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RECEIVED

MAY 03 2013

PUBLIC SERVICE
COMMISSION

Via Overnight Mail

May 2, 2013

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

Re: Case No. 2013-00125

Dear Mr. Derouen:

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

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

Very Truly Yours,



Michael L. Kurtz, Esq.

Kurt J. Boehm, Esq.

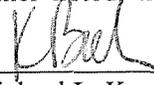
BOEHM, KURTZ & LOWRY

MLKkew
Attachment

cc: Certificate of Service
Quang Nyugen, Esq.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by electronic mail (when available) and by mailing a true and correct copy by regular, U.S. Mail, unless other noted, this 2nd day of May, 2013 to the following



Michael L. Kurtz, Esq.
Kurt J. Boehm, Esq.

Jennifer B Hans
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Dennis G. Howard, II
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1024 Capital Center Drive, Ste 200
Frankfort, KENTUCKY 40601-8204

Honorable James M Miller
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100 St. Ann Street
P.O. Box 727
Owensboro, KENTUCKY 42302-0727

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

IN THE MATTER OF: THE APPLICATION OF BIG RIVERS :
ELECTRIC CORPORATION FOR APPROVAL TO ISSUE : Case No. 2013-00125
EVIDENCES OF INDEBTEDNESS :

**KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.'s
FIRST SET OF DATA REQUESTS
TO
BIG RIVERS ELECTRIC CORPORATION**

Dated: May 2, 2013

DEFINITIONS

1. "Document(s)" is used in its customary broad sense and includes electronic mail and all written, typed, printed, electronic, computerized, recorded or graphic statements, memoranda, reports, communications or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.
2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion whether preliminary or final, and whether or not referred to in Big Rivers' direct testimony.
3. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person (s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.
4. "Person" means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.
5. A request to identify a natural person means to state his or her full name and residence address, his or her present last known position and business affiliation at the time in question.
6. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number of code number thereof or other means of identifying it, and its present location and custodian. If any such document was, but is no longer in the Company's possession or subject to its control, state what disposition was made of it.
7. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.
8. "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.
9. "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.
10. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.
11. "You" or "your" means the person whose filed testimony is the subject of these interrogatories and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any interrogatory who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.
12. "BREC" means Big Rivers Electric Corporation and/or any of their officers, directors, employees, or agents who may have knowledge of the particular matter addressed.
13. "The Application" means the Application and attachments filed by BREC on March 27, 2013 with the Kentucky Public Service Commission in Case No. 2013-00125.

INSTRUCTIONS

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

**FIRST SET OF DATA REQUESTS OF
KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.
TO BIG RIVERS ELECTRIC CORPORATION
Case No. 2013-00125**

- Q1-1. Provide a copy of all correspondence and documents exchanged between BREC and CFC regarding the transactions described in the Application.
- Q1-2. Provide a copy of all correspondence and documents exchanged between BREC and RUS regarding the transactions described in the Application; and regarding the “Corrective Plan” referenced in Paragraph 12 of the Application.
- Q1-3. Provide a copy of all correspondence and documents exchanged internally within BREC regarding the transactions described in the Application.
- Q1-4. Provide copies of all correspondence and documents exchanged between BREC and any other banking institution or any other investment advisory entity regarding the transactions described in the Application.
- Q1-5. Provide a copy of all correspondence and documents exchanged between BREC and the three rating agencies since January 1, 2013.
- Q1-6. Provide copies of all documents, including correspondence between Big Rivers and KPMG related to KPMG’s evaluation of whether Big Rivers’ financial statements should carry a “going concern” qualification.
- Q1-7. Has CFC explicitly notified BREC that it will refuse to make advances or issue Letters of Credit under the 2009 Revolver? If yes, provide all supporting documentation. Provide the notice of default on the 2009 CFC Revolver, referenced on page 4 of the Application, and all supporting documentation.
- Q1-8. Provide a copy of the authorization received by Big Rivers from the Trustee of the Indenture, as required by Section 12.1 of the Indenture, providing approval for the issuance of Big Rivers’ Fourth Supplemental Indenture intended to be issued in conjunction with the Amended CFC Revolver.
- Q1-9. Provides copies of all written communications between Big Rivers and the Trustee pursuant to which Big Rivers sought and obtained authorization by the Trustee to enter into Big Rivers’ Fourth Supplemental Indenture.
- Q1-10. Pursuant to Section 12.1.L of the Indenture, provide copies of all written communications between Big Rivers and any and all of the three rating agencies stating that Big Rivers’ ratings on the 2010 Pollution Control Bonds will not be withdrawn or reduced upon Big Rivers’ issuance of the Fourth Supplemental Indenture. If Big Rivers has not sought such determinations from the ratings agencies, state whether the Trustee has indicated that such determinations are not necessary to his approval for issuance of Big Rivers Fourth Supplemental Indenture.

- Q1-11. Provide copies of any and all agreements or contracts, or any modifications or amendments to any existing agreements or contracts that have been entered into by BREC, or are contemplated to be entered into by BREC, related to or in conjunction with BREC's proposed refinancing of the Amended CFC Revolver.
- Q1-12. Provide copies of all reports or presentations that have been prepared by BREC since January 1, 2013, for use by or presentation to any credit rating agency, investment banking institution, investment advisory service, credit support institution or institutional investment group or entity.
- Q1-13. Describe any and all alternatives that Big Rivers has planned to pursue to enhance its liquidity if the pending application for approval of the Amended CFC Revolver were to be denied by the Commission.
- Q1-14. Identify Big Rivers' intended source(s) of repayment when the Amended CFC Revolver matures on July 16, 2017. In particular, if advances under the Amended CFC Revolver are used for capital additions as provided in the Application, state whether and when Big Rivers will seek long term capital financing with respect to such capital additions.
- Q1-15. Describe all actions by Big Rivers to enhance its existing liquidity by seeking revolving credit or borrowing arrangements of any kind with potential lenders other CFC and CoBank. If Big Rivers has approached other potential lenders regarding any form of revolving credit or borrowing arrangements, provide copies of all presentations made to such potential lenders. If Big Rivers has not approached any other potential lenders, explain why Big Rivers has not done so.
- Q1-16. What is BREC's estimated or calculation of the interest rate of the Amended CFC Revolver? Provide all supporting documentation.
- Q1-17. Indicate whether the interest rates contemplated to be paid by BREC in its Application are comparable to the interest rates that are paid by electric utilities that carry comparable institutional credit ratings. If the interest rates to be paid by BREC are higher than those of its rating peer group, please explain in detail the reasons for such interest rate differentials. Provide all supporting documentation.
- Q1-18. Is there a maximum interest rate that BREC would not go through with a refinancing of its Amended CFC Revolver?
- Q1-19. Provide a detailed calculation of all "up-front costs" associated with the Amended CFC Revolver as referenced in Paragraph 10 of the application. If there are other costs associated with the Amended CFC Revolver provide a detailed quantification of those additional costs.
- Q1-20. What would be the financial consequences of BREC not executing the Amended CFC Revolver?
- Q1-21. As set forth in Paragraph 11 (at page 8) of the Application, the 2012 CoBank Revolver is no longer available to Big Rivers.
- a. Provide a narrative explanation of the reasons that the 2012 CoBank Revolver is no longer available to Big Rivers.

- b. Cite the specific provision(s) of loan documentation upon which CoBank relies in withdrawing the availability of the 2012 CoBank Revolver, and state whether Big Rivers contests the validity of CoBank's reliance on such provision(s).
- c. Provide copies of all written communications of any kind between Big Rivers and CoBank wherein Big Rivers has attempted to negotiate new terms and conditions upon which CoBank would make the 2012 CoBank Revolver available to Big Rivers.
- d. State whether Big Rivers believes that the 2012 CoBank Revolver will become available to Big Rivers in the future, and if so, the date at which such availability will occur and the occurrences that will lead to such availability.

Q1-22. Explain why the \$50 million revolving credit lines from CFC and CoBank for which Big Rivers sought and obtained approval in Case No. 2007-00455 originally were structured on an unsecured basis rather than secured under the Indenture.

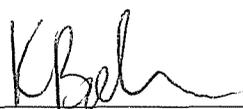
Q1-23. Show, as of December 31, 2012, (a) the net book value of all Big Rivers assets that are encumbered by the lien of the Indenture, and (b) the principal amount of all Big Rivers' debt that is secured by the Indenture.

Q1-24. Provide an explanation of the basis for the issuance of Additional Obligations (in the form of the Amended CFC Revolver) under Section 4.2, 4.3, 4.4, 4.7 or 4.9 of the Indenture, whichever is applicable, citing the basis for such issuance consistent with Section 4.1 of the Indenture (General Provisions for Authentication and Delivery of Additional Obligations).

Q1-25. Provide a copy of all studies, analyses, and correspondence that considered or addressed various financing alternatives, including the alternative selected and presented in this proceeding.

Q1-26. Provide a detailed calculation of the impact by customer class that BREC's Application, if approved, will have on BREC's rate payers once financing is closed and for the next five years.

Respectfully submitted,



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**COUNSEL FOR KENTUCKY INDUSTRIAL
UTILITY CUSTOMERS, INC.**

May 2, 2013