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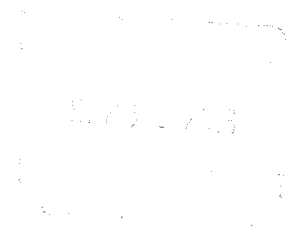
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September 19, 2013

**Via FedEx Overnight Delivery**

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



*In the Matter of:*

Application of Big Rivers Electric Corporation for a General Adjustment  
in Rates – Case No. 2013-00199

Dear Mr. Derouen:

Big Rivers Electric Corporation (“Big Rivers”) hereby files an original and ten (10) copies of its Third Updated responses to Items 43 and 54 of the Commission Staff’s Initial Request for Information dated June 10, 2013, and to which Big Rivers initially provided responses on July 12, 2013. Big Rivers also hereby files its Third Updated response to Tab 35 of its Application filed on June 28, 2013.

Please confirm the Commission’s receipt of this information by having the Commission’s date stamp placed on the enclosed additional copy and returning to Big Rivers in the self-addressed, postage paid envelop provided.

I certify that on this date, a copy of this response was served on each of the persons on the attached service list by either first class U.S. postage or overnight express delivery.

Should you have any questions about this matter, please contact me.

Sincerely yours,

Tyson A. Kamuf

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C: 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. 2013-00199**

RECEIVED  
SEP 20 2013  
PUBLIC SERVICE  
COMMISSION

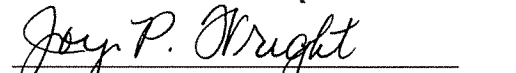
**VERIFICATION**

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 19 day of September, 2013.

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

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

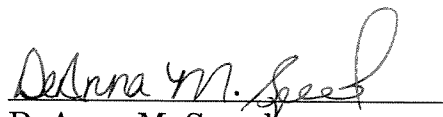
**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2013-00199**

FILED  
SEP 20 2013  
PUBLIC SERVICE  
COMMISSION

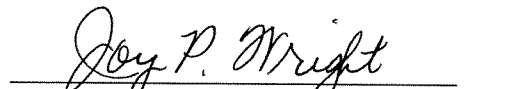
**VERIFICATION**

I, DeAnna M. Speed, 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.

  
DeAnna M. Speed

COMMONWEALTH OF KENTUCKY )  
COUNTY OF HENDERSON )

SUBSCRIBED AND SWORN TO before me by DeAnna M. Speed on this  
the 19 day of September, 2013.

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

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

**ORIGINAL**



Your Touchstone Energy® Cooperative 

RECEIVED

SEP 20 2013

PUBLIC SERVICE  
COMMISSION

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

In the Matter of:

APPLICATION OF BIG RIVERS )  
ELECTRIC CORPORATION FOR A ) Case No. 2013-00199  
GENERAL ADJUST IN RATES )

*Third Updated* Responses to the Big Rivers Application  
Tab 35 originally filed June 30, 2013

*Third Updated* Responses to the Commission Staff's  
Initial Request for Information dated June 10, 2013

FILED: September 20, 2013

**ORIGINAL**

**Big Rivers Electric Corporation**  
**Case No. 2013-00199**  
**Forecasted Test Period Filing Requirements**  
*(Forecast Test Year 12ME 01-31-2015; Base Period 12ME 09/30/2013)*

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Tab No. 35 – July 12, 2013  
First Update Tab No. 35 – July 24, 2013  
Second Update Tab No. 35 – August 21, 2013  
Third Update Tab No. 35 – September 20, 2013  
Filing Requirement  
807 KAR 5:001 Section 16(12)(o)  
Sponsoring Witness: Ms. Billie J. Richert

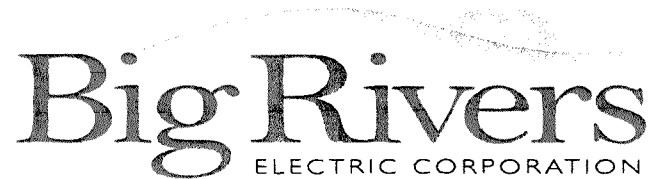
FILED  
SEP 20 2013  
KENTON, OH  
CLERK OF COURT


**Description of Filing Requirement:**

*Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months prior to the base period, each month of the base period, and any subsequent months, as they become available.*

**Response:**

Attached hereto is the monthly variance report for June 2013. With its application filed on June 28, 2013, Big Rivers provided monthly variance reports, with narrative explanations, for October 2011 through March, 2013. The April 2013 report was filed with the First Update on July 24, 2013. The May 2013 report was filed with the Second Update on August 22, 2013.



Your Touchstone Energy Cooperative 

**Financial Report**  
**June 2013**  
**(\$ in Thousands)**

**Board Meeting Date: August 16, 2013**





Your LoneStar Energy Cooperative

## Summary of Statement of Operations YTD – June

|                          | 2013    |         |                         | 2012    |                         |
|--------------------------|---------|---------|-------------------------|---------|-------------------------|
|                          | Actual  | Budget  | Fav/(UnFav)<br>Variance | Actual  | Fav/(UnFav)<br>Variance |
| Revenues                 | 299,317 | 285,025 | 14,292                  | 276,121 | 23,196                  |
| Cost of Electric Service | 287,396 | 289,549 | 2,153                   | 274,562 | (12,834)                |
| Operating Margins        | 11,921  | (4,524) | 16,445                  | 1,559   | 10,362                  |
| Interest Income/Other    | 1,771   | 2,280   | (509)                   | 76      | 1,695                   |
| Net Margins - YTD        | 13,692  | (2,244) | 15,936                  | 1,635   | 12,057                  |

## Statement of Operations – June Variance to Budget

Year End:

|  | Current Month |               |                      | Year-to-Date   |                |                      | Explanation              |
|--|---------------|---------------|----------------------|----------------|----------------|----------------------|--------------------------|
|  | Actual        | Budget        | Variance Fav/(UnFav) | Actual         | Budget         | Variance Fav/(UnFav) |                          |
| ELECTRIC ENERGY REVENUES                           | 48,966        | 47,344        | 1,622                | 297,358        | 283,175        | 14,183               | [A] Pages 7, 9-13, 16-21 |
| OTHER OPERATING REVENUE AND INCOME                 | 329           | 308           | 21                   | 1,959          | 1,850          | 109                  |                          |
| <b>TOTAL OPER REVENUES &amp; PATRONAGE CAPITAL</b> | <b>49,295</b> | <b>47,652</b> | <b>1,643</b>         | <b>299,317</b> | <b>285,025</b> | <b>14,292</b>        |                          |
| OPERATION EXPENSE-PRODUCTION-EXCL FUEL             | 4,366         | 4,458         | 92                   | 25,477         | 27,845         | 2,368                | [A] Pages 8, 14-15, 22   |
| OPERATION EXPENSE-PRODUCTION-FUEL                  | 19,222        | 20,313        | 1,091                | 120,999        | 124,188        | 3,189                | [A] Pages 8, 14-15       |
| OPERATION EXPENSE-OTHER POWER SUPPLY               | 9,533         | 7,143         | (2,390)              | 56,925         | 45,997         | (10,928)             | [A] Pages 8, 14-15, 22   |
| OPERATION EXPENSE-TRANSMISSION                     | 1,019         | 791           | (228)                | 5,683          | 4,626          | (1,057)              | [B] Page 23              |
| OPERATION EXPENSE-RTO/ISO                          | 217           | 193           | (24)                 | 1,309          | 1,139          | (170)                |                          |
| OPERATION EXPENSE-CUSTOMER ACCOUNTS                | 69            | 0             | (69)                 | 132            | 0              | (132)                |                          |
| CONSUMER SERVICE & INFORMATIONAL EXPENSE           | 59            | 284           | 225                  | 356            | 772            | 416                  | [B] Page 24              |
| OPERATION EXPENSE-SALES                            | 5             | 28            | 23                   | 24             | 73             | 49                   |                          |
| OPERATION EXPENSE-ADMINISTRATIVE & GENERAL         | 1,867         | 2,897         | 1,030                | 12,510         | 14,954         | 2,444                | [B] & [C] Page 25        |
| <b>TOTAL OPERATION EXPENSE</b>                     | <b>36,357</b> | <b>36,107</b> | <b>(250)</b>         | <b>223,415</b> | <b>219,594</b> | <b>(3,821)</b>       |                          |
| MAINTENANCE EXPENSE-PRODUCTION                     | 3,253         | 3,017         | (236)                | 18,411         | 23,672         | 5,261                | [B] & [C] Page 26        |
| MAINTENANCE EXPENSE-TRANSMISSION                   | 367           | 528           | 161                  | 2,024          | 2,532          | 508                  | [B] Page 27              |
| MAINTENANCE EXPENSE-GENERAL PLANT                  | 19            | 17            | (2)                  | 129            | 107            | (22)                 |                          |
| <b>TOTAL MAINTENANCE EXPENSE</b>                   | <b>3,639</b>  | <b>3,562</b>  | <b>(77)</b>          | <b>20,564</b>  | <b>26,311</b>  | <b>5,747</b>         |                          |
| DEPRECIATION & AMORTIZATION EXPENSE                | 3,430         | 3,479         | 49                   | 20,574         | 20,725         | 151                  |                          |
| TAXES  | 0             | 0             | 0                    | 2              | 1              | (1)                  |                          |
| INTEREST ON LONG-TERM DEBT                         | 3,502         | 3,802         | 300                  | 22,086         | 22,808         | 722                  |                          |
| INTEREST CHARGED TO CONSTRUCTION-CREDIT            | (23)          | (60)          | (37)                 | (183)          | (177)          | 6                    |                          |
| OTHER INTEREST EXPENSE                             | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| OTHER DEDUCTIONS                                   | 23            | 65            | 42                   | 938            | 287            | (651)                | [B] Page 28              |
| <b>TOTAL COST OF ELECTRIC SERVICE</b>              | <b>46,928</b> | <b>46,955</b> | <b>27</b>            | <b>287,396</b> | <b>289,549</b> | <b>2,153</b>         |                          |
| <b>OPERATING MARGINS</b>                           | <b>2,367</b>  | <b>697</b>    | <b>1,670</b>         | <b>11,921</b>  | <b>(4,524)</b> | <b>16,445</b>        |                          |
| INTEREST INCOME                                    | 158           | 168           | (10)                 | 988            | 1,017          | (29)                 |                          |
| ALLOWANCE FOR FUNDS USED DURING CONST              | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| OTHER NON-OPERATING INCOME - NET                   | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| OTHER CAPITAL CREDITS & PAT DIVIDENDS              | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| EXTRAORDINARY ITEMS                                | 0             | 0             | 0                    | 783            | 1,263          | (480)                | [B] Page 29              |
| <b>NET PATRONAGE CAPITAL OR MARGINS</b>            | <b>2,525</b>  | <b>865</b>    | <b>1,660</b>         | <b>13,692</b>  | <b>(2,244)</b> | <b>15,936</b>        |                          |

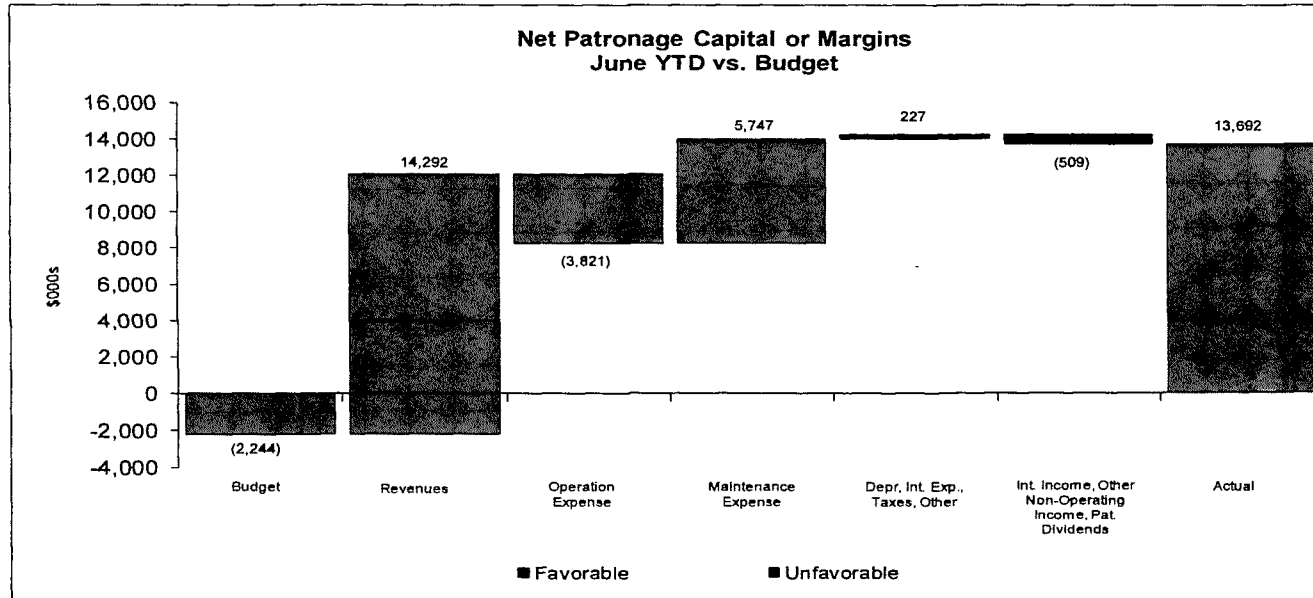
YTD Explanations: [A] Gross Margin, [B] 10% of budgeted line item and \$250,000 or [C] 10% of budgeted margins and \$500,000.

## Statement of Operations – June Variance to Prior-Year

|  | Current Month |               |                      | Year-to-Date   |                |                      | Explanation              |
|--|---------------|---------------|----------------------|----------------|----------------|----------------------|--------------------------|
|  | Actual        | Prior Year    | Variance Fav/(UnFav) | Actual         | Prior Year     | Variance Fav/(UnFav) |                          |
| ELECTRIC ENERGY REVENUES                           | 48,966        | 46,967        | 1,999                | 297,358        | 273,712        | 23,646               | [A] Pages 7, 9-13, 16-21 |
| OTHER OPERATING REVENUE AND INCOME                 | 329           | 503           | (174)                | 1,959          | 2,409          | (450)                |                          |
| <b>TOTAL OPER REVENUES &amp; PATRONAGE CAPITAL</b> | <b>49,295</b> | <b>47,470</b> | <b>1,825</b>         | <b>299,317</b> | <b>276,121</b> | <b>23,196</b>        |                          |
| OPERATION EXPENSE-PRODUCTION-EXCL FUEL             | 4,366         | 3,967         | (399)                | 25,477         | 23,837         | (1,640)              | [A] Pages 8, 14-15, 22   |
| OPERATION EXPENSE-PRODUCTION-FUEL                  | 19,222        | 19,401        | 179                  | 120,999        | 106,890        | (14,109)             | [A] Pages 8, 14-15       |
| OPERATION EXPENSE-OTHER POWER SUPPLY               | 9,533         | 7,966         | (1,567)              | 56,925         | 58,175         | 1,250                | [A] Pages 8, 14-15, 22   |
| OPERATION EXPENSE-TRANSMISSION                     | 1,019         | 832           | (387)                | 5,883          | 4,979          | (704)                | [B] & [C] Page 23        |
| OPERATION EXPENSE-RTO/ISO                          | 217           | 181           | (36)                 | 1,309          | 1,225          | (84)                 |                          |
| OPERATION EXPENSE-CUSTOMER ACCOUNTS                | 69            | 0             | (69)                 | 132            | 0              | (132)                |                          |
| CONSUMER SERVICE & INFORMATIONAL EXPENSE           | 59            | 47            | (12)                 | 356            | 199            | (157)                |                          |
| OPERATION EXPENSE-SALES                            | 5             | 10            | 5                    | 24             | 21             | (3)                  |                          |
| OPERATION EXPENSE-ADMINISTRATIVE & GENERAL         | 1,867         | 3,270         | 1,403                | 12,510         | 13,793         | 1,283                | [C] Page 25              |
| <b>TOTAL OPERATION EXPENSE</b>                     | <b>36,357</b> | <b>35,474</b> | <b>(883)</b>         | <b>223,415</b> | <b>209,119</b> | <b>(14,296)</b>      |                          |
| MAINTENANCE EXPENSE-PRODUCTION                     | 3,253         | 2,679         | (574)                | 18,411         | 20,426         | 2,015                | [C] Page 26              |
| MAINTENANCE EXPENSE-TRANSMISSION                   | 367           | 539           | 172                  | 2,024          | 2,334          | 310                  | [B] Page 27              |
| MAINTENANCE EXPENSE-GENERAL PLANT                  | 19            | 25            | 6                    | 129            | 93             | (36)                 |                          |
| <b>TOTAL MAINTENANCE EXPENSE</b>                   | <b>3,639</b>  | <b>3,243</b>  | <b>(396)</b>         | <b>20,564</b>  | <b>22,853</b>  | <b>2,289</b>         |                          |
| DEPRECIATION & AMORTIZATION EXPENSE                | 3,430         | 3,392         | (38)                 | 20,574         | 20,364         | (210)                |                          |
| TAXES  | 0             | 0             | 0                    | 2              | 4              | 2                    |                          |
| INTEREST ON LONG-TERM DEBT                         | 3,502         | 3,708         | 204                  | 22,086         | 22,484         | 398                  |                          |
| INTEREST CHARGED TO CONSTRUCTION-CREDIT            | (23)          | (57)          | (34)                 | (183)          | (385)          | (202)                |                          |
| OTHER INTEREST EXPENSE                             | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| OTHER DEDUCTIONS                                   | 23            | 12            | (11)                 | 938            | 123            | (815)                | [B] & [C] Page 28        |
| <b>TOTAL COST OF ELECTRIC SERVICE</b>              | <b>46,928</b> | <b>45,770</b> | <b>(1,158)</b>       | <b>287,396</b> | <b>274,562</b> | <b>(12,834)</b>      |                          |
| <b>OPERATING MARGINS</b>                           | <b>2,367</b>  | <b>1,700</b>  | <b>667</b>           | <b>11,921</b>  | <b>1,559</b>   | <b>10,362</b>        |                          |
| INTEREST INCOME                                    | 158           | 4             | 154                  | 988            | 31             | 957                  | [B] & [C] Page 30        |
| ALLOWANCE FOR FUNDS USED DURING CONST              | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| OTHER NON-OPERATING INCOME - NET                   | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| OTHER CAPITAL CREDITS & PAT DIVIDENDS              | 0             | 0             | 0                    | 783            | 45             | 738                  | [B] & [C] Page 29        |
| EXTRAORDINARY ITEMS                                | 0             | 0             | 0                    | 0              | 0              | 0                    |                          |
| <b>NET PATRONAGE CAPITAL OR MARGINS</b>            | <b>2,525</b>  | <b>1,704</b>  | <b>821</b>           | <b>13,692</b>  | <b>1,635</b>   | <b>12,057</b>        |                          |

YTD Explanations: [A] Gross Margin, [B] 10% of prior year line item and \$250,000 or [C] 10% of prior year margins and \$500,000.

# Variance Analysis Summary

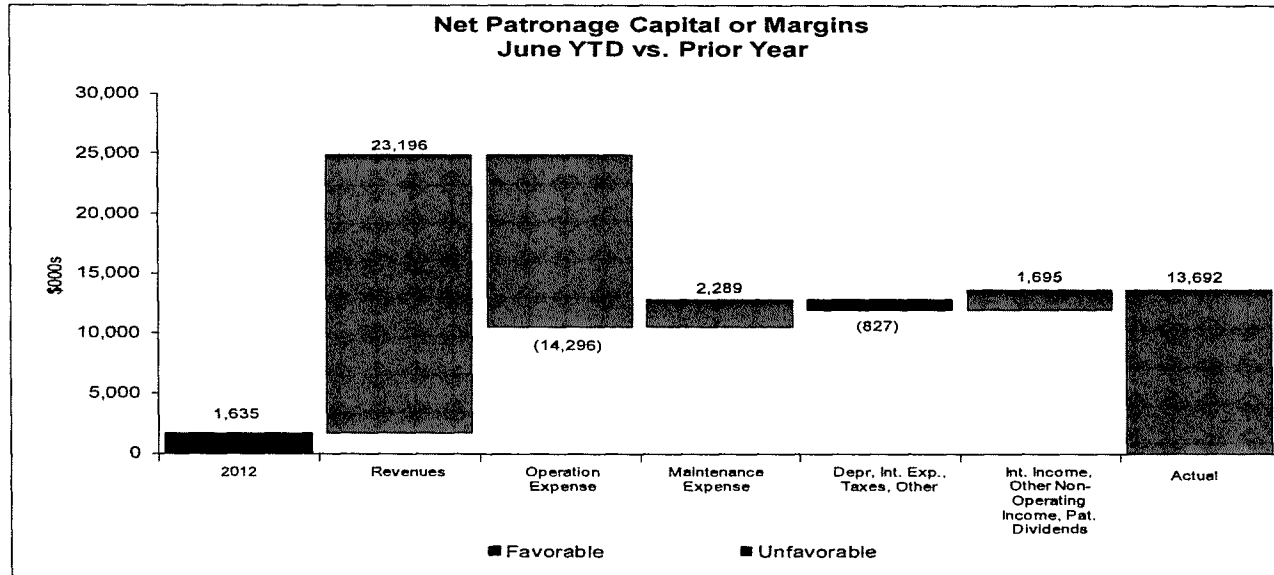


**Financial Commentary**

**Year-to-Date**

- June YTD 2013 Margins were \$15,936 favorable to budget.
  - Revenues were favorable \$14,292 primarily due to OSS volumes, as well as the \$1.4m retroactive rate adjustment per the January 29th PSC order (see pages 7, 9-13, 16-21).
  - Operation Expense was unfavorable \$3,821 driven by purchased power, while somewhat offset by fuel, reagent and non-variable operations (see page 8 & 22).
  - Maintenance Expense was favorable \$5,747 primarily due to timing of the Coleman outage and maintenance expenses at the plants (see pages 26 & 27).
  - Depreciation/Interest Expense/Other was favorable \$227 primarily due to interest savings on the paid-off 1983 pollution control bonds.
  - Interest Income/Patronage was unfavorable \$509 due to timing of the allocation of patronage capital from CFC (see pages 29).

## Variance Analysis Summary



**Financial Commentary**

**Year-to-Date**

- June YTD 2013 margins were \$12,057 favorable compared to 2012.
  - Revenues were favorable \$23,196 largely due to volumes, most of which is from OSS (see pages 7, 9-13, 16-21).
  - Operation Expense was unfavorable \$14,296 – driven by higher fuel cost \$15,327, mostly due to volume, partially offset by lower purchase power \$2,513.
  - Maintenance Expense was favorable \$2,289 due to higher outage expenses in 2012, as well as deferral of the 2013 Coleman outage.(see page 26).
  - Depreciation/Interest Expense/Other was unfavorable \$827 primarily due to the write-off of deferred costs associated with the 1983 pollution control bonds, as well as the 2012 CoBank Revolver. (see page 28).
  - Interest Income/Patronage was favorable \$1,695 due to patronage capital as a result of the 2012 refinancing and the interest on the CFC capital term certificates (see pages 29-30).

## Revenue YTD June

|                  | Actual<br>2013   | Budget<br>2013   | Variance       | Actual<br>2012   | 2012<br>Variance |
|------------------|------------------|------------------|----------------|------------------|------------------|
| <b>MWh Sales</b> |                  |                  |                |                  |                  |
| Rural            | 1,169,490        | 1,174,720        | (5,230)        | 1,118,075        | 51,415           |
| Large Industrial | 505,365          | 466,317          | 39,048         | 481,492          | 23,873           |
| Smelter          | 3,686,464        | 3,661,123        | 25,341         | 3,699,068        | (12,604)         |
| Off-System/Other | 1,014,139        | 552,994          | 461,145        | 643,126          | 371,013          |
| <b>Total</b>     | <b>6,375,458</b> | <b>5,855,154</b> | <b>520,304</b> | <b>5,941,761</b> | <b>433,697</b>   |

| <b>Revenue - \$/MWh</b> |              |              |               |              |             |
|-------------------------|--------------|--------------|---------------|--------------|-------------|
| Rural                   | 53.27        | 52.53        | 0.74          | 50.62        | 2.65        |
| Large Industrial        | 44.42        | 44.40        | 0.02          | 42.90        | 1.52        |
| Smelter                 | 49.00        | 50.11        | (1.11)        | 48.40        | 0.60        |
| Off-System/Other        | 31.54        | 31.32        | 0.22          | 27.11        | 4.43        |
| <b>Total</b>            | <b>46.64</b> | <b>48.36</b> | <b>(1.72)</b> | <b>46.07</b> | <b>0.57</b> |

| <b>Revenue - Thousands of \$</b> |                |                |               |                |               |
|----------------------------------|----------------|----------------|---------------|----------------|---------------|
| Rural <sup>(1)</sup>             | 62,300         | 61,709         | 591           | 56,601         | 5,699         |
| Large Industrial                 | 22,447         | 20,705         | 1,742         | 20,655         | 1,792         |
| Smelter                          | 180,620        | 183,442        | (2,822)       | 179,021        | 1,599         |
| Off-System/Other                 | 31,991         | 17,319         | 14,672        | 17,435         | 14,556        |
| <b>Total</b>                     | <b>297,358</b> | <b>283,175</b> | <b>14,183</b> | <b>273,712</b> | <b>23,646</b> |

<sup>(1)</sup> Includes \$1.3m of the \$1.4m retroactive adjustment from January 29th order by the PSC.

## Revenue Price / Volume Analysis June 2013

|                  | Price / Volume |        |         |
|------------------|----------------|--------|---------|
|                  | Price          | Volume | Total   |
| Rural            | 866            | (275)  | 591     |
| Large Industrial | 8              | 1,734  | 1,742   |
| Smelter          | (4,091)        | 1,269  | (2,822) |
| Off-System/Other | 230            | 14,442 | 14,672  |
|                  | (2,987)        | 17,170 | 14,183  |

**Variable Operations Cost**  
**YTD June**

|   | Actual<br>2013 | Budget<br>2013 | Variance    | Actual<br>2012 | 2012<br>Variance |
|---|----------------|----------------|-------------|----------------|------------------|
| <b>Variable Operations (VO) Cost - \$/MWh</b> |                |                |             |                |                  |
| Rural   | 25.94          | 26.95          | 1.01        | 25.61          | (0.33)           |
| Large Industrial                              | 26.00          | 26.95          | 0.95        | 25.65          | (0.35)           |
| Smelter                                       | 26.87          | 27.74          | 0.87        | 26.44          | (0.43)           |
| Off-System/Other                              | 26.62          | 27.44          | 0.82        | 25.91          | (0.71)           |
| <b>Total</b>                                  | <b>26.59</b>   | <b>27.49</b>   | <b>0.90</b> | <b>26.16</b>   | <b>(0.43)</b>    |

| <b>VO Cost - Thousands of \$</b> |                |                |                |                |                 |
|----------------------------------|----------------|----------------|----------------|----------------|-----------------|
| Rural                            | 30,332         | 31,663         | 1,331          | 28,634         | (1,698)         |
| Large Industrial                 | 13,142         | 12,569         | (573)          | 12,350         | (792)           |
| Smelter                          | 99,063         | 101,560        | 2,497          | 97,787         | (1,276)         |
| Off-System/Other                 | 26,994         | 15,172         | (11,822)       | 16,663         | (10,331)        |
| <b>Total</b>                     | <b>169,531</b> | <b>160,964</b> | <b>(8,567)</b> | <b>155,434</b> | <b>(14,097)</b> |

YTD June 2013  
Variable Operations Expense

|                           | Actual  | Budget  | Fav/(UnFav) | Price Variance |             |             | Volume Variance |             |             |
|---------------------------|---------|---------|-------------|----------------|-------------|-------------|-----------------|-------------|-------------|
|                           |         |         |             | Fav/(UnFav)    | Fav/(UnFav) | Fav/(UnFav) | Fav/(UnFav)     | Fav/(UnFav) | Fav/(UnFav) |
| Reagent                   | 13,921  | 15,004  | 1,083       |                | 526         |             | 557             | 1,083       |             |
| Fuel                      | 133,560 | 137,890 | 4,330       | 3,696          |             | 634         |                 | 4,330       |             |
| Purchased Power           | 23,548  | 9,360   | (14,188)    | (383)          |             | (13,805)    |                 | (14,188)    |             |
| Non-FAC PPA (Non-Smelter) | (1,498) | (1,290) | 208         | 182            |             | 26          |                 | 208         |             |
|                           | 169,531 | 160,964 | (8,567)     | 4,021          |             | (12,588)    |                 | (8,567)     |             |

**Gross Margin  
YTD June**

|                              | Actual<br>2013 | Budget<br>2013 | Variance      | Actual<br>2012 | 2012<br>Variance |
|------------------------------|----------------|----------------|---------------|----------------|------------------|
| <b>Gross Margin - \$/MWh</b> |                |                |               |                |                  |
| Rural                        | 27.33          | 25.58          | 1.75          | 25.01          | 2.32             |
| Large Industrial             | 18.42          | 17.45          | 0.97          | 17.25          | 1.17             |
| Smelter                      | 22.13          | 22.37          | (0.24)        | 21.96          | 0.17             |
| Off-System/Other             | 4.92           | 3.88           | 1.04          | 1.20           | 3.72             |
| <b>Total</b>                 | <b>20.05</b>   | <b>20.87</b>   | <b>(0.82)</b> | <b>19.91</b>   | <b>0.14</b>      |

|                                       | Actual<br>2013 | Budget<br>2013 | Variance     | Actual<br>2012 | 2012<br>Variance |
|---------------------------------------|----------------|----------------|--------------|----------------|------------------|
| <b>Gross Margin - Thousands of \$</b> |                |                |              |                |                  |
| Rural                                 | 31,968         | 30,045         | 1,923        | 27,967         | 4,001            |
| Large Industrial                      | 9,305          | 8,136          | 1,169        | 8,305          | 1,000            |
| Smelter                               | 81,557         | 81,881         | (324)        | 81,234         | 323              |
| Off-System/Other                      | 4,997          | 2,147          | 2,850        | 772            | 4,225            |
| <b>Total</b>                          | <b>127,827</b> | <b>122,209</b> | <b>5,618</b> | <b>118,278</b> | <b>9,549</b>     |

**Gross Margin  
Price / Volume Analysis  
June 2013**

|                  | Price / Volume |        |       |
|------------------|----------------|--------|-------|
|                  | Price          | Volume | Total |
| Rural            | 2,056          | (133)  | 1,923 |
| Large Industrial | 488            | 681    | 1,169 |
| Smelter          | (892)          | 568    | (324) |
| Off-System/Other | 1,061          | 1,789  | 2,850 |
|                  | 2,713          | 2,905  | 5,618 |





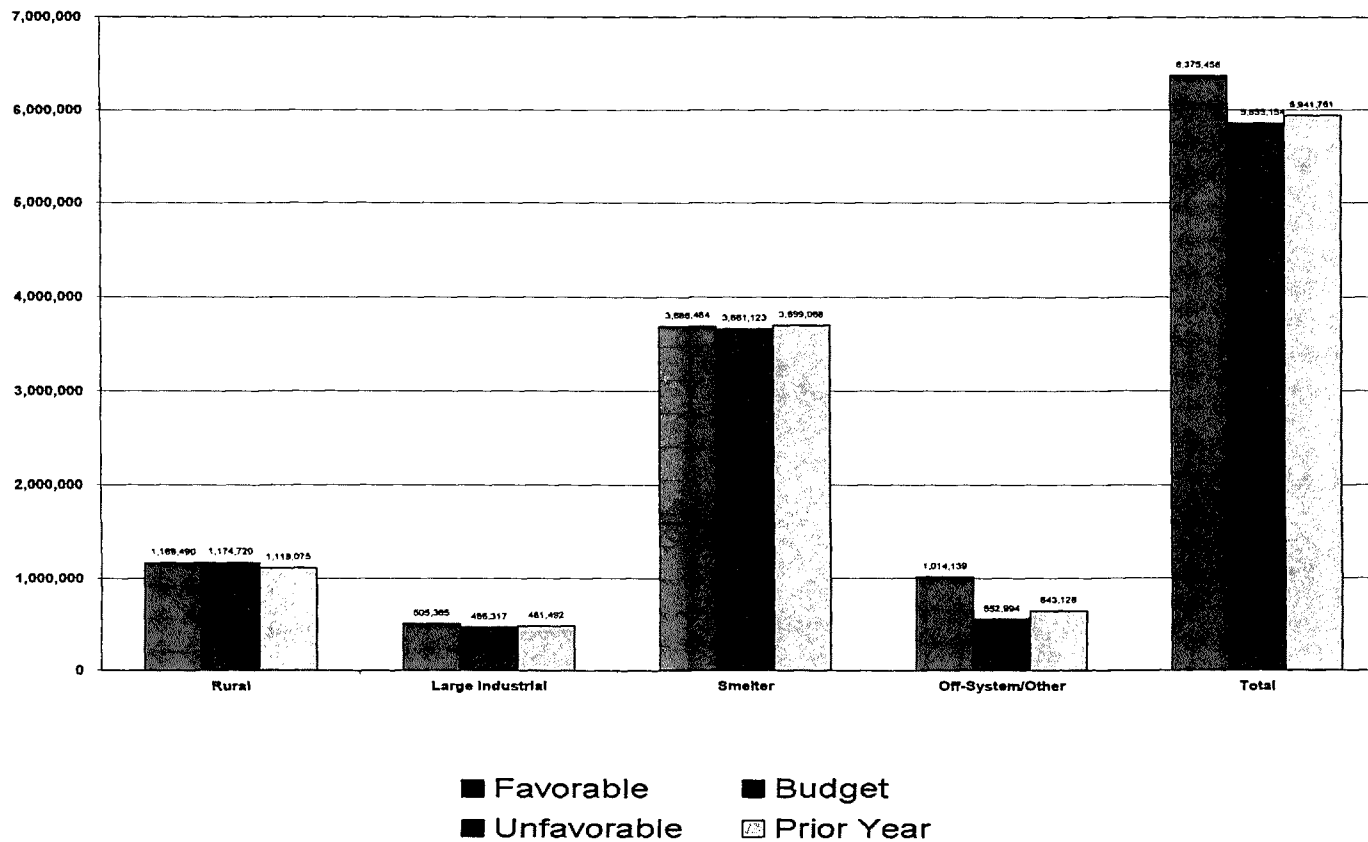
Your Touchstone Energy Cooperative

### Member Rate Stability Mechanism YTD June

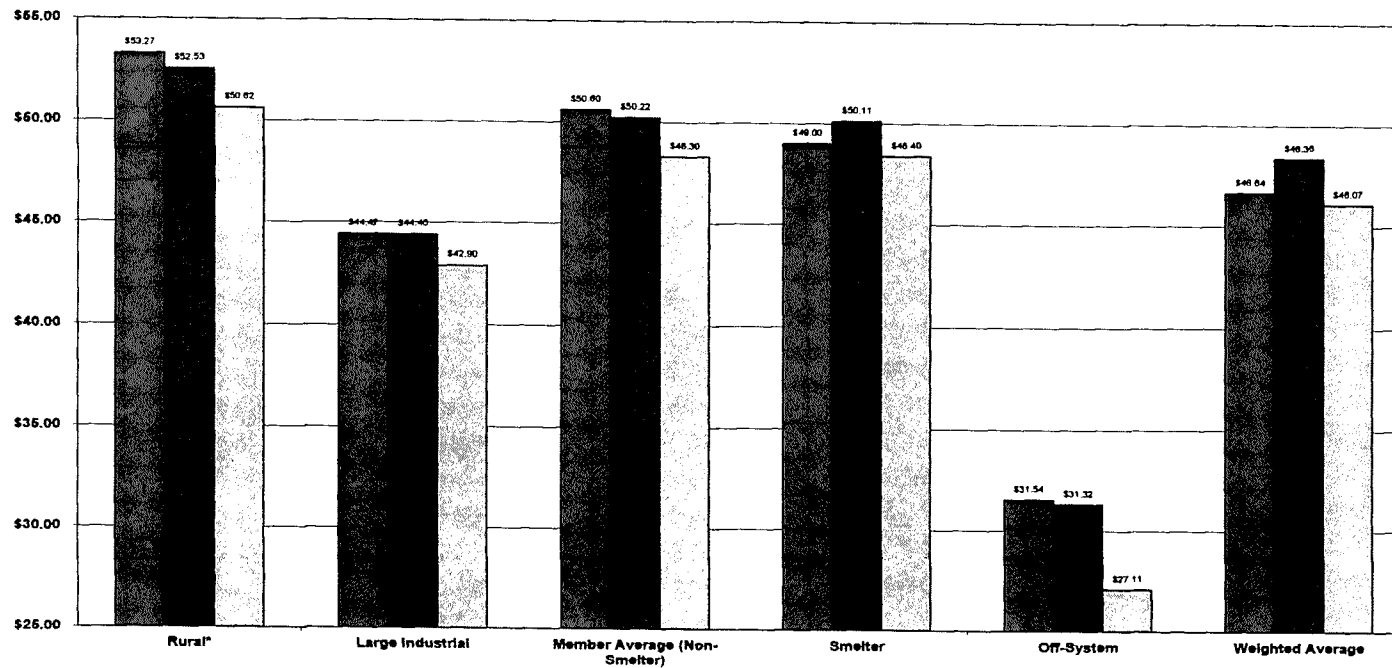
|                               | Actual<br>2013 | Budget<br>2013 | 2013<br>Variance | Actual<br>2012 | 2012<br>Variance |                                      | Actual<br>2013 | Budget<br>2013 | 2013<br>Variance | Actual<br>2012 | 2012<br>Variance |
|-------------------------------|----------------|----------------|------------------|----------------|------------------|--------------------------------------|----------------|----------------|------------------|----------------|------------------|
| <b>MRSM - \$/MWh</b>          |                |                |                  |                |                  | <b>Net Revenue - \$/MWh</b>          |                |                |                  |                |                  |
| Rural                         | (6.93)         | (7.21)         | 0.28             | (6.72)         | (0.21)           | Rural                                | 46.34          | 45.32          | 1.02             | 43.90          | 2.44             |
| Large Industrial              | (6.57)         | (6.67)         | 0.10             | (6.72)         | 0.15             | Large Industrial                     | 37.85          | 37.73          | 0.12             | 36.18          | 1.67             |
| Total                         | (6.82)         | (7.06)         | 0.24             | (6.72)         | (0.10)           | Total                                | 43.78          | 43.16          | 0.62             | 41.58          | 2.20             |
| <b>MRSM - Thousands of \$</b> |                |                |                  |                |                  | <b>Net Revenue - Thousands of \$</b> |                |                |                  |                |                  |
| Rural                         | (8,106)        | (8,467)        | 361              | (7,510)        | (596)            | Rural                                | 54,194         | 53,242         | 952              | 49,091         | 5,103            |
| Large Industrial              | (3,318)        | (3,111)        | (207)            | (3,231)        | (87)             | Large Industrial                     | 19,129         | 17,594         | 1,535            | 17,424         | 1,705            |
| Total                         | (11,424)       | (11,578)       | 154              | (10,741)       | (683)            | Total                                | 73,323         | 70,836         | 2,487            | 66,515         | 6,808            |

| <u>Cumulative-to-Date</u> | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
|---------------------------|---------------|---------------|-----------------|
| Original Deposit          | \$ 157,000    |               |                 |
| Interest Earnings         | 3,311         |               |                 |
| Withdrawals               | (90,309)      |               |                 |
| Ending Balance 06/30/2013 | \$ 70,002     | \$ 69,271     | \$ 731          |
| <u>Year-to-Date</u>       |               |               |                 |
| Beg. Balance 1/1/2013     | \$ 80,643     |               |                 |
| Interest Earnings         | 108           |               |                 |
| Withdrawals               | (10,749)      |               |                 |
| Ending Balance 06/30/2013 | \$ 70,002     | \$ 69,271     | \$ 731          |

# MWH Sales YTD – June



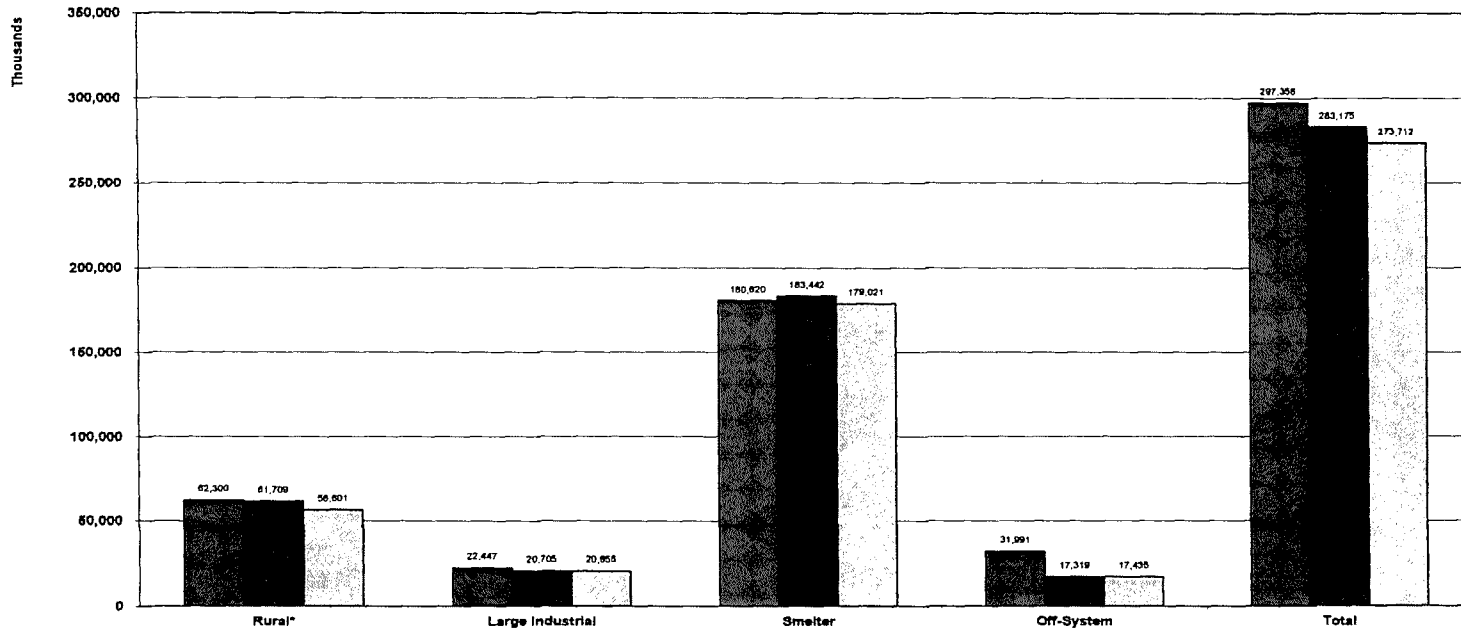
## Revenue - \$/MWh Sold YTD – June



\*2013 Rural includes \$1.3m of the \$1.4m retroactive adjustment from January 29<sup>th</sup> order by the PSC

Favorable    
  Budget  
 Unfavorable    
  Prior Year

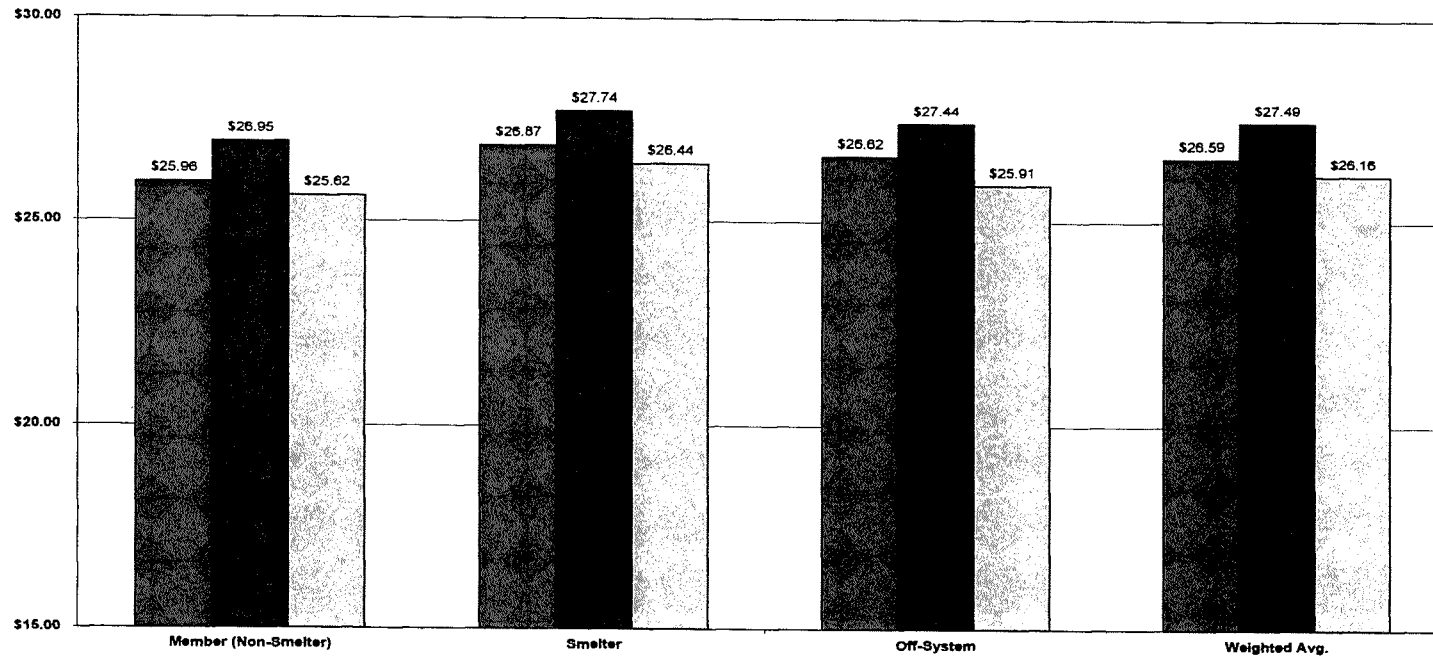
# Revenue YTD - June



\*2013 Rural includes \$1.3m of the \$1.4m retroactive adjustment from January 29<sup>th</sup> order from the PSC

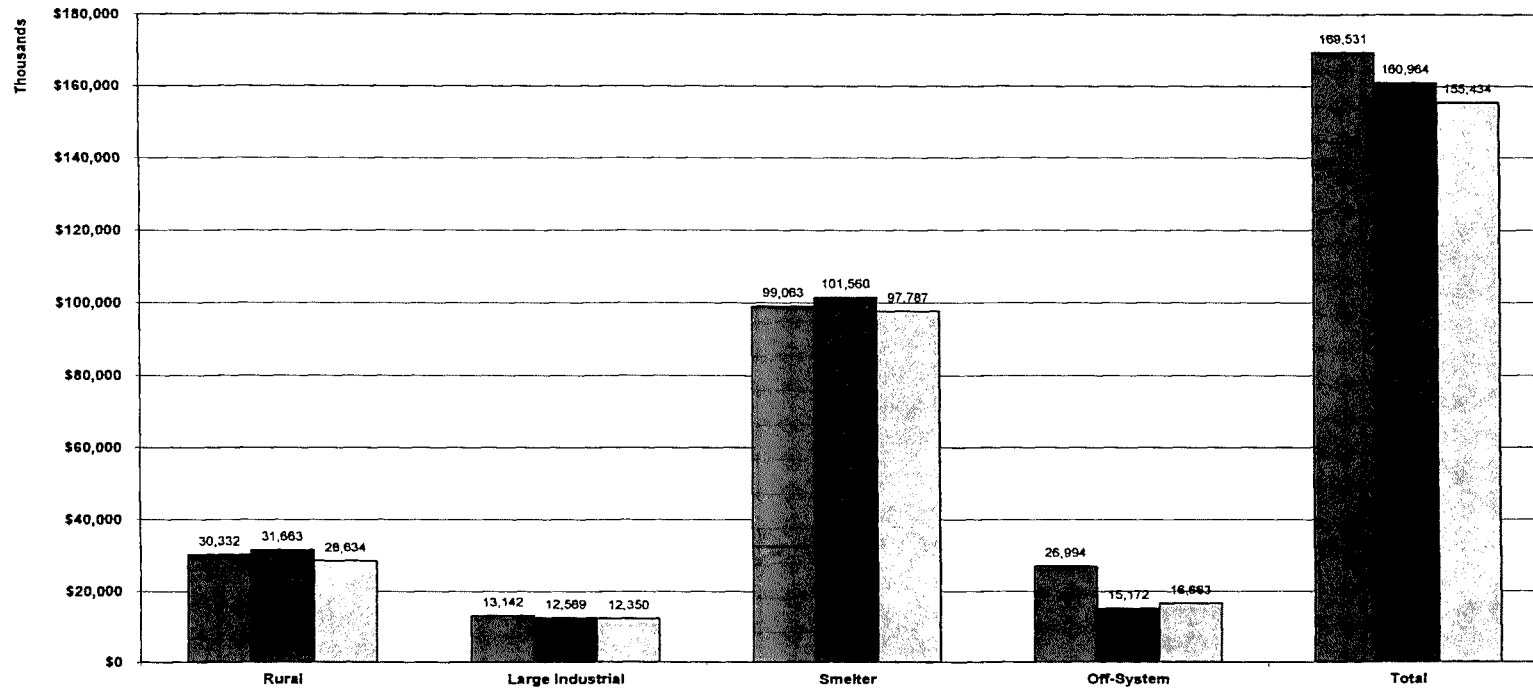
Favorable     
  Budget  
 Unfavorable     
  Prior Year

## Variable Operations - \$/MWh Sold YTD – June



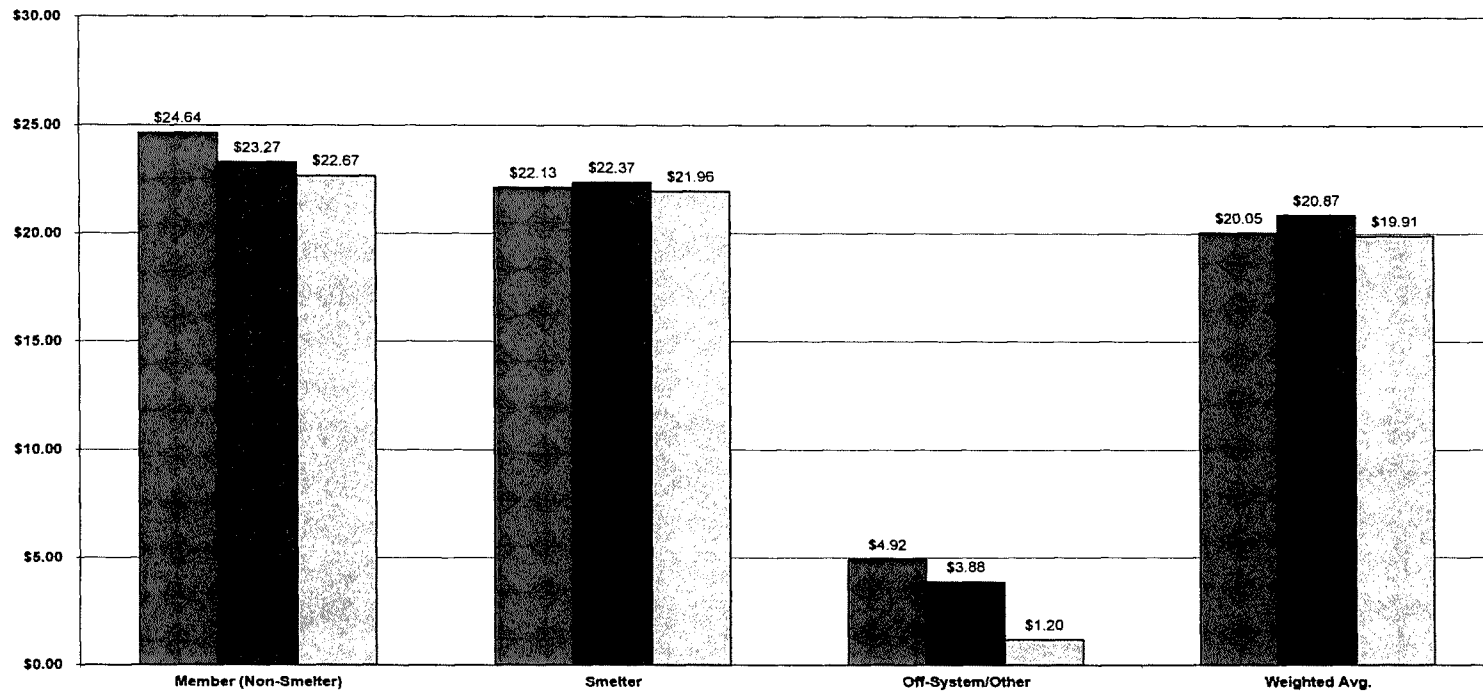
Favorable     
  Budget  
 Unfavorable     
  Prior Year

## Variable Operations Cost YTD – June



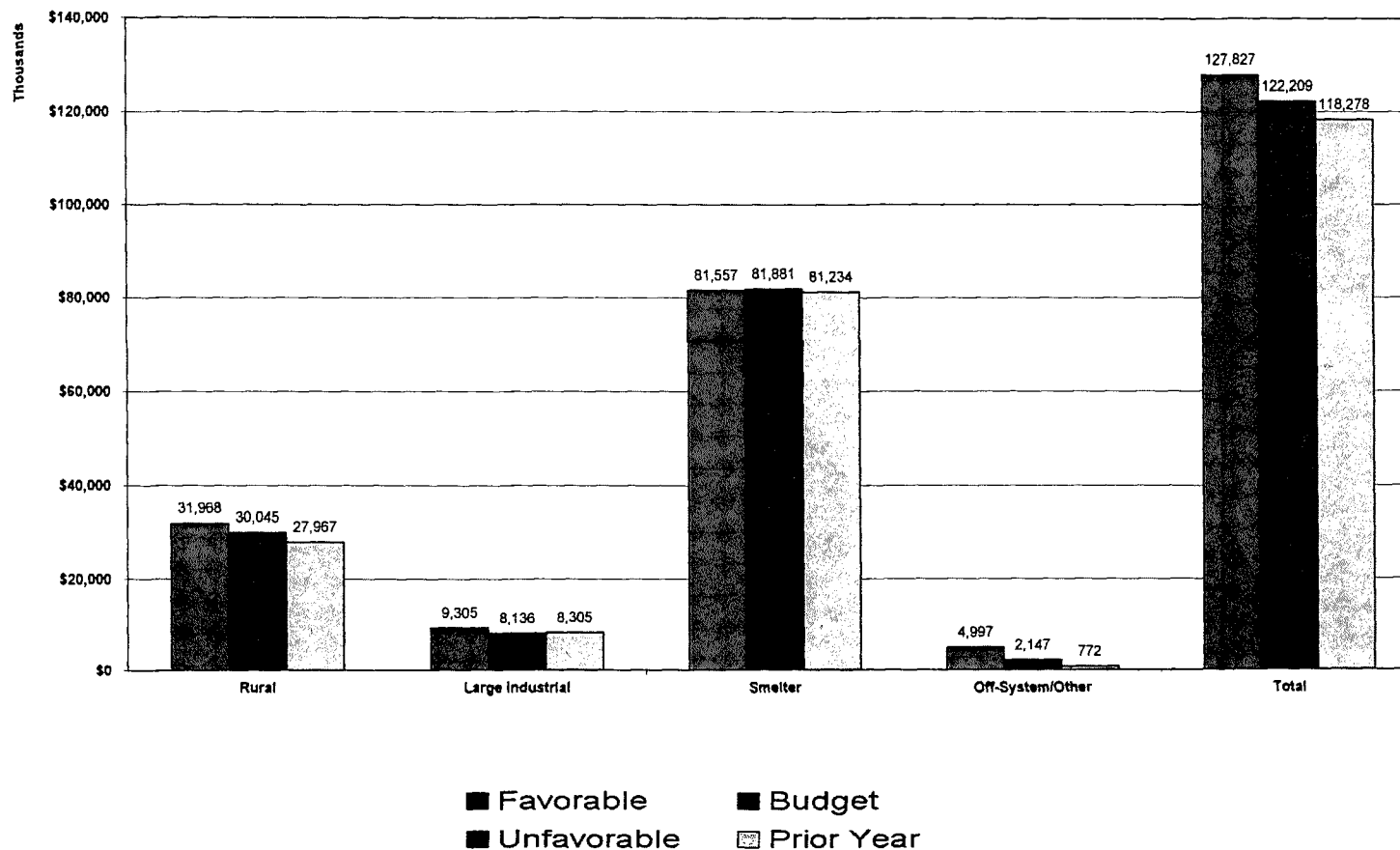
Favorable      Budget  
 Unfavorable      Prior Year

## Gross Margin - \$/MWh YTD – June



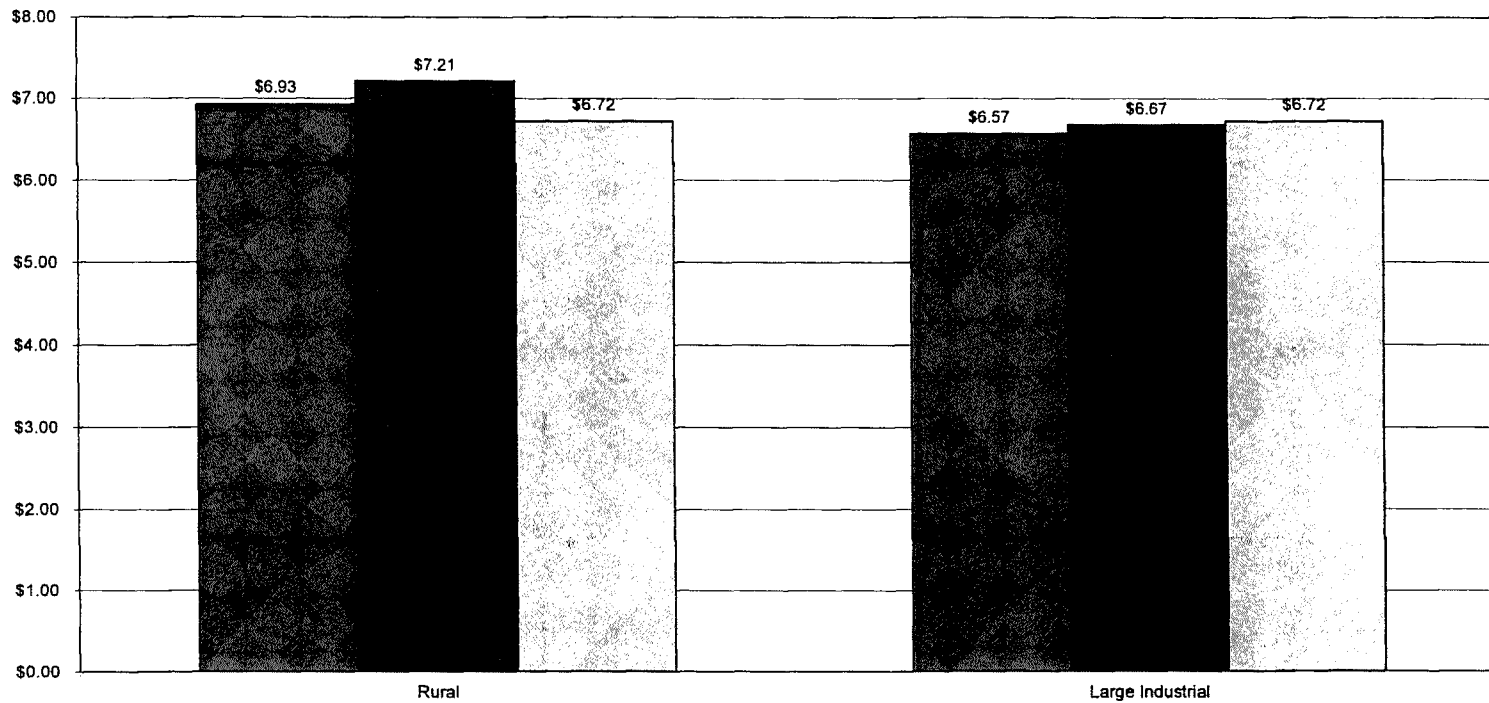
Favorable       Budget  
 Unfavorable       Prior Year

# Gross Margin YTD – June



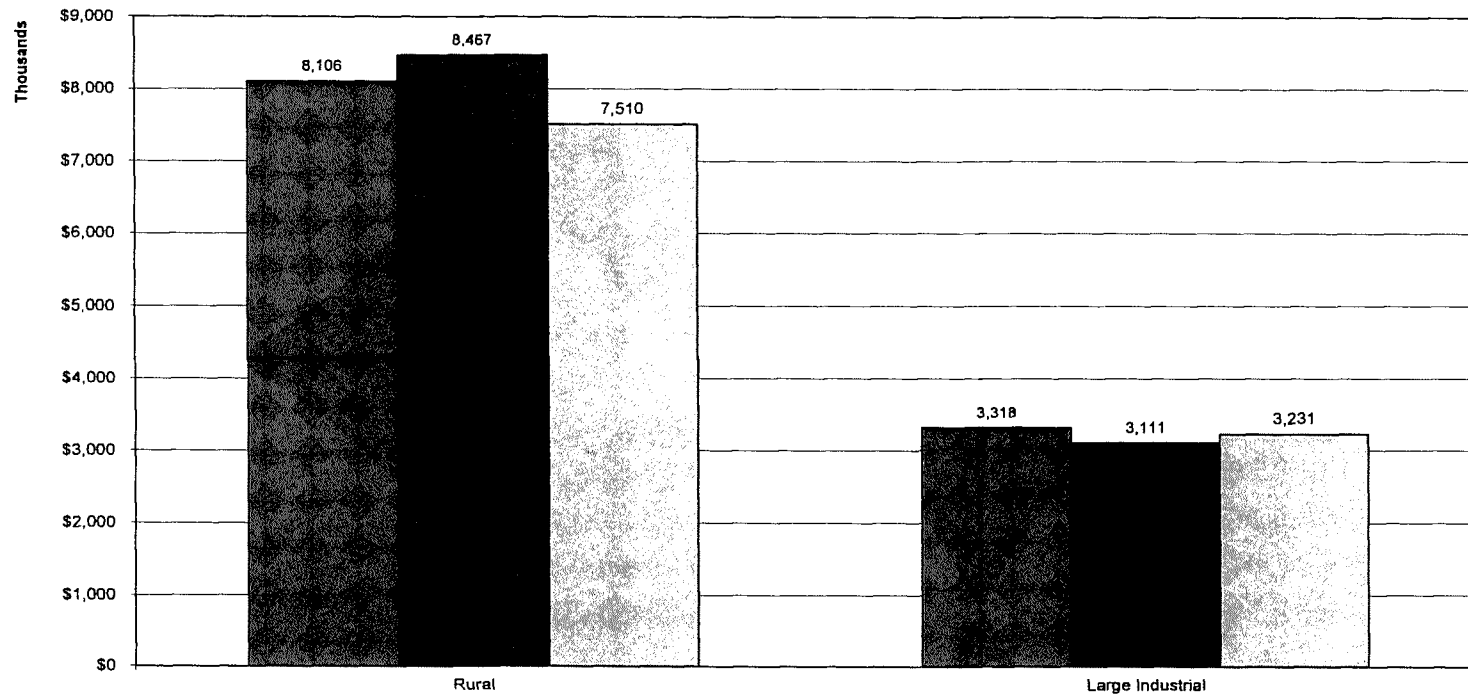


# MRSM - \$/MWh YTD - June



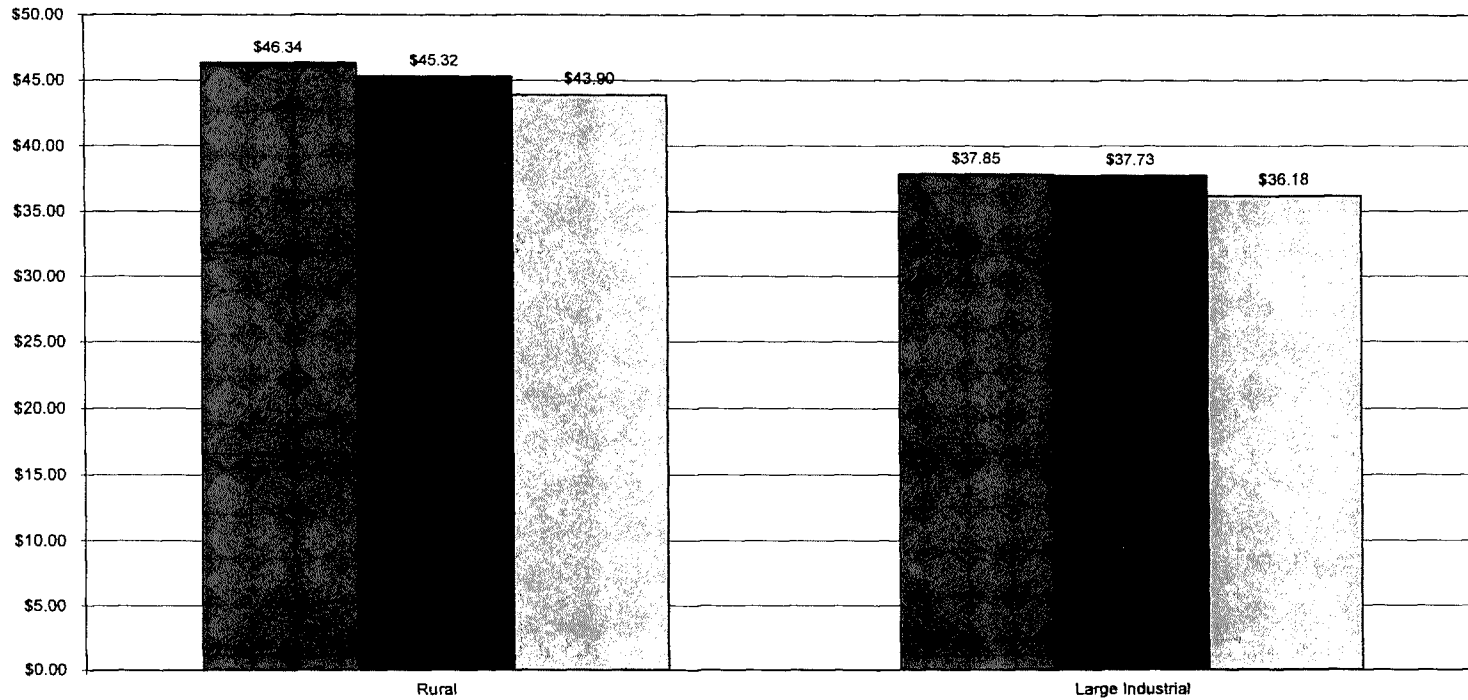
Favorable    
  Budget  
 Unfavorable    
  Prior Year

# MRSM YTD - June



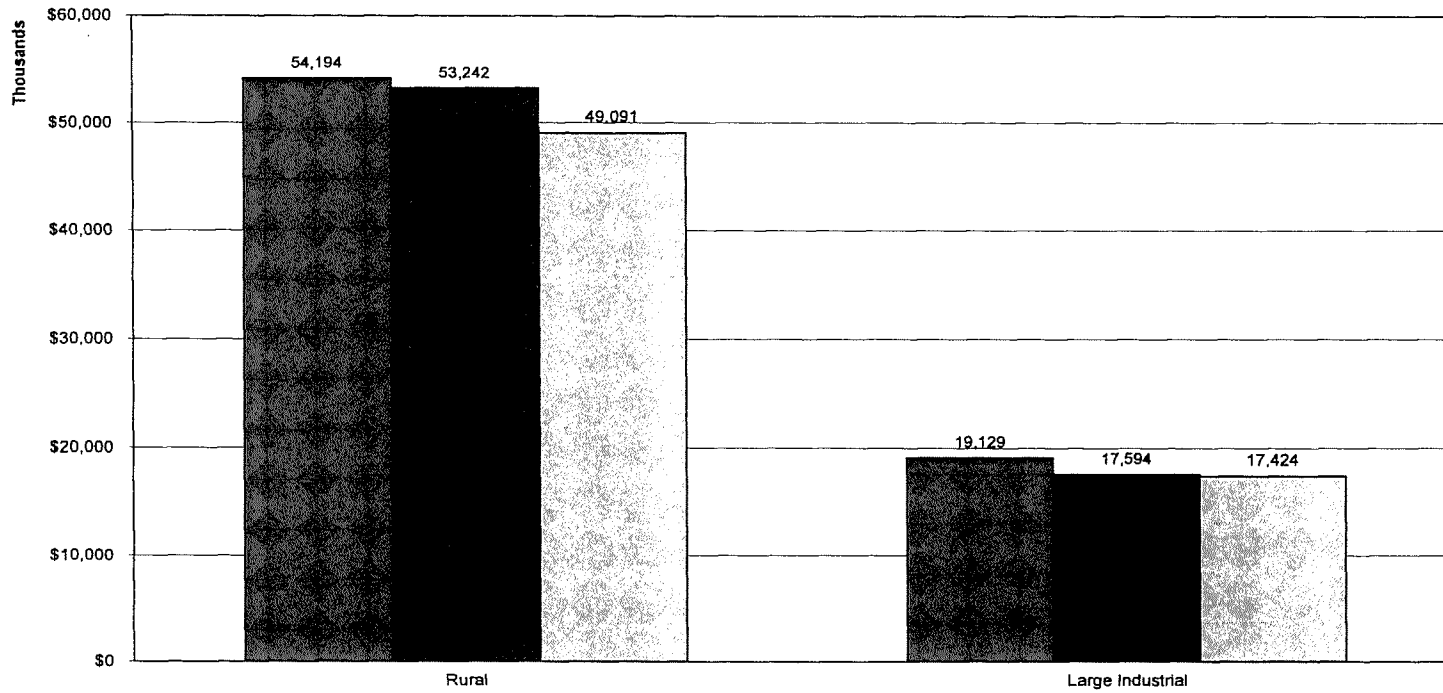
Favorable      Budget  
 Unfavorable      Prior Year

## Net Revenue Less MRSM - \$/MWh YTD - June



Favorable       Budget  
 Unfavorable       Prior Year

## Net Revenue Less MRSM YTD - June



Favorable       Budget  
 Unfavorable     Prior Year



## Non-Variable Production and Other Power Supply – Operations

June YTD

|               |               | Variance           |                    | Variance           |
|---------------|---------------|--------------------|--------------------|--------------------|
| <u>Actual</u> | <u>Budget</u> | <u>Fav/(Unfav)</u> | <u>2012 Actual</u> | <u>Fav/(Unfav)</u> |
| <b>33,870</b> | <b>37,066</b> | <b>3,196</b>       | <b>33,468</b>      | <b>(402)</b>       |

| <u>Current Year Variances</u>                                      | <u>Fav/(UnFav)</u> |
|--|--------------------|
| Power Supply transmission reservation                              | 429                |
| Labor  | (229)              |
| Station-Two Plant O&M  | 981                |
| Plant Operations expense non-labor (WL, GN, CL)                    | 2,083              |
| Other (Depreciation, Property Taxes/Insurance)                     | (68)               |
| <b>Non-Variable Production and Other Power Supply - Operations</b> | <b>3,196</b>       |
|  |                    |
| <u>Prior-Year Variances</u>  | <u>Fav/(UnFav)</u> |
| Labor  | (233)              |
| Station-Two Plant O&M  | (282)              |
| Other (Depreciation, Property Taxes/Insurance)                     | 113                |
| <b>Non-Variable Production and Other Power Supply - Operations</b> | <b>(402)</b>       |



## Operation Expense – Transmission

|                 | <u>Actual</u> | <u>Budget</u> | <u>Variance<br/>Fav/(Unfav)</u> | <u>2012<br/>Actual</u> | <u>Variance<br/>Fav/(Unfav)</u> |
|-----------------|---------------|---------------|---------------------------------|------------------------|---------------------------------|
| <b>June YTD</b> | <b>5,683</b>  | <b>4,626</b>  | <b>(1,057)</b>                  | <b>4,979</b>           | <b>(704)</b>                    |

The unfavorable variance compared to budget and prior-year is driven by \$804k in MISO transmission expenses (MISO Transmission Expansion Projects and Multi-value Projects). A portion of these expenses is budgeted in Other Power Supply.

## Consumer Service & Informational Expense

|                 | <u>Actual</u> | <u>Budget</u> | <u>Variance</u><br><u>Fav/(Unfav)</u> |
|-----------------|---------------|---------------|---------------------------------------|
| <b>June YTD</b> | <b>356</b>    | <b>772</b>    | <b>416</b>                            |

Favorability as compared to budget is driven by timing of Demand Side Management expenses.

## Operation Expense – Administrative & General

|                 | <b>Variance</b>      |                      |                           | <b>2012</b>          | <b>Variance</b>           |
|-----------------|----------------------|----------------------|---------------------------|----------------------|---------------------------|
|                 | <u><b>Actual</b></u> | <u><b>Budget</b></u> | <u><b>Fav/(Unfav)</b></u> | <u><b>Actual</b></u> | <u><b>Fav/(Unfav)</b></u> |
| <b>June YTD</b> | <b>12,510</b>        | <b>14,954</b>        | <b>2,444</b>              | <b>13,793</b>        | <b>1,283</b>              |

The favorable variance compared to budget is driven by timing of the PSC annual assessment and NRECA dues expense, favorability in Information Systems mainly due to timing of the contract expenses (HP, Viziya, Pinnacle), as well as favorability in Energy Services, primarily due to deferral of IRP expenses. The favorable variance compared to prior year is mostly driven by the timing of the PSC annual assessment and NRECA dues expense.



## Maintenance Expense – Production

|                 | <u>Actual</u> | <u>Budget</u> | <u>Variance<br/>Fav/(Unfav)</u> | <u>2012<br/>Actual</u> | <u>Variance<br/>Fav/(Unfav)</u> |
|-----------------|---------------|---------------|---------------------------------|------------------------|---------------------------------|
| <b>June YTD</b> | <b>18,411</b> | <b>23,672</b> | <b>5,261</b>                    | <b>20,426</b>          | <b>2,015</b>                    |

The favorable variance compared to budget is largely due to timing of the Coleman outage, as well as timing of maintenance expenses at Green and Wilson, while the prior-year favorable variance is driven by 2012 outage expenses at Wilson.

## Maintenance Expense – Transmission

|                 | <u>Actual</u> | <u>Budget</u> | <u>Variance<br/>Fav/(Unfav)</u> | <u>2012<br/>Actual</u> | <u>Variance<br/>Fav/(Unfav)</u> |
|-----------------|---------------|---------------|---------------------------------|------------------------|---------------------------------|
| <b>June YTD</b> | <b>2,024</b>  | <b>2,532</b>  | <b>508</b>                      | <b>2,334</b>           | <b>310</b>                      |

The favorable variance to budget and prior year is driven by timing of line and right-of-way maintenance at ET&S.

## Other Deductions

|                 | <u>Actual</u> | <u>Budget</u> | <u>Variance<br/>Fav/(Unfav)</u> | <u>2012<br/>Actual</u> | <u>Variance<br/>Fav/(Unfav)</u> |
|-----------------|---------------|---------------|---------------------------------|------------------------|---------------------------------|
| <b>June YTD</b> | <b>938</b>    | <b>287</b>    | <b>(651)</b>                    | <b>123</b>             | <b>(815)</b>                    |

The unfavorable variance as compared to budget and prior-year is due to a write-off associated with 1983 Pollution Control bonds refunding costs, as well as a write-off of unamortized deferred debt expense associated with the 2012 CoBank Revolver.



## Other Capital Credits & Pat Dividends

|                 | <u>Actual</u> | <u>Budget</u> | <u>Variance<br/>Fav/(Unfav)</u> | <u>2012<br/>Actual</u> | <u>Variance<br/>Fav/(Unfav)</u> |
|-----------------|---------------|---------------|---------------------------------|------------------------|---------------------------------|
| <b>June YTD</b> | <b>783</b>    | <b>1,263</b>  | <b>(480)</b>                    | <b>45</b>              | <b>738</b>                      |

The unfavorable variance compared to budget is driven by timing of patronage capital associated with the CFC loan, now expected in September. The favorable variance compared to prior-year is due to patronage capital associated with the July 2012 refinancing.



## Interest Income

|                 | <b>2012</b>          | <b>Variance</b>           |
|-----------------|----------------------|---------------------------|
|                 | <b><u>Actual</u></b> | <b><u>Fav/(Unfav)</u></b> |
| <b>June YTD</b> | <b>988</b>           | <b>957</b>                |

Interest income was favorable compared to prior-year due to interest on CFC capital term certificates.

## North Star – YTD June

|  | 2013     |          |             | 2012     |             |
|--|----------|----------|-------------|----------|-------------|
|  | Actual   | Budget   | Fav/(UnFav) | Actual   | Fav/(UnFav) |
|  |          |          | Variance    |          | Variance    |
| Total Cost of Electric Service         | 287,396  | 289,549  | 2,153       | 274,562  | (12,834)    |
| Other Operating Revenues & Income      | (1,959)  | (1,850)  | 109         | (2,409)  | (450)       |
| Smelter Avoidable Base Charge          | 0        | 0        | 0           | (234)    | (234)       |
| Off-System Sales/Other                 | (31,991) | (17,319) | 14,672      | (17,435) | 14,556      |
| Interest Income                        | (988)    | (1,017)  | (29)        | (31)     | 957         |
| Other Non-Operating Income             | 0        | 0        | 0           | 0        | 0           |
| Other Capital Credits & Pat. Dividends | (783)    | (1,263)  | (480)       | (45)     | 738         |
|  | 251,675  | 268,100  | 16,425      | 254,408  | 2,733       |

|            |           |           |        |           |        |
|------------|-----------|-----------|--------|-----------|--------|
| Member MWh | 5,361,318 | 5,302,160 | 59,158 | 5,298,635 | 62,683 |
|------------|-----------|-----------|--------|-----------|--------|

|                     |          |          |          |          |          |
|---------------------|----------|----------|----------|----------|----------|
| North Star - \$/kWh | 0.046943 | 0.050564 | 0.003621 | 0.048014 | 0.001071 |
|---------------------|----------|----------|----------|----------|----------|



**TIER**

|                              | <u>Actual</u> | <u>Budget</u> | <u>Fav/(Unfav)</u> |
|------------------------------|---------------|---------------|--------------------|
| Interest on Long-Term Debt   | 22,086        | 22,808        | 722                |
| Net Margins                  | 13,692        | (2,244)       | 15,936             |
| TIER - YTD June              | 1.62          | 0.90          | 0.72               |
| TIER (12 months ending 6/30) | 1.52          | 1.22          | 0.30               |

**Notes:**

**TIER = (Net Margins + Interest on Long-Term Debt) divided by Interest on Long-Term Debt**

## Capital Expenditures\*

Year-to-Date

|              | Actual        | Budget        | Fav/(UnFav)   |
|--------------|---------------|---------------|---------------|
| IS           | 775           | 1,710         | 935           |
| Generation   | 11,059        | 24,017        | 12,958        |
| Transmission | 2,298         | 4,384         | 2,086         |
| Other        | 75            | 1,694         | 1,619         |
| ECP          | 0             | 2,109         | 2,109         |
| <b>Total</b> | <b>14,207</b> | <b>33,914</b> | <b>19,707</b> |

**Explanation:**

IS was favorable \$935 primarily due to timing of the Corporate Analytics, the Hyperion upgrade, and the Members' Replacement of Hardware/Software projects.

Generation was favorable by \$12,958. Coleman Station was favorable \$6,886 largely due to timing of scheduled outage projects. Station-Two was favorable \$3,192 largely due to permanent favorability in the Burner Replacement, Turbine DCS Control, Bypass Stack Damper, and Coal Pile Pumps projects and timing variances relating to the H2 outage projects. Green Station was favorable \$2,452 primarily due to Gaitronic Phone System, Office Building Hot Water Heater, Heater Exchangers, Caustic Pumping System and Jordan Drives projects. Wilson Station was favorable \$428 largely due to timing of the No. 1 Boiler Feed Pump, Landfill Drainage Control and Sewage Treatment Liner projects.

Transmission was favorable \$2,086 primarily due to timing of White Oak-50 MVA Substation, Hancock Co. and Buttermilk Falls project.

Other was favorable \$1,619 largely due to timing of vehicle projects, PCI Software, CHN Analyzer and the Reid Gas conversion project.

ECP was favorable \$2,109 due to the timing of the MATS project.

\* Gross of the City's share of Station Two. Includes capitalized interest.





## Cash & Temporary Investments

|                  | <u>Actual</u> | <u>Budget</u>  | <u>Fav/(Unfav)</u> | <u>2012</u><br><u>Actual</u> | <u>Fav/(Unfav)</u> |
|------------------|---------------|----------------|--------------------|------------------------------|--------------------|
| <b>June 30th</b> | <b>67,039</b> | <b>101,939</b> | <b>(34,900)</b>    | <b>47,659</b>                | <b>19,380</b>      |

The June 30, 2013 cash balance compared to budget is unfavorable due to paying off the 1983 pollution control bonds, partially offset by beginning balance favorability of \$8.8m, and by changes in working capital.

The favorable variance to prior-year is driven by the July 2012 refinancing, partially offset by paying off the 1983 pollution control bonds.

| <u>Lines of Credit</u><br><u>As of June 30th</u> |           |
|--|-----------|
| Original Amount                                  | \$ 50,000 |
| Letters of Credit Outstanding                    | (8,625)   |
| Advances Outstanding                             | 0         |
| Available Lines of Credit                        | \$ 41,375 |

BIG RIVERS ELECTRIC CORPORATION

APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2013-00199

*Third Updated* Response to  
Commission Staff's Initial Request for Information  
dated June 10, 2013

July 12, 2013

*First Update* July 24, 2013

*Second Update* August 21, 2013

*Third Update* September 20, 2013

1 Item 43) *As the historical data becomes available, provide detailed*  
2 *monthly income statements for each forecasted month of the base period,*  
3 *including the month in which the Commission hears this case.*

4

5 Response) Big Rivers' detailed monthly income statement for the month ended  
6 August 31, 2013 (the fifth forecasted month of the base period) is attached hereto.  
7 Big Rivers will provide detailed monthly income statements for the remaining  
8 forecasted months included in the base period, including the month in which the  
9 Commission hears this case, as the historical data becomes available.

10

11

12 Witness) Billie J. Richert

13

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE  
**FINANCIAL AND OPERATING REPORT**  
**ELECTRIC POWER SUPPLY**  
**PART A - FINANCIAL**

BORROWER DESIGNATION  
KY0062

PERIOD ENDED  
Aug-13

INSTRUCTIONS - See help in the online application.

**SECTION A. STATEMENT OF OPERATIONS**

| ITEM  | YEAR-TO-DATE          |                       |                       | THIS MONTH<br>(d)    |
|---|-----------------------|-----------------------|-----------------------|----------------------|
|   | LAST YEAR<br>(a)      | THIS YEAR<br>(b)      | BUDGET<br>(c)         |                      |
| 1. Electric Energy Revenues   | 372,919,098.14        | 400,286,874.32        | 384,374,205.00        | 49,382,041.90        |
| 2. Income From Leased Property (Net)                                  | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 3. Other Operating Revenue and Income                                 | 3,507,731.46          | 3,526,862.47          | 2,465,836.00          | 1,074,251.72         |
| <b>4. Total Operation Revenues &amp; Patronage Capital (1 thru 3)</b> | <b>376,426,829.60</b> | <b>403,813,736.79</b> | <b>386,840,041.00</b> | <b>50,456,293.62</b> |
| 5. Operating Expense - Production - Excluding Fuel                    | 32,354,404.29         | 33,853,508.79         | 36,985,593.00         | 3,965,553.65         |
| 6. Operating Expense - Production - Fuel                              | 147,663,332.22        | 159,323,519.56        | 168,125,170.00        | 17,599,645.15        |
| 7. Operating Expense - Other Power Supply                             | 75,307,390.69         | 79,476,279.73         | 60,480,113.00         | 11,079,555.35        |
| 8. Operating Expense - Transmission                                   | 6,737,619.60          | 7,489,506.53          | 6,212,000.00          | 831,772.95           |
| 9. Operating Expense - RTO/ISO  | 1,492,808.88          | 1,674,762.92          | 1,537,798.00          | 169,911.78           |
| 10. Operating Expense - Distribution                                  | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 11. Operating Expense - Customer Accounts                             | 0.00                  | 131,684.74            | 0.00                  | 0.00                 |
| 12. Operating Expense - Customer Service & Information                | 330,418.69            | 543,018.90            | 942,883.00            | 104,059.67           |
| 13. Operating Expense - Sales   | 97,108.69             | 29,437.50             | 86,444.00             | 4,906.25             |
| 14. Operating Expense - Administrative & General                      | 18,270,377.59         | 17,248,108.33         | 19,472,802.00         | 2,601,181.44         |
| <b>15. Total Operation Expense (5 thru 14)</b>                        | <b>282,253,460.65</b> | <b>299,769,827.00</b> | <b>293,842,803.00</b> | <b>36,356,586.24</b> |
| 16. Maintenance Expense - Production                                  | 27,872,440.01         | 24,557,584.52         | 30,255,733.00         | 2,965,856.80         |
| 17. Maintenance Expense - Transmission                                | 3,397,565.24          | 2,941,287.82          | 3,509,961.00          | 474,149.53           |
| 18. Maintenance Expense - RTO/ISO                                     | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 19. Maintenance Expense - Distribution                                | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 20. Maintenance Expense - General Plant                               | 110,923.80            | 171,390.67            | 144,454.00            | 18,840.97            |
| <b>21. Total Maintenance Expense (16 thru 20)</b>                     | <b>31,380,929.05</b>  | <b>27,670,263.01</b>  | <b>33,910,148.00</b>  | <b>3,458,847.30</b>  |
| 22. Depreciation and Amortization Expense                             | 27,288,427.96         | 27,433,129.26         | 27,705,582.00         | 3,429,362.96         |
| 23. Taxes   | 4,060.88              | 2,461.92              | 885.00                | 0.00                 |
| 24. Interest on Long-Term Debt  | 30,014,852.72         | 29,287,224.31         | 30,680,495.00         | 3,600,695.12         |
| 25. Interest Charged to Construction - Credit                         | <508,558.00>          | <206,077.00>          | <297,235.00>          | <2,573.00>           |
| 26. Other Interest Expense  | 54,956.69             | 97.53                 | 0.00                  | 14.21                |
| 27. Asset Retirement Obligations                                      | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 28. Other Deductions  | 163,359.75            | 1,047,288.90          | 374,945.00            | 47,795.78            |
| <b>29. Total Cost Of Electric Service (15 + 21 thru 28)</b>           | <b>370,651,489.70</b> | <b>385,004,214.93</b> | <b>386,217,623.00</b> | <b>46,890,728.61</b> |
| <b>30. Operating Margins (4 less 29)</b>                              | <b>5,775,339.90</b>   | <b>18,809,521.86</b>  | <b>622,418.00</b>     | <b>3,565,565.01</b>  |
| 31. Interest Income   | 55,976.00             | 1,297,615.44          | 1,352,682.00          | 155,012.81           |
| 32. Allowance For Funds Used During Construction                      | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 33. Income (Loss) from Equity Investments                             | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 34. Other Non-operating Income (Net)                                  | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 35. Generation & Transmission Capital Credits                         | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| 36. Other Capital Credits and Patronage Dividends                     | 58,674.04             | 783,330.28            | 1,271,325.00          | 0.00                 |
| 37. Extraordinary Items   | 0.00                  | 0.00                  | 0.00                  | 0.00                 |
| <b>38. Net Patronage Capital Or Margins (30 thru 37)</b>              | <b>5,889,989.94</b>   | <b>20,890,467.58</b>  | <b>3,246,425.00</b>   | <b>3,720,577.82</b>  |

RUS Financial and Operating Report Electric Power Supply Part A - Financial

Revision Date 2010

BIG RIVERS ELECTRIC CORPORATION

APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2013-00199

*Third Updated* Response to  
Commission Staff's Initial Request for Information  
dated June 10, 2013

July 12, 2013

*First Update* July 24, 2013

*Second Update* August 21, 2013

*Third Update* September 20, 2013

1 Item 54) *Provide the following information concerning the costs for the*  
2 *preparation of this case:*

3

4 a. *A detailed schedule of expenses incurred to date for the*  
5 *following categories:*

6 (1) *Accounting;*

7 (2) *Engineering;*

8 (3) *Legal;*

9 (4) *Consultants; and*

10 (5) *Other Expenses (Identify separately).*

11 *For each category, the schedule should include the date of*  
12 *each transaction; check number or other document*  
13 *reference; the vendor, the hours worked; the rates per hour;*  
14 *amount, a description of the services performed; and the*  
15 *account number in which the expenditure was recorded.*  
16 *Provide copies of contracts or other documentation that*  
17 *support charges incurred in the preparation of this case.*  
18 *Identify any costs incurred for this case that occurred*  
19 *during the base period.*

**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2013-00199**

***Third Updated*** Response to  
Commission Staff's Initial Request for Information  
dated June 10, 2013

**July 12, 2013**

***First Update*** July 24, 2013

***Second Update*** August 21, 2013

***Third Update*** September 20, 2013

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- b. *An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.*
- c. *Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in (a) above. Updates will be due when Big Rivers files its monthly financial statements with the Commission, through the month of the public hearing.*

**Response)**

- a. Copies of invoices supporting additional charges incurred are attached hereto.
- b. There is no change to the response provided on July 12, 2013.
- c. Please see Big Rivers' response to Item 54a above. Also, Big Rivers attaches hereto an updated schedule of rate case costs incurred-to-date through August 31, 2013.

**BIG RIVERS ELECTRIC CORPORATION**  
**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION**  
**FOR A GENERAL ADJUSTMENT IN RATES**  
**CASE NO. 2013-00199**

***Third Updated*** Response to  
Commission Staff's Initial Request for Information  
dated June 10, 2013

**July 12, 2013**

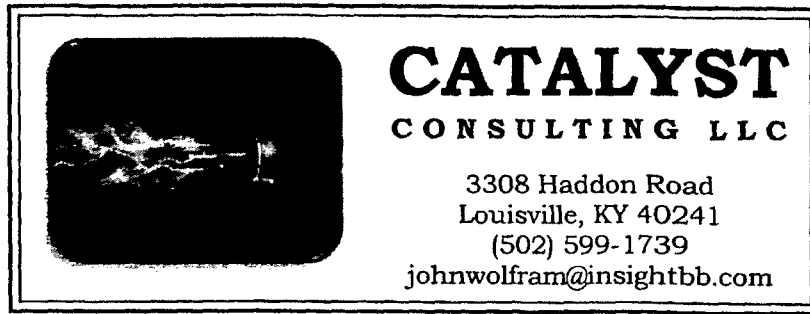
***First Update*** July 24, 2013

***Second Update*** August 21, 2013

***Third Update*** September 20, 2013

1 Witness) DeAnna M. Speed

2



**INVOICE**

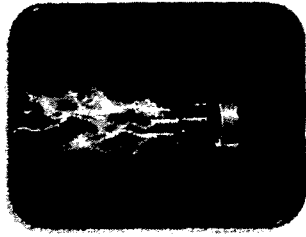
|  |  |
|--|--|
| <b>Date:</b> September 3, 2013   | <b>Invoice #:</b> 162  |
| <b>Client:</b><br>Big Rivers Electric Corporation<br>201 Third Street<br>Henderson, Kentucky 42420 | <b>Project:</b><br>2013 Rate Case (2) - Alcan<br>Case No. 2013-00199<br><br>For Services Provided in August 2013 |

| #            | Item                | Description  | Qty         | Rate     | Amt                |
|--------------|---------------------|--|-------------|----------|--------------------|
| 1            | Consulting Services | John Wolfram – consulting support for Alcan rate case. Draft and review responses to data requests: PSC-2, AG-1, KIUC-1, SC-1. | 118.0 hours | \$175.00 | \$20,650.00        |
| 2            | Consulting Services | Irv Hurst – consulting support for Alcan rate case. Draft and review responses to data requests. PSC-2, AG-1, KIUC-1, SC-1.    | 107.0 hours | \$150.00 | \$16,050.00        |
| 3            | Expenses            | See attachment   |             |          | \$2,642.94         |
| <b>TOTAL</b> |                     |  |             |          | <b>\$39,342.94</b> |

Please remit payment to Catalyst Consulting LLC at the address listed above. Thank you.

**RECEIVED**  
9/4/13

BRALSHT  
18665000  
0314  
0999



**CATALYST**  
CONSULTING LLC

3308 Haddon Road  
Louisville, KY 40241  
(502) 599-1739  
johnwolfram@insightbb.com

**EXPENSE DETAIL**

**JOHN WOLFRAM**

**IRV H. HURST**

**Big Rivers Electric Corporation  
2013 Rate Case (2) – Alcan  
Case No. 2013-00199  
June 2013**

*Inv # 162*

|   | Item    | Description                         | Qty | Rate   | Amt               |
|---|---------|-------------------------------------|-----|--------|-------------------|
| 1 | Mileage | 8/23-30 Travel to/from Big Rivers * | 514 | 0.565  | 290.41            |
| 2 | Lodging | 8/23-24 JW - Hilton Garden Inn      | 1   | 469.20 | 469.20            |
| 3 | Lodging | 8/23-24 IHH - Hilton Garden Inn     | 1   | 469.20 | 469.20            |
| 4 | Lodging | 8/25-30 JW - Hampton Inn **         | 1   | 636.34 | 636.34            |
| 5 | Lodging | 8/25-30 IHH - Hampton Inn           | 1   | 636.34 | 636.34            |
| 6 | Meal    | 8/24 Breakfast - JW, IHH            | 1   | 25.49  | 25.49             |
| 7 | Meal    | 8/25 Breakfast - JW, IHH            | 1   | 25.49  | 25.49             |
| 8 | Meal    | 8/25 Dinner - JW, IHH, Dinsmore (4) | 1   | 90.47  | 90.47             |
|   |         | <b>TOTAL</b>                        |     |        | <b>\$2,642.94</b> |

\* Wolfram and Hurst car-pooled for entire trip

\*\*Switched to lower-cost hotel on Sun 8/24 due to availability



# DINSMORE & SHOHL LLP

Charleston WV Cincinnati OH Columbus OH Dayton OH Frankfort KY Lexington KY  
Louisville KY Morgantown WV Philadelphia PA Pittsburgh PA Washington DC Wheeling WV

Federal I