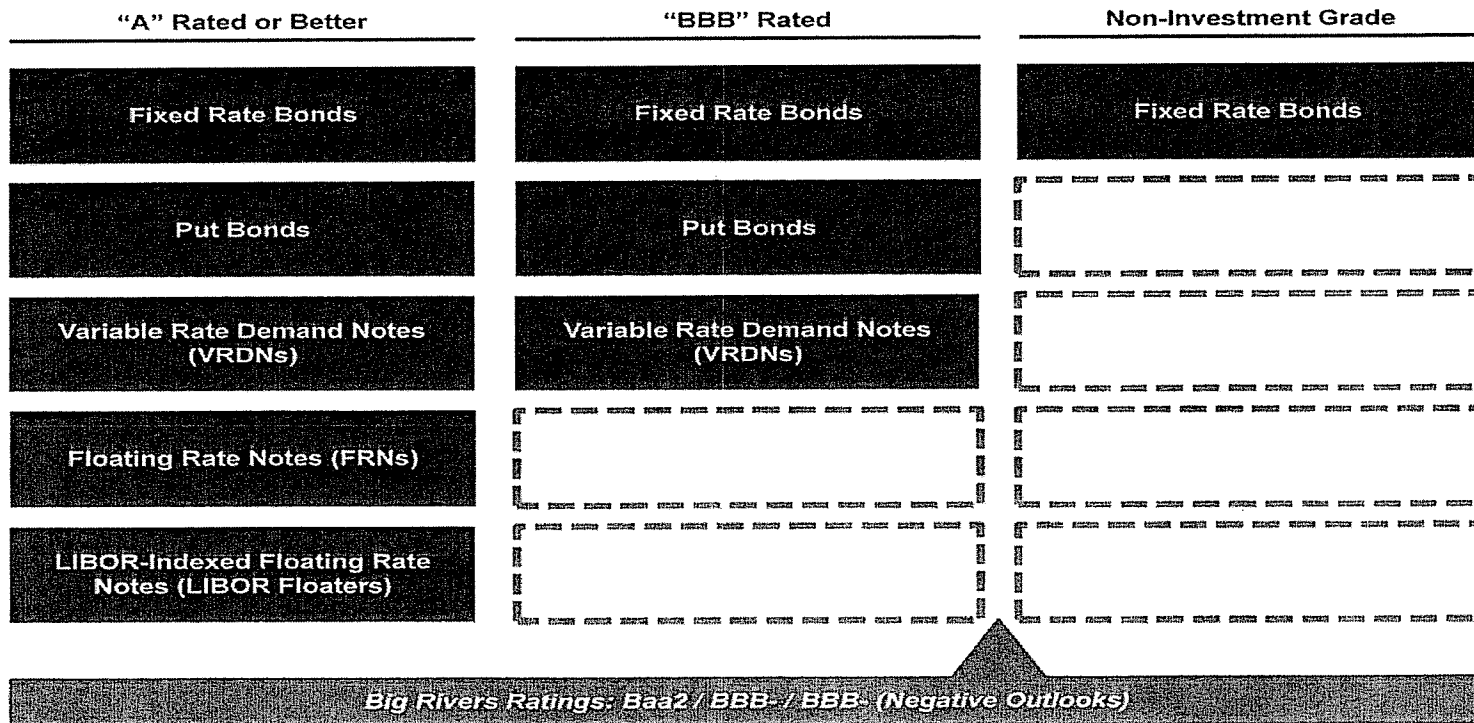


Recommendation

- Refund the Series 1983 Bonds
- Lock in long-term (2031), level-debt financing, refundable in 10 years
- Maintain our liquidity
- No anticipated negative impact from rating agencies' perspective which is critical for our ability to finance the ECP and to remain in compliance with RUS debt covenant
- Estimated *additional* annual interest expense is \$1.6m (6.0% versus 3.25%)

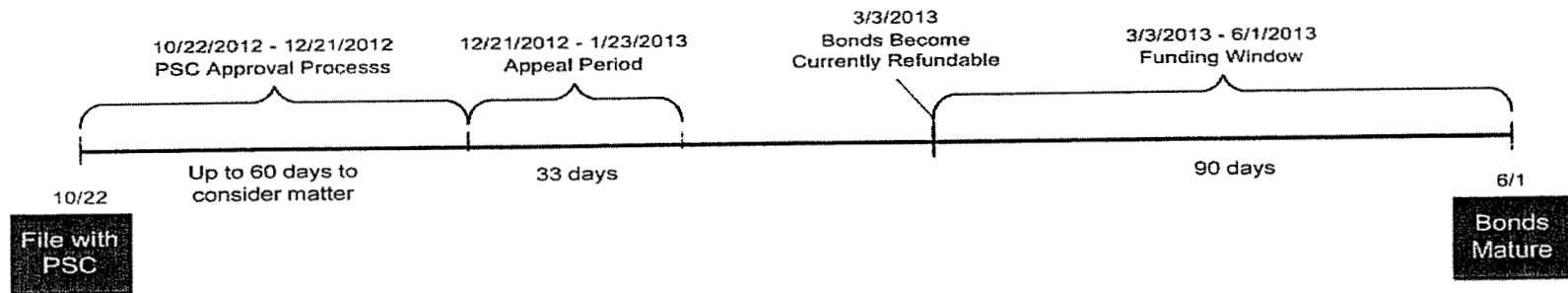


The availability of financing products to issuers varies across the ratings spectrum





Indicative Timeline for a Refunding of the Series 1983 Bonds



- Because the new debt will be more expensive than the current interest payments to Dexia, there is a cost to issuing earlier
 - Issuing March 3rd versus waiting until June would cost approximately \$400,000¹

While the bonds are not currently callable until 90 days before the call date, it is likely that Dexia would be willing to work with Big Rivers to refund earlier in order to exit the bank bond position.

¹ Differential between interest cost on fixed rate bonds versus Dexia bank bonds over the same period

Billie Richert

From: Billie Richert
Sent: Wednesday, October 24, 2012 4:36 PM
To: DeAnna McCormick Speed
Cc: Ralph Ashworth; Susan Smith; Daniel Howard; Jeff Williams
Subject: RE: Wilson PC Bond Asset Listing

I want to thank everyone for gathering this information. Ralph will coordinate a call with Becon, the engineering firm evaluating these assets for purposes of refunding the \$58.8 PCB. Ralph, please work with DeAnna and her group to answer any questions you or Becon may have regarding the information provided. We need to provide Becon with this information as soon as possible so we can confirm the new maturing date for the bonds.

Thanks again for this effort.

From: DeAnna McCormick Speed
Sent: Wednesday, October 24, 2012 4:28 PM
To: Billie Richert
Cc: Ralph Ashworth; Susan Smith; Daniel Howard; Jeff Williams
Subject: FW: Wilson PC Bond Asset Listing

Billie:

A letter (attached pdf) from Bill Thorpe to Mayer, Brown & Platt dated June 30, 1983, outlined the Wilson pollution control systems and estimated net construction costs that would be funded by the two Pollution Control Bonds (the \$82.5m bond and the \$58.8m bond). Susan and Daniel have pulled information from the fixed asset system related to the assets acquired for these systems. The Excel file containing the assets is attached. Please note that the RAILROAD (\$3,679,700.62) is **no longer in service**. A good portion of the track has been physically **removed**.

As expected, the gross book value of the assets exceeds the amount of the two bonds. The gross book amounts include capitalized interest and other administrative or overhead costs allocable to each asset. If you would like to discuss this file, please let me know and I will set up a meeting with appropriate parties.

Thanks!
DeAnna

From: Susan Smith
Sent: Wednesday, October 24, 2012 3:12 PM
To: DeAnna McCormick Speed
Cc: Ralph Ashworth; Daniel Howard
Subject: Wilson PC Bond Asset Listing

File of Wilson assets for the PC bond refinancing is attached.

Billie Richert

From: Mark Bailey
Sent: Thursday, October 25, 2012 11:49 AM
To: Billie Richert
Subject: FW: PC BOND

Billie, How do you wish to respond? Thanks, Mark

From: Sheldon Petersen [mailto:Sheldon@nrucfc.coop]
Sent: Thursday, October 25, 2012 11:44 AM
To: Mark Bailey
Cc: Burns Mercer
Subject: PC BOND

Mark,

A couple of questions.

Do you plan to only fix to maturity or are you also entertaining shorter term options ?

Is this an amortizing bond or a bullet maturity?

Sheldon

CFC: Created and Owned by America's Electric Cooperative Network

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

Billie Richert

From: Mark Bailey
Sent: Thursday, October 25, 2012 12:06 PM
To: Billie Richert
Subject: Fwd: PC BOND

Billie, The answer is "no", correct? Thanks, Mark

Sent from my iPhone

Begin forwarded message:

From: Sheldon Petersen <Sheldon@nrucfc.coop>
Date: October 25, 2012 12:03:55 PM CDT
To: Mark Bailey <Mark.Bailey@bigrivers.com>
Subject: Re: PC BOND

Is the bond currently Amortizing?

CFC: Created and Owned by America's Electric Cooperative Network

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

On Oct 25, 2012, at 11:56 AM, "Mark Bailey" <Mark.Bailey@bigrivers.com> wrote:

Sheldon,

Presently we are looking at a fixed interest rate to maturity but are open to other options, if available. We prefer to amortize the bond (18 years) rather than a bullet maturity.

Thanks,
Mark

From: Sheldon Petersen [<mailto:Sheldon@nrucfc.coop>]
Sent: Thursday, October 25, 2012 11:44 AM
To: Mark Bailey

Case No. 2012-00492
Attachment for Response to KIUC 1-8
Witness: Billie J. Richert
Page 25 of 41

Cc: Burns Mercer
Subject: PC BOND

Mark,

A couple of questions.

Do you plan to only fix to maturity or are you also entertaining shorter term options ?

Is this an amortizing bond or a bullet maturity?

Sheldon

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Cell: 703-623-0459
www.nrucfc.coop

Billie Richert

From: Mark Bailey
Sent: Friday, October 26, 2012 3:05 PM
To: Billie Richert
Subject: Fwd: P C B

FYI. Mark

Sent from my iPhone

Begin forwarded message:

From: Sheldon Petersen <Sheldon@nrucfc.coop>
Date: October 26, 2012 3:01:49 PM CDT
To: Mark Bailey <Mark.Bailey@bigrivers.com>
Cc: Burns Mercer <bmercerc@mcrecc.coop>
Subject: P C B

Mark,

The read we got is around 2.65% - 2.90% over the interpolated Treasury rate for a yield of 5% - 5.25% on a bullet maturity basis.

Amortizing is not the preferred investor model right now so there would probably be a premium for that.

I hope this helps.

Sheldon.

CFC: Created and Owned by America's Electric Cooperative Network

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

Billie Richert

From: Mark Bailey
Sent: Saturday, October 27, 2012 8:31 AM
To: Billie Richert
Subject: Re: P C B

OK. Thanks.....

Sent from my iPhone

On Oct 27, 2012, at 7:57 AM, "Billie Richert" <Billie.Richert@bigrivers.com> wrote:

Mark,
I've confirmed with Mark G. that we can have an amortizing sinking fund bond with no premium. This will provide levelized debt service payments over the 18 year term of the bond. I recommend this as we already have other debt maturing in 2031/2032. I recommend we move forward with this and I confer with Jim to see if we can combine this and the ECP financing for submission to PSC for approval.
May I proceed?
Billie

Sent via the Samsung Galaxy S™III, an AT&T 4G LTE smartphone

Mark Bailey <Mark.Bailey@bigrivers.com> wrote:
FYI. Mark

Sent from my iPhone

Begin forwarded message:

From: Sheldon Petersen <Sheldon@nrucfc.coop>
Date: October 26, 2012 3:01:49 PM CDT
To: Mark Bailey <Mark.Bailey@bigrivers.com>
Cc: Burns Mercer <bmercerc@mcreecc.coop>
Subject: P C B

Mark,

The read we got is around 2.65% - 2.90% over the interpolated Treasury rate for a yield of 5% - 5.25% on a bullet maturity basis.

Amortizing is not the preferred investor model right now so there would probably be a premium for that.

I hope this helps.

Sheldon.

Sheldon C. Petersen
CEO
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166
Office: 703-467-7400
Cell: 703-623-0459
www.nrucfc.coop

Billie Richert

From: Billie Richert
Sent: Monday, October 29, 2012 12:38 PM
To: Travis Siewert; Ralph Ashworth
Subject: Principal payments on \$58.8 refunding
Attachments: Amortization_10.28.2012.pdf

Travis,
Please find attached principal amortization schedule for refunding. When you have time can you do a quick recalculation doing a 6% interest rate? And, determine what our interest savings are compared to the bullet payment on the maturity date?

Thanks,
Billie

Billie Richert, CPA, CFP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
Mobile: (270) 577-6221

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Big Rivers 2013 PCB Refunding

Amortization

10/28/2012

Maturity	Principal
6/1/2013	\$465,000
6/1/2014	1,885,000
6/1/2015	2,000,000
6/1/2016	2,120,000
6/1/2017	2,250,000
6/1/2018	2,385,000
6/1/2019	2,525,000
6/1/2020	2,675,000
6/1/2021	2,840,000
6/1/2022	3,010,000
6/1/2023	3,190,000
6/1/2024	3,380,000
6/1/2025	3,585,000
6/1/2026	3,800,000
6/1/2027	4,025,000
6/1/2028	4,265,000
6/1/2029	4,525,000
6/1/2030	4,795,000
6/1/2031	5,080,000
Total	\$58,800,000

Billie Richert

From: Travis Siewert
Sent: Tuesday, October 30, 2012 8:06 AM
To: Billie Richert; Ralph Ashworth
Subject: RE: Principal payments on \$58.8 refunding
Attachments: PC Bond Refi 2013.xlsx

Billie,

The attached file shows the \$58.8 million PC Bond using level debt service (given the principal payment schedule you provided) vs. an 18 year bullet payment.

I will use level debt service for the Budget/Financial Plan unless I hear otherwise from you.

Travis Siewert, CPA, CMA
Big Rivers Electric
201 Third Street
P.O. Box 24
Henderson, KY 42419-0024
(270) 844-6160

From: Billie Richert
Sent: Monday, October 29, 2012 12:38 PM
To: Travis Siewert; Ralph Ashworth
Subject: Principal payments on \$58.8 refunding

Travis,
Please find attached principal amortization schedule for refunding. When you have time can you do a quick recalculation doing a 6% interest rate? And, determine what our interest savings are compared to the bullet payment on the maturity date?

Thanks,
Billie

Billie Richert, CPA, COTP
VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

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\$58.8 Million Pollution Control Bond

Level Debt Service

6%	Interest Rate
----	---------------

	Beginning Balance	Principal	Interest	Ending Balance
				58,800,000.00
2013	58,800,000.00	465,000.00	3,102,825.00	58,335,000.00
2014	58,335,000.00	1,885,000.00	3,434,125.00	56,450,000.00
2015	56,450,000.00	2,000,000.00	3,317,000.00	54,450,000.00
2016	54,450,000.00	2,120,000.00	3,192,800.00	52,330,000.00
2017	52,330,000.00	2,250,000.00	3,061,050.00	50,080,000.00
2018	50,080,000.00	2,385,000.00	2,921,325.00	47,695,000.00
2019	47,695,000.00	2,525,000.00	2,773,325.00	45,170,000.00
2020	45,170,000.00	2,675,000.00	2,616,575.00	42,495,000.00
2021	42,495,000.00	2,840,000.00	2,450,300.00	39,655,000.00
2022	39,655,000.00	3,010,000.00	2,273,950.00	36,645,000.00
2023	36,645,000.00	3,190,000.00	2,087,050.00	33,455,000.00
2024	33,455,000.00	3,380,000.00	1,889,000.00	30,075,000.00
2025	30,075,000.00	3,585,000.00	1,679,025.00	26,490,000.00
2026	26,490,000.00	3,800,000.00	1,456,400.00	22,690,000.00
2027	22,690,000.00	4,025,000.00	1,220,525.00	18,665,000.00
2028	18,665,000.00	4,265,000.00	970,625.00	14,400,000.00
2029	14,400,000.00	4,525,000.00	705,625.00	9,875,000.00
2030	9,875,000.00	4,795,000.00	424,675.00	5,080,000.00
2031	5,080,000.00	5,080,000.00	127,000.00	0.00
			39,703,200.00	

\$58.8 Million Pollution Control Bond

18 Year Bullet Payment

6% Interest Rate

	Beginning Balance	Principal	Interest	Ending Balance
				58,800,000.00
2013	58,800,000.00	0.00	3,123,750.00	58,800,000.00
2014	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2015	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2016	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2017	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2018	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2019	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2020	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2021	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2022	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2023	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2024	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2025	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2026	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2027	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2028	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2029	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2030	58,800,000.00	0.00	3,528,000.00	58,800,000.00
2031	58,800,000.00	58,800,000.00	1,470,000.00	0.00
			64,569,750.00	

Billie Richert

From: Billie Richert
Sent: Friday, November 02, 2012 3:15 PM
To: Mark Bailey
Subject: RE: Rate Case Expense, PCB, CoBank and CFC Update

Well, we were expensing these items as this was Mark's position and everyone was sticking to that. However, I had Nick do some research and we discovered we can defer them. Yes, it will impact year end projections, favorably. DeAnna is changing our 2013 budget to reflect the proper treatment and Travis is doing the same for our financial model.

Yes, Paula has added the ECP interim financing as an agenda item.

From: Mark Bailey
Sent: Friday, November 02, 2012 3:07 PM
To: Billie Richert
Subject: Re: Rate Case Expense, PCB, CoBank and CFC Update

Thanks. Good news. I'm surprised we were expensing rate case expenses because I had directed Mark to begin doing this long ago, but glad we've gotten that turned around. Will this affect the year end financial projections?

Did we put the CFC ECP underwriting topic on the Board agenda? If not, we'll need to so we can execute.

Thanks,
Mark

Sent from my iPhone

On Nov 2, 2012, at 3:01 PM, "Billie Richert" <Billie.Richert@bigrivers.com> wrote:

Mark,

Rate Case

Wanted to let you know we have spoken with KPMG and RUS today and we will be establishing a deferred expense account for costs associated with the general rate case. We have been expensing these so far this year. This includes cost of service study, depreciation study, and professional fees associated with the rate case. Donna is working on establishing an account to track these deferred amounts. We are projecting costs in 2012 of approximately \$400,000. In our application to PSC we will request the creation of a regulatory account to track these deferred expenses. This regulatory account would then be amortized over three years or shorter if we have another rate case. Nick took the lead on this effort and I referred him to KPMG to confirm our understanding. Ralph confirmed this as well with RUS.

PCB

BECON Engineering has confirmed our ability to refund the entire \$58.8m to the maximum maturity of 2031. BECON will perform due diligence by visiting Wilson and I'll coordinate that. This is per a conference call we had today with Orrick, Goldman Sachs and BECON.

CoBank

Orrick has taken CoBank's first amendment document and merged it with our Senior Unsecured Revolving Credit Facility document so we can begin the review of their recommended changes.

Case No. 2012-00492
Attachment for Response to KIUC 1-8
Witness: Billie J. Richert
Page 35 of 41

CFC – ECP Engagement Letter

Confirmed with Orrick and Jim no further changes are required. Tom Hall is forwarding two originals to us for signature.

Billie Richert, CPA, CFP

VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

Corporate: (270) 827-2561
Office Direct: (270) 844-6190
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Billie Richert

From: Billie Richert
Sent: Friday, November 02, 2012 4:06 PM
To: Susan Smith
Cc: Ralph Ashworth
Subject: PCB Refunding

Susan,

I want to thank you very much for your efforts in getting the information we needed for the bond refunding. I know it wasn't easy but it certainly paid off for us as we can now refund the entire \$58.8 for another 18 years. Again, thank you.

Billie Richert, CPA, CFTP

VP Accounting & Interim CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420

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Billie Richert

From: Billie Richert
Sent: Tuesday, December 11, 2012 1:59 PM
To: Mark Bailey; Albert Yockey; James Haner; Marty Littrel; David Crockett; Bob Berry; Lindsay Barron; Eric M. Robeson
Subject: Regarding Changes to Item V. Financing Update - PCB Minutes for Meeting held November 8, 2012

All,

This should read:

PCB – Board approval was obtained in October to refund the Series 1983 Pollution Control Bonds with a new maturity date of June 1, 2031. Payments will be in the form of level debt service subject to mandatory sinking fund redemption. Goldman Sachs will be the underwriter. Big Rivers will submit an application to the PSC. Becon Corporation will be performing due diligence in support of the new maturity date.

Billie Richert

From: Billie Richert
Sent: Thursday, October 25, 2012 10:03 AM
To: Mark Bailey
Subject: Update on activities re: Revolvers, PCB, and ECP
Attachments: Debt Portfolio Update.docx

Mark,

Please find discussion points for us when we meet. I'm with Jim this morning regarding the PCB refunding and will touch base with you when done.

Billie Richert, CPA, CFP

VP Accounting & Interim CFO
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Debt Portfolio Update
Thursday, October 25 2012

CoBank

Syndicated Revolving Credit Facility (\$50m)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CFC

Revolving Credit Facility (\$50m)

[REDACTED]

PCB Refunding

[REDACTED]

[REDACTED]

We need to hear back from Sheldon on what CFC can do. Then we can compare with Goldman's recommendation.

Environmental Compliance Plan (ECP)

We've received an engagement letter from CFC for a \$60m senior secured three-year credit facility which we are evaluating.