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May 14, 2013

Mr. Jeff Derouen
Executive Director
Public Service Commission of Kentucky
P.O. Box 615
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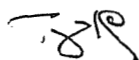
*In The Matter Of: Application of Big Rivers Electric Corporation For A
General Adjustment In Rates - Case No. 2012-00535*

Dear Mr. Derouen:

Enclosed for filing are an original and ten (10) copies of (i) Big Rivers Electric Corporation's responses to Ben Taylor and Sierra Club's supplemental request for information; and (ii) a petition for confidential treatment.

I certify that on this date copies of this letter, the response, and the petition have been served on those parties listed on the attached service list by either Federal Express or hand delivery.

Sincerely,



Tyson Kamuf

cc: Service List
Billie J. Richert

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BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

VERIFICATION

I, Mark A. Bailey, 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.



Mark A. Bailey

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Mark A. Bailey on this
the 10th day of May, 2013.



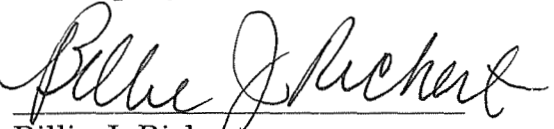
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My Commission Expires 1-12-17

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

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 10th day of May, 2013.


Notary Public, Ky. State at Large
My Commission Expires 1-12-17

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

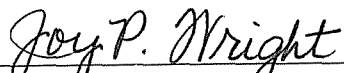
VERIFICATION

I, Robert W. Berry, 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.


Robert W. Berry

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Robert W. Berry on this
the 10 day of May, 2013.


Notary Public, Ky. State at Large
My Commission Expires _____

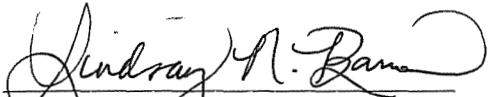
**Notary Public, Kentucky State-At-Large
My Commission Expires: July 3, 2014
ID 421951**

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

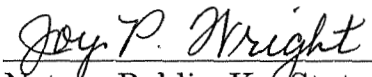
VERIFICATION

I, Lindsay N. Barron, 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.


Lindsay N. Barron

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by Lindsay N. Barron on
this the 10 day of May, 2013.


Notary Public, Ky. State at Large
My Commission Expires _____

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

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

VERIFICATION


I, David G. Crockett, 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.



David G. Crockett

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by David G. Crockett on this
the 10th day of May, 2013.



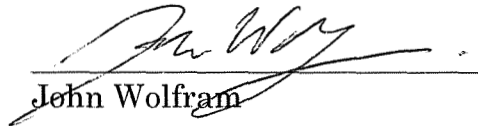
Notary Public, Ky. State at Large
My Commission Expires 1-12-17

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

VERIFICATION

I, John Wolfram, 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.


John Wolfram


COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by John Wolfram on this the 10th day of May, 2013.


Notary Public, Ky. State at Large
My Commission Expires 1-12-17

ORIGINAL



Your Touchstone Energy® Cooperative 

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

APPLICATION OF BIG RIVERS)
ELECTRIC CORPORATION FOR A) Case No. 2012-00535
GENERAL ADJUSTMENT IN RATES)

Response to Ben Taylor and the Sierra Club's
Supplemental Request for Information
dated May 6, 2013

FILED: May 15, 2013

ORIGINAL

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535

Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013

May 15, 2013

1 **Item 1)** *See BREC response to SC DR 1-5(a)(i-iii). To the extent that these controls*
2 *are being installed on each unit separately, please provide the table with costs broken down*
3 *by unit and control type.*

4
5 **Response)** Please see the table below for the pollution control expenditures referenced in
6 Big Rivers' response to SC 1-5 broken down by unit and control type.

7

Unit	ACI	DSI	Monitors	Total
Wilson	4.5	6.5	0.24	11.24
Green 1	4.0	5.0	0.24	9.24
Green 2	4.0	5.0	0.24	9.24
Coleman 1	4.0	5.0	0.48	9.44
Coleman 2	4.0	5.0	0.48	9.44
Coleman 3	4.0	5.0	0.48	9.44
HMPL 1	0	0	0.24	0.24
HMPL 2	0	0	0.24	0.24
All Units	MATS Testing			1.0

8

9 All figures in millions

10

11 **Witness)** Robert W. Berry

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535

Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013

May 15, 2013

- 1 **Item 2)** *See BREC response to SC DR 1-7. "Big Rivers' operating plan consists of*
2 *the current year budget and a three year financial plan; therefore, we can only provide*
3 *2013 through 2016 for this request..."*
4
5 *a. Does the Company do any modeling or planning beyond the three year*
6 *horizon?*
7 *i. If so, describe what modeling and planning is performed beyond the*
8 *three year horizon, and produce the results of the most recent*
9 *modeling or planning run by or for the Company.*
10 *ii. If not, describe why the Company expects that it is reasonable or*
11 *prudent to only review three years of forward looking costs.*
12 *b. Does the Company run, have run on its behalf, production cost modeling*
13 *that extends beyond a three year horizon?*
14 *i. If so, identify the year to which production cost modeling is*
15 *performed, and produce the results of the most recent production*
16 *cost modeling run by or for the Company.*
17 *ii. If not, describe in detail why the Company expects that it is*
18 *reasonable or prudent to only review three years of forward looking*
19 *costs.*
20 *c. If the Company only projects off system sales revenues through 2016, please*
21 *explain how the Company can be sure that off system sales revenues will*
22 *recover/improve in the future.*
23 *d. See BREC response to PSC 2-21(c): "Big Rivers' current long term*
24 *financial model indicates Wilson Station will restart in 2019."*

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
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**Response to Ben Taylor and Sierra Club's
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Dated May 6, 2013**

May 15, 2013

- 1 i. *Please provide any and all evidence that, if idled, Wilson Station will*
2 *restart in 2019. If such evidence has already been provided, please*
3 *indicate reference to workbook.*
4 ii. *Please explain how the Company is able to predict a restart in 2019*
5 *if its operating plan projections only go out to 2016.*
6

7 **Response)**

- 8
9 a. Yes.
10 i. Big Rivers objects that this request is overly broad, unduly
11 burdensome, not relevant to this proceeding, and not reasonably
12 calculated to lead to the discovery of admissible evidence.
13 Notwithstanding these objections, and without waiving them, Big
14 Rivers states that it has performed 15 year production cost model runs
15 to forecast when the idled unit will be cost effective to return to
16 service. This instant case, however, is based upon Big Rivers' 2013-
17 2016 budget and financial plan.
18 ii. Not applicable. Please see the response to subpart a.i above.
19 b. Yes.
20 i. Please see the response to subpart a.i above.
21 ii. Not applicable. Please see the response subpart a.i above.
22 c. Not applicable. As stated in subpart a.i above, Big Rivers performed
23 Production Cost modeling to forecast when the market would recover to
24 adequately support returning the idled unit to service.

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
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Response to Ben Taylor and Sierra Club's
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Dated May 6, 2013

May 15, 2013

1
2
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5
6

- d. i. Please see the response to a.i above.
- ii. Please see the response to subpart c above.

Witness) Robert W. Berry

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535

Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013

May 15, 2013

1 **Item 3)** *For each of the Company's generating units, for the years 2013-2030, if the*
2 *Company maintains any records or information for the purposes of modeling, forecasting,*
3 *or other resource planning, please provide the following information, on an annual basis:*

4

- 5 *a. Non-environmental capital expenditures,*
- 6 *b. Capital expenditures for pollution controls,*
- 7 *c. Generation,*
- 8 *d. Variable operating costs,*
- 9 *e. Fixed operating costs,*
- 10 *f. Fuel costs,*
- 11 *g. Heat rate,*
- 12 *h. Capacity factor,*
- 13 *i. EFOR, and*
- 14 *j. Emission allowance expenditures.*

15

16 **Response)** Big Rivers objects to this request on the grounds that it is overly broad,
17 unduly burdensome, and not reasonably calculated to lead to the discovery of admissible
18 evidence. Notwithstanding these objections, but without waiving them, please see Big
19 Rivers' responses below for budget years 2013 – 2016, on which this application is based.
20 Some of the information provided in response to this request is subject to a petition for
21 confidential treatment that is being filed concurrently with the filing of these responses.

22

- 23 a. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
24 2016 non-environmental capital expenditure budget.

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

**Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013**

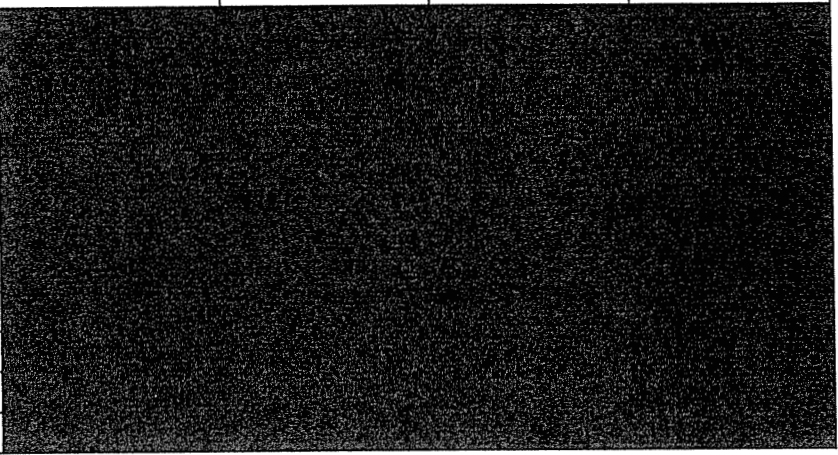
May 15, 2013

- 1 b. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
2 2016 pollution controls capital expenditure budget.
- 3 c. Please see attached [CONFIDENTIAL] schedule for the 2013-2016
4 generation budget.
- 5 d. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
6 2016 variable operating budget.
- 7 e. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
8 2016 fixed operating budget.
- 9 f. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
10 2016 fuel budget.
- 11 g. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
12 2016 unit heat rate.
- 13 h. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
14 2016 unit net capacity factor.
- 15 i. Please see Big Rivers' [CONFIDENTIAL] response to SC 1-25 for the 2013-
16 2016 unit EFOR.
- 17 j. Please see attached [CONFIDENTIAL] schedule for the 2013-2016 fleet
18 emission allowance budget. This information is not readily available by unit.

19
20
21

Witness) Robert W. Berry

Big Rivers Electric Corporation
Case No. 2012-00535
Attachment to Response SC 2-3(c)
Generation (by MWh)

Unit	2013	2014	2015	2016
Coleman 1				
Coleman 2				
Coleman 3				
Reid 1				
Henderson 1 - Net of City				
Henderson 2 - Net of City				
Green 1				
Green 2				
Wilson 1				
Reid CT				
System Total Net of HMP&L				

**Big Rivers Electric Corporation
Case No. 2012-00535
Attachment to Response SC 2-3(j)
Fleet Emission Allowance Expenditures**

2013	2014	2015	2016
[REDACTED]			

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535

Response to Ben Taylor and Sierra Club's
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Dated May 6, 2013

May 15, 2013

1 **Item 4)** *See BREC response to SC 1-21(e). Please provide the ACES forecasts for*
2 *the following variables on an annual basis for the electricity market in MISO and PJM*
3 *(separately) from 2013-2030. Specify if in constant or nominal dollars, and dollar year.*

- 4
- 5 *a. Capacity market prices,*
- 6 *b. On peak energy prices,*
- 7 *c. Off peak energy prices, and*
- 8 *d. Annual energy prices.*
- 9

10 **Response)** Big Rivers does modeling and planning beyond the four years covered by the
11 2013-2016 budget and financial plan. However, this case is based upon Big Rivers' 2013-
12 2016 budget and financial plan, and Big Rivers objects to providing modeling beyond that
13 timeframe on the grounds that the request is overly broad, unduly burdensome, and not
14 reasonably calculated to lead to the discovery of admissible evidence. Notwithstanding these
15 objections, but without waiving them, please see Big Rivers' response below for budget
16 years 2013 - 2016 on which this instant filing is based.

17

18 a-d. Due to the current lack of value in the MISO capacity market, no capacity
19 price was assumed in years 2013-2016 in the production cost model. The
20 ACES forecasted market prices for on peak and off peak energy are shown in
21 Big Rivers' response to PSC 1-57 in the file titled "Big Rivers 2013-2016
22 PCM (Confidential).xls". Please refer to the tab labeled "Prices". Big Rivers
23 did not use PJM prices in its analysis, as Big Rivers is a MISO market

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
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Response to Ben Taylor and Sierra Club's
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Dated May 6, 2013

May 15, 2013

1 participant and does not currently have transmission access to the PJM
2 market.

3

4 The prices utilized in the production cost model are in nominal dollars.

5

6 **Witness)** Robert W. Berry

7

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

**Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013**

May 15, 2013

1 **Item 5)** *Provide BREC's assumptions for the following variables on an annual basis*
2 *from 2013-2030. Specify if in constant or nominal dollars, and dollar year.*

3

4 *a. Natural gas prices at Henry Hub;*

5 *b. Natural gas prices, delivered to RREC; and*

6 *c. Coal prices delivered to each of BREC's coal-fired assets.*

7

8 **Response)** Big Rivers does modeling and planning beyond the four years covered by the
9 2013-2016 budget and financial plan. However, this case is based upon Big Rivers' 2013-
10 2016 budget and financial plan, and Big Rivers objects to providing modeling beyond that
11 timeframe on the grounds that the request is overly broad, unduly burdensome, and not
12 reasonably calculated to lead to the discovery of admissible evidence. Notwithstanding these
13 objections, but without waiving them, please see Big Rivers' responses below for budget
14 years 2013 - 2016 on which this instant filing is based.

15

16 a. The ACES forecasted market prices for natural gas at Henry Hub are shown in
17 Big Rivers' response to PSC 1-57 in the file titled "Big Rivers 2013-2016
18 PCM (Confidential).xls". Please refer to the tab labeled "Prices".

19 b. The prices for natural gas delivered to Big Rivers units are shown in Big
20 Rivers' response to PSC 1-57 in the file titled "Big Rivers 2013-2016 PCM
21 (Confidential).xls". Please refer to the tab labeled "Annual Resource Report".

22 c. The prices for coal delivered to each of Big Rivers' coal fired assets are
23 shown in Big Rivers' response to PSC 1-57 in the file titled "Big Rivers 2013-

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
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Dated May 6, 2013

May 15, 2013

1 2016 PCM (Confidential).xls". Please refer to the tab labeled "Annual
2 Resource Report".

3

4 The prices utilized in the production cost model are in nominal dollars.

5

6 **Witness)** Robert W. Berry

7

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

**Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013**

May 15, 2013

1 **Item 6)** *For each of the Company's coal-fired assets:*

2

3 *a. Provide the remaining book value (plant balance) at the start of 2013.*

4 *b. Provide the estimated market value of each unit at the start of 2013.*

5 *c. Describe how the Company estimated the market value of each unit.*

6

7 **Response)**

8

9 a. The table below provides the net book values of the Company's coal-fired
10 assets (excluding switchyards and related transmission):

11

Big Rivers Coal-Fired Assets	No. of Units	Net Book Values
Reid	1	\$7,882,050
Coleman	3	181,964,791
Green	2	143,770,249
Wilson	1	458,369,860
Total	7	791,986,950

12

13 b. Big Rivers has not estimated a market value for its plants other than book
14 value except for the Wilson and Coleman plants. For Wilson, please see
15 response to PSC 2-18.

16

17 c. Please see response to part b above.

Case No. 2012-00535

Response to SC 2-6

Witness: Billie J. Richert (part a) and Robert W. Berry (parts b & c)

Page 1 of 2

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535

Response to Ben Taylor and Sierra Club's
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Dated May 6, 2013

May 15, 2013

1

2 **Witness)** Billie J. Richert

BIG RIVERS ELECTRIC CORPORATION
APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535

Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013

May 15, 2013

1 **Item 7)** *See BREC confidential response to PSC 2-21(b). Please provide the sale*
2 *price for the Wilson Station that was approved by the BREC Board for submittal to*
3 *LGE/KU.*

4
5 **Response)** PSC 2-21(b) requested: "Provide a general description of the steps needed to
6 idle Wilson station."

7
8 Big Rivers publicly responded:

9 "b. Please see general steps below:

- 10 (1) Obtain approval from MISO to lay-up Wilson Station.
11 (2) Remove Wilson Station from service per the lay-up procedure.
12 (3) Implement the attached lay-up procedure to protect Wilson Station's
13 unit components.
14 (4) Monitor Wilson Station's unit components per the lay-up procedure.

15 For more detailed information, a copy of the Wilson Station Plant Lay-up Plan
16 is provided on the PUBLIC CDs accompanying these responses. Please
17 understand the attached document is a living document and changes/updates
18 will be made as new information and details become available."

19
20 Nowhere in Big Rivers' response to PSC 2-21(b) is there any reference to a sale of
21 Wilson Station.

22
23 **Witness)** Robert W. Berry

BIG RIVERS ELECTRIC CORPORATION

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION
FOR A GENERAL ADJUSTMENT IN RATES
CASE NO. 2012-00535**

**Response to Ben Taylor and Sierra Club's
Supplemental Requests for Information
Dated May 6, 2013**

May 15, 2013

- 1 **Item 8)** *For BREC as a whole, for the years 2013-2030, provide the expected or*
2 *modeled:*
3
4 *a. Contractual energy purchases from bilateral or fixed contracts in MWh and*
5 *dollars;*
6 *b. Spot market energy purchases from an RTO in MWh and dollars;*
7 *c. Contractual energy sales to internal load in MWh and dollars;*
8 *d. Contractual energy sales to external parties in MWh and dollars;*
9 *e. Spot market energy sales to an RTO in MWh and dollars;*
10 *f. Please describe the scenario used to generate the above values (i.e. which*
11 *units are assumed in service, which smelters are assumed to have contracts*
12 *in force).*
13

14 **Response)** Big Rivers does modeling and planning beyond the four years (2013-2016)
15 covered by the 2013-2016 Budget and Financial Plan. However, this case is based upon Big
16 Rivers' 2013-2016 budget and financial plan, and Big Rivers objects to providing modeling
17 beyond that timeframe on the grounds that the request is overly broad, unduly burdensome,
18 and not reasonably calculated to lead to the discovery of admissible evidence.
19 Notwithstanding these objections, but without waiving them, Big Rivers states as follows.
20 Where applicable, the requested information for 2013-2016 is provided in the responses
21 below. Some of the information provided in response to this request is subject to a petition
22 for confidential treatment that is being filed concurrently with the filing of these responses.
23

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- 1 a. Please see the attachment for the contractual energy purchases from bilateral
2 or fixed contracts in MWh and dollars.
- 3 b. Please see the attachment for the spot market energy purchases from an RTO
4 in MWh and dollars.
- 5 c. Please see the attachment for the contractual energy sales in MWh and dollars.
- 6 d. Not Applicable.
- 7 e. Please see the attachment information for the spot market energy sales to an
8 RTO in MWh and dollars.
- 9 f. In the scenario used to generate the above values, the D.B. Wilson Generating
10 Station is idled with all other units available for output and the Sebree smelter
11 has a contract in force.

12

13 **Witness)** Lindsay N. Barron

14

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Attachment to Response for SC 2-8

	2013	2014	2015	2016
(a) SEPA Purchases (MWh)	301,929	301,929	266,980	266,980
SEPA (\$)	\$ 8,566,299	\$ 8,663,055	\$ 12,422,228	\$ 12,422,228
(b) Market Purchases (MWh)	[REDACTED]			
Market (\$)	9,173,399	6,551,699	6,582,561	6,631,406
(c) Contractual Energy Sales (MWh)	[REDACTED]			
Contractual Energy Sales (\$)	[REDACTED]			
(e) Spot Market Energy Sales (MWh)	[REDACTED]			
Spot Market Energy Sales (\$)	[REDACTED]			

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- 1 **Item 9)** *Please describe how the Company anticipates meeting the new Proposed*
2 *Effluent Guidelines for the Steam Electric Power Generating Category, made public on*
3 *April 19, 2013.*
- 4
- 5 *a. What is the Company's anticipated cost of mitigation should the rule be*
6 *finalized with the least stringent option proposed (Option 1)? Provide a*
7 *response for each of the Company's coal-fired assets, individually.*
- 8 *b. What is the Company's anticipated cost of mitigation should the rule be*
9 *finalized with the most stringent option proposed (Option 5)? Provide a*
10 *response for each of the Company's coal-fired assets, individually.*
- 11 *c. Provide workpapers or documents relied upon or consulted to derive,*
12 *calculate, or generate the values provided above.*
- 13 *d. If the Company has not reviewed these draft guidelines, please explain why*
14 *not.*
- 15

16 **Response)** Big Rivers objects to this request on the grounds that it is overly broad,
17 unduly burdensome, and not reasonably calculated to lead to the discovery of admissible
18 evidence. Big Rivers also objects on the grounds that matters associated with the referenced
19 guidelines will likely be addressed in the context of a separate Commission proceeding.
20 Notwithstanding these objections, but without waiving them, Big Rivers states that in the two
21 weeks since the release of the pre-publication of the Effluent Limitations Guidelines and
22 Standards for the Steam Electric Power Generation Point Source Category, Big Rivers has
23 not yet determined how it will meet compliance.

24

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- 1 a. Big Rivers has not developed cost estimates for compliance with the draft
2 Effluent Limitations Guidelines and Standards for the Steam Electric Power
3 Generation Point Source Category commonly known as the Steam Effluent
4 Guidelines that were released in a pre-published document on or about April
5 19, 2013.
- 6 b. Please see the response to subpart a above.
- 7 c. No documents have been developed to determine costs associated with the
8 draft Effluent Limitations Guidelines and Standards for the Steam Electric
9 Power Generation Point Source Category commonly known as the Steam
10 Effluent Guidelines that were released in a pre-published document on or
11 about April 19, 2013.
- 12 d. Big Rivers is currently reviewing the pre-published Effluent Limitations
13 Guidelines and Standards for the Steam Electric Power Generation Point
14 Source Category commonly known as the Steam Effluent Guidelines.

15
16 **Witness)** Robert W. Berry
17

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1 **Item 10)** *See BREC response to SC DR 1-33. Please explain BREC's compliance*
2 *obligations under each of the following existing regulatory requirements and how the*
3 *Company is meeting or planning to meet these obligations:*

4

- 5 *a. 1-hour SO₂ NAAQS,*
- 6 *b. Section 316(a) of the Clean Water Act,*
- 7 *c. 2012 PM_{2.5} NAAQS, and*
- 8 *d. MATS.*

9

10 **Response)**

11

- 12 a. The EPA in a letter dated February 6, 2013 identified those counties in
13 Kentucky that did not meet the 1-hour SO₂ limit of 75 ppb. Big Rivers
14 facilities are not located in those counties, and the Kentucky Division for Air
15 Quality has not contacted Big Rivers to reduce emissions at any of its
16 facilities in response to that letter.
- 17 b. 316(a) studies were completed and are incorporated within the KPDES
18 permits.
- 19 c. The EPA will not decide who needs to improve air quality to meet the
20 standard until 2014 at the earliest. States will have until 2020-2025 to meet
21 the standard.
22 (<http://www.epa.gov/airquality/particlepollution/2012/20092011map.pdf>)
- 23 d. In its order in Case No. 2012-00063, the Commission granted Big Rivers'
24 request for a certificate of public convenience and necessity authorizing the

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1 installation of activated carbon and dry sorbent injection systems and emission
2 control monitors at Coleman, Wilson and Green Stations to comply with
3 MATS.

4

5 **Witness)** Robert W. Berry

6

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1 **Item 11)** *See BREC response to SC DR 1-33(a) - (i). Is it the opinion of the Company*
2 *that the rules listed in SC DR 1-33(a)-(i) will each impose costs on Big Rivers' generation*
3 *units?*

4

5 *a. If so, please provide estimates of the costs and the timeframes for these*
6 *expenditures.*

7 *b. If not, please explain why not.*

8

9 **Response)** Typically any new or revised regulation will impose additional cost in the
10 form of capital and/or O&M.

11

12 a. No additional cost estimates or timeframes have been developed since the
13 response to SC DR 1-33(a)-(j).

14 b. See the response to subpart a above.

15

16 **Witness)** Robert W. Berry

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1 **Item 12)** *See Direct Testimony of Richert, pages 8 and 9.*

2

3 *a. Will the Company still be tied to the Contract TIER provisions described*
4 *therein after the departure of Alcan? If so, why?*

5 *b. How does the Company anticipate Contract TIER provisions would change*
6 *(if at all) once both Century and Alcan have departed?*

7 *c. See specifically p8, lines 8-14. If net margins are not returned first to the*
8 *smelters, how will ratepayers either benefit or not benefit? Please provide a*
9 *quantitative answer if available.*

10

11 **Response)**

12

13 a. No.

14 b. Not applicable. See the response to subpart a, above.

15 c. The referenced lines of testimony refer to the Smelter Agreements, which will
16 no longer be applicable once the termination of those agreements becomes
17 effective.

18

19 **Witness)** Billie J. Richert

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- 1 **Item 13)** *Please identify if the Company held an exit agreement with the smelters.*
2
3 *a. If so:*
4 *i. Provide a synopsis of the provisions of the exit agreement.*
5 *ii. Provide a copy of the exit agreement.*
6 *iii. Describe if the exit agreement, or any other contract signed with*
7 *either of the smelters contained language that would make other*
8 *BREC ratepayers whole in the case that the smelters exited the*
9 *agreement. If the contract did not contain such language, please*
10 *explain in detail why not.*
11 *b. If not, please describe in detail why no such provisions were put in place.*
12 *c. Refer to the Evansville Courier & Press article from April 29, 2013, entitled*
13 *“Century Aluminum to buy Alcan’s Sebree smelter,” in which the Company*
14 *announces that they have come to a framework for an agreement for*
15 *Century to purchase power on the open market instead of generated by Big*
16 *Rivers.*
17 *i. If such an agreement has been finalized, please provide the*
18 *agreement.*
19 *ii. If the agreement has not yet been finalized, please describe the*
20 *salient elements.*

21
22 **Response)** Please see the wholesale and retail agreements relating to electric service for
23 the smelters (the “Smelter Agreements”). There is no separate exit agreement.
24

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- 1 a. i. The Smelter Agreements speak for themselves.
- 2 ii. Please see Big Rivers' response to AG 1-15.
- 3 iii. The Smelter Agreements speak for themselves. The Smelter
- 4 Agreements were the product of extensive negotiations.
- 5 b. Not applicable.
- 6 c. Big Rivers objects to this request on the grounds that it is not reasonably
- 7 calculated to lead to the discovery of admissible evidence. Please see Big
- 8 Rivers' response filed May 7, 2013, to Kentucky Industrial Utility Customers,
- 9 Inc.'s Petition for Leave to Conduct Supplemental Discovery.
- 10
- 11 **Witness)** Counsel

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1 **Item 14)** *Identify the date upon which Century first indicated through formal or*
2 *informal notice, that they might consider leaving the BREC contract.*

3

4 **Response)** Big Rivers objects that the term “informal notice” is unduly vague and
5 ambiguous. Notwithstanding that objection, and without waiving the same, Big Rivers states
6 as follows. The owner of each smelter at various times over the last 25 years has warned
7 repeatedly that it will cease smelting operations if its costs of operation exceed a sustainable
8 level consistent with the world commodity price of aluminum. On August 20, 2012,
9 following months of maneuvering to obtain lower electricity rates or subsidies from Big
10 Rivers, its Members, and various government agencies, Century Aluminum of Kentucky
11 issued a 12-month formal written notice to terminate its power contract with Big Rivers for
12 its Hawesville, Kentucky smelter.

13

14 **Witness)** Robert W. Berry

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1 **Item 15)** *See Company response to PSC 2-21(a) regarding the Attachment Y-2*
2 *Request for Non-Binding Study to MISO. The response states that "MISO estimates that*
3 *the Attachment Y-2 analysis will take 75 days." Please provide the Y-2 analysis and any*
4 *correspondence between the Company and MISO regarding the Y-2 request or analysis.*

5

6 **Response)** Big Rivers objects to this request on the grounds that it seeks information that
7 Big Rivers is not authorized to distribute. Notwithstanding this objection, but without
8 waiving it, Big Rivers states that it received the Attachment Y-2 Report from MISO on May
9 3, 2013. Due to the sensitive nature of the information included in the Y-2 report, MISO
10 requires that only individuals who have executed a Critical Energy Infrastructure Information
11 General Non-Disclosure Agreement (CEII NDA) with MISO are permitted to receive the
12 report or discuss the results.

13

14 **Witness)** Robert W. Berry

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1 Item 16) *See Company response to PSC 2-21(f)(1), Attachment 1. Memo from Chris*
2 *Bradley to David Crockett dated May 23, 2012. The Company states that this memo and*
3 *study substantiates the statement that "Big Rivers assumed that if the Century facility*
4 *continues to operate in any substantial way on or after August 20, 2013, MISO would*
5 *require Big Rivers to continue to operate the Coleman Station for system reliability*
6 *reasons."*

7

- 8 a. *Was this memo generated from the MISO study referenced in 2-21(a)?*
9 b. *Was this memo generated from knowledge that Century and/or Alcan might*
10 *depart from the BREC system? If so, which (or both), and what was the*
11 *source of that information?*
12 c. *Provide any other documentation, memoranda, papers or results produced*
13 *in conjunction with this memo.*
14 d. *See the first through forth bullet points under "Coleman Station Idled."*
15 *Short of maintaining the Coleman unit, provide an explanation of any other*
16 *mitigation that would be required to avoid each of these transmission*
17 *violations, the cost of each of these mitigation measures, and the year that*
18 *such measures mitigation could be put in place. If the Company has not*
19 *explored alternative mitigation measures, please explain why not in detail.*
20 e. *See the second bullet point under "Coleman Station Idled."*
21 i. *Has the Company reviewed opportunities to reinforce the existing*
22 *161 kV infrastructure to avoid a transmission violation? If so,*
23 *provide the cost and timeline for implementing such mitigation. If*
24 *not, why not?*

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1 ii. *Has the Company reviewed opportunities to construct new*
2 *transmission ties to nearby 345 kV or higher transmission*
3 *infrastructure? If so, provide the cost and timeline for implementing*
4 *such mitigation. If not, why not?*

5 f. *With regard to the Reid Station:*

6 i. *Has the Company reviewed opportunities to reinforce the existing*
7 *161 kV infrastructure to avoid the transmission violations? If so,*
8 *provide the cost and timeline for implementing such mitigation. If*
9 *not, why not?*

10 ii. *Has the Company reviewed opportunities to construct new*
11 *transmission ties to nearby 345 kV or higher transmission*
12 *infrastructure? If so, provide the cost and timeline for implementing*
13 *such mitigation. If not, why not?*

14
15 Response)

- 16
17 a. No.
- 18 b. The memo was generated as part of general risk management efforts and was
19 not related to specific knowledge or information related to the operation of
20 Century or Alcan.
- 21 c. No other documentation, memoranda, papers, or results were produced in
22 conjunction with this memo.
- 23 d. No mitigating measures were evaluated. As noted in the response to subpart
24 (b), the memo was intended only to document the potential risks to the

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1 transmission system associated with a temporary idling of the Coleman or
2 Wilson Generating Stations. MISO not Big Rivers performed the Attachment
3 Y-2 studies to determine if transmission reliability violations exist relative to
4 the potential temporary idling of the Coleman or Wilson Generating Stations.
5 MISO, not Big Rivers, will be the one to perform an Attachment Y study to
6 determine the mitigation measures necessary to correct any transmission
7 reliability violations identified in the Attachment Y-2 study relative to the
8 temporary idling of the Coleman or Wilson Generating Stations.

- 9 e. i. Please refer to the response to subpart (d).
10 ii. Please refer to the response to subpart (d).
11 f. i. Please refer to the response to subpart (d).
12 ii. Please refer to the response to subpart (d).

13

14 **Witness)** David G. Crockett

15

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- 1 Item 17) *See response to PSC 2-22(a) regarding Attachment Y application and*
2 *notice.*
3
4 a. *Has the Company filed an Attachment Y application with MISO for Wilson*
5 *Station? If not, why not?*
6 b. *Does the Company expect that it could also file an Attachment Y application*
7 *with MISO to idle the Coleman Station?*
8 c. *If the Company filed to idle the Coleman station and it was found to be*
9 *needed for reliability purposes, please confirm that the Company would*
10 *expect to receive reimbursement from MISO to keep the plant operational*
11 *(under an SSR agreement, for example) until such time that alternative*
12 *mitigation measures were put in place. If not, provide a correction or*
13 *clarification to the above statement, or explain.*
14 d. *If the Company filed to idle the Coleman station and it was found to be*
15 *needed for reliability purposes, please confirm that the smelters would be*
16 *held responsible in part for SSR payments. If not, why not?*
17 e. *At the time that Alcan departs, does the Company anticipate that Reid*
18 *station would also be subject to a reliability constraint? If so, does the*
19 *Company anticipate that it could receive reliability payments if the plant*
20 *were subject to an SSR agreement? Please provide all documentation of*
21 *studies performed by or on behalf of the Company regarding possible*
22 *reliability constraints related to the Reid Station.*

23
24

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1 **Response)** Big Rivers objects to this request on the grounds that it is vague and
2 ambiguous because the referenced “response to PSC 2-22(a)” does not exist.
3 Notwithstanding this objection, but without waiving it, Big Rivers interprets this as a
4 reference to the “response to PSC 2-21(a)” and states as follows.

5

6 a. No. However, Big Rivers has filed an Attachment Y-2 with MISO for the
7 Wilson Station.

8 b. Yes.

9 c. Confirmed.

10 d. Please see Big Rivers response to SC 2-25.

11 e. Big Rivers is in the process of evaluating the impact of the Alcan
12 termination notice. Please see the response to PSC 2-1.

13

14 **Witness)** Robert W. Berry

15

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1 Item 18) See Confidential Transmission System Map provided in response to AG 1-
2 121.

3

4

5

6

7

8

9

10

11

12

13 **Response)** The information provided in response to this request is subject to a petition for
14 confidential treatment that is being filed concurrently with the filing of these responses.

15

16

17

18

19

20

21

22

23

24

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1 **Witness)** David G. Crockett

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1 **Item 19)** *See Response to PSC 1-57, file PSC 1-57 - Big Rivers 2013 Cost of Service*
2 *Study-CONFIDENTIAL, Tab Stmts RUS. Please explain why there is an energy value for*
3 *Century in the years 2017-2027 but not in the years 2014-2016.*

4

5 **Response)** Any data on the "Stmts RUS" tab for 2017 or beyond, including the non-zero
6 energy value for Century, is residual data, is not meaningful, and is not used in this study.
7 The Century energy data for the forecast test period only -- September 2013 through August
8 2014, during which time the Century energy value is zero -- is used in the cost of service
9 study.

10

11 **Witness)** John Wolfram

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1 **Item 20)** *Refer to your response to SC DR 1-13(c). Explain why you defined*
2 *achievable potential for DSM to represent the “attainable savings if the market penetration*
3 *of high efficiency electric appliances and equipment reaches 30%” as opposed to a higher*
4 *percent. Identify and produce any studies, analyses, or documents that support basing*
5 *achievable potential on a 30% market penetration.*

6

7 **Response)** Big Rivers relies on GDS's expertise and experience regarding the
8 development of DSM potential. The GDS DSM potential study for Big Rivers found an
9 achievable potential of approximately 9% of sales after 10 years, or an average of 0.9% per
10 year, which supports the estimate of 30% market penetration for Big Rivers' programs.
11 These results are consistent with the following studies:

12

- 13 1. Assessment of Achievable Potential from EE & DR Programs in the
14 US. EPRI. 2009
15 2. ACEEE State Energy Scorecard – 2010

16

17 **Witness)** Lindsay N. Barron

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- 1 **Item 21)** *Refer to your response to SC DR 1-17(c):*
2 *a. Explain the basis for your belief that “we have reached a steady state in the*
3 *market”*
4 *i. Identify and produce any studies, analyses, or documents supporting*
5 *that belief.*
6 *b. Identify and produce the “projections” that “indicate that there will be no*
7 *major drivers of change in market prices in the next several years.”*

8
9 **Response)**

- 10
11 a. The market price of power has been declining over the last several years. Big
12 Rivers believes it has reached a steady state in the market because market
13 projections of power prices are relatively flat over the next few years.
14 i. Please see the ACES forward price curve included in the Production
15 Cost Model output provided in response to PSC 1-57 in the file titled
16 “Big Rivers 2013-2016 PCM (Confidential).xls”. Please refer to the
17 tab labeled “Prices”.
18 b. Please see the response to subpart a.i above.

19
20 **Witness)** Robert W. Berry

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1 **Item 22)** *Refer to your response to SC DR 1-23(b). With regards to Big Rivers' coal-*
2 *fired generating units:*

3

4 *a. Identify and produce any analyses, studies, or documents that support your*
5 *contention that "Big Rivers' members will be able to reap significant*
6 *benefits from the units in the future."*

7 *b. Identify any estimate or projection of the level of "significant benefits" that*
8 *Big Rivers' members will be able to reap in the future.*

9

10 **Response)**

11

12 a. Big Rivers' Members will continue to reap significant benefits from the units
13 in the future because these units will be available to provide safe, reliable,
14 low-cost power for decades in the future.

15 b. Big Rivers has not attempted to quantify the inherent benefits that its
16 Members will experience in the future as result of power plant ownership.
17 The power plants have a significant remaining useful life and are valuable
18 assets that will continue to provide a needed service to Big Rivers' Members
19 for decades to come.

20

21 **Witness)** Robert W. Berry

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- 1 **Item 23)** *See Company's motion to KY PSC entitled "Big Rivers Electric Corporation*
2 *Integrated Resource Plan filing due November 15, 2013" and dated December 13, 2012.*
3
4 *a. See statement "Under the mitigation plan, Big Rivers is currently*
5 *investigating idling a plant or plants until Big Rivers is able to find*
6 *replacement load or until prices in the wholesale power market improve."*
7 *i. Identify which "plants" were under investigation for idling at the*
8 *time that this motion was submitted.*
9 *ii. For any plants other than Wilson, identify the reasons why the*
10 *Company has not sought to idle any units at those plants after*
11 *December 13, 2012.*
12 *iii. To the extent that they have not already been provided, produce any*
13 *documents or analyses evaluating the idling of any of Big Rivers*
14 *plants.*
15 *iv. Identify to what levels "prices in the wholesale market" need to*
16 *improve in order for it to be beneficial to ratepayers for Big Rivers to*
17 *end the idling of one or more of its plants.*
18 *v. Identify and produce any analyses, studies, or documents related to*
19 *the Company's projections for improvement in wholesale market*
20 *prices.*
21 *b. See statement "Without more certainty, at best the IRP process will be a*
22 *hypothetical exercise of little practical value that consumes limited*
23 *resources at both the Commission and Big Rivers."*

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- 1 i. *Is it the Company's contention that an IRP is in general "a*
2 *hypothetical exercise of little practical value?"*
- 3 ii. *Is it the Company's contention that an IRP in the face of uncertainty*
4 *is "a hypothetical exercise of little practical value?"*
- 5 iii. *What level of certainty is required before an IRP is no longer "a*
6 *hypothetical exercise of little practical value?"*
- 7 iv. *If other factors, aside from load, were in flux (such as gas prices or*
8 *market prices), would the Company also consider an IRE' "a*
9 *hypothetical exercise of little practical value?"*
- 10 v. *Please provide the Company's understanding of the purpose of an*
11 *IRP.*
- 12 vi. *Have the Company's IRP or other public planning processes ever*
13 *considered the departure of either one or both of the Company's*
14 *smelter customers? If so, provide such analyses and documentation*
15 *of such analyses in full. If not, why not?*
- 16 vii. *Have the Company's internal planning processes ever considered the*
17 *departure of either one or both of the Company's smelter customers?*
18 *If so, provide such analyses and documentation of such analyses in*
19 *full. If not, why not?*

20
21 **Response)**

- 22
- 23 a. i. Wilson and Coleman stations were analyzed through production cost
24 model analysis prior to December 2012.

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- 1 ii. Big Rivers has filed Attachment Y-2s with MISO on Wilson,
2 Coleman, and Green Stations. Big Rivers has not proposed to idle Reid
3 Station because idling that station would not yield significant savings
4 to Big Rivers' Members. Big Rivers has not proposed to idle HMPL
5 Station because Big Rivers does not own that asset.
6 iii. There has been no additional analysis performed since the last data
7 response to the Sierra Club.
8 iv. To end the idling of one or more its plants, the wholesale market
9 would need to improve equal to or greater than the total production
10 cost (fixed and variable) of the generating unit, minus the cost to
11 maintain the idled the plant.
12 v. Please see Big Rivers' response to Item iv above.
13 b. i-vi. Big Rivers objects to these requests on the grounds that they are
14 argumentative and not reasonably calculated to lead to the discovery of
15 admissible evidence.
16 vii. Yes. Please see Big Rivers' responses to AG 1-89 and AG 2-5.

17
18 **Witnesses)** Lindsay N. Barron (a, b.vii)
19 Counsel (b.i-vi)
20

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1 Item 24) See April 29, 2013 press release from Century Aluminum, which states:

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“Century Aluminum of Kentucky, a wholly owned subsidiary of Century Aluminum Company (NASDAQ: CENX), Kenergy Corp. and Big Rivers Electric Corp. today announced that they have reached a tentative agreement on the framework for providing market priced power to the Hawesville smelter. Under the arrangement, the electric cooperatives would purchase power on the open market and pass it through to Century at the market prices plus additional costs incurred by them. The arrangement is intended to have no impact on the current rate proposal of Big Rivers of the related flow-through rate proposal of Kenergy, each currently pending before the Kentucky Public Service Commission. The framework is subject to the negotiation of definitive agreements and approvals from various third parties, including the boards of directors of all parties, the KPSC, the Rural utilities Service and others. The parties intend to move as expeditiously as possible to finalize the agreement in advance of the expiration of the current power contract on August 20, 2013.”

a. Please provide a copy of the tentative agreement(s).

b. Does the Company agree with Century that the “arrangement is intended to have no impact on the current rate proposal of Big Rivers”? Please explain.

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1 **Response)** a and b. Big Rivers objects to these requests on the grounds that they
2 are not reasonably calculated to lead to the discovery of admissible evidence. Please see Big
3 Rivers' response filed May 7, 2013, to Kentucky Industrial Utility Customers, Inc.'s Petition
4 for Leave to Conduct Supplemental Discovery.

5

6 **Witness)** Counsel

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1 **Item 25)** *Please describe in detail the role and responsibilities that Big Rivers,*
2 *Kenergy, and Century each will have pursuant to the "arrangement" and the functions*
3 *and activities that Big Rivers specifically will perform pursuant to the "arrangement."*

4

5 **Response)** Big Rivers objects to this request on the grounds that it is not reasonably
6 calculated to lead to the discovery of admissible evidence. Please see Big Rivers' response
7 filed May 7, 2013, to Kentucky Industrial Utility Customers, Inc.'s Petition for Leave to
8 Conduct Supplemental Discovery.

9

10 **Witness)** Counsel

BIG RIVERS ELECTRIC CORPORATION

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1 **Item 26)** *Please describe and quantify the costs that Big Rivers and Kenergy each will*
2 *incur to provide Century market access.*

3

4 **Response)** Big Rivers objects to this request on the grounds that it is not reasonably
5 calculated to lead to the discovery of admissible evidence. Please see Big Rivers' response
6 filed May 7, 2013, to Kentucky Industrial Utility Customers, Inc.'s Petition for Leave to
7 Conduct Supplemental Discovery.

8

9 **Witness)** Counsel

BIG RIVERS ELECTRIC CORPORATION

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1 **Item 27)** *Please provide copies of all analyses prepared by or on behalf of Big Rivers*
2 *and/or Kenergy to identify and quantify the costs that will be incurred to provide Century*
3 *market access.*

4

5 **Response)** Big Rivers objects to this request on the grounds that it is not reasonably
6 calculated to lead to the discovery of admissible evidence. Please see Big Rivers' response
7 filed May 7, 2013, to Kentucky Industrial Utility Customers, Inc.'s Petition for Leave to
8 Conduct Supplemental Discovery. Notwithstanding this objection, but without waiving it,
9 please also see Big Rivers' responses to PSC 2-22, KIUC 1-7, KIUC 1-36, KIUC 1-37,
10 KIUC 2-7, KIUC 2-33, and AG 2-3.

11

12 **Witness)** Counsel

BIG RIVERS ELECTRIC CORPORATION

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1 **Item 28)** *Please provide a quantification of the costs that Big Rivers and/or Kenergy*
2 *each will incur to provide Century market access for the test year, including an allocation*
3 *of each Company's present costs as well as any incremental costs to do so, and the*
4 *amounts included in the Company's test year revenue requirement in this case. If Big*
5 *Rivers does not agree that there should be an allocation of any of the Company's present*
6 *costs, then please explain why it does not agree.*

7

8 **Response)** Big Rivers objects to this request on the grounds that it is not reasonably
9 calculated to lead to the discovery of admissible evidence. Please see Big Rivers' response
10 filed May 7, 2013, to Kentucky Industrial Utility Customers, Inc.'s Petition for Leave to
11 Conduct Supplemental Discovery. Notwithstanding this objection, but without waiving it,
12 Big Rivers states that the test year revenue requirement includes no incremental costs
13 associated with Century obtaining market access. Please also see Big Rivers' response to SC
14 2-27.

15

16 **Witnesses)** Counsel & John Wolfram

BIG RIVERS ELECTRIC CORPORATION

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1 **Item 29)** *Please provide the order(s) or agreement(s) establishing the franchise of Big*
2 *Rivers Electric Cooperative, and any terms and conditions incumbent in said order(s). The*
3 *relevant time period for this request extends beyond 2009 and includes the years preceding*
4 *establishment of Big Rivers Electric Cooperative – circa 1961 – to present, or whenever*
5 *said order(s) was drafted.*

6

7 **Response)** Big Rivers objects that the phrase “order(s) or agreement(s) establishing the
8 franchise” is unduly vague and ambiguous as used in this data request. Notwithstanding that
9 objection, and without waiving it, Big Rivers states as follows. No franchise was required to
10 establish Big Rivers. Big Rivers was established through its articles of incorporation, which
11 are attached as Exhibit 14 to Big Rivers’ application in *In the Matter of: Application of Big*
12 *Rivers Electric Corporation to Issue Evidences of Indebtedness*, Case No. 2012-00492.

13

14 **Witness)** Counsel and Mark A. Bailey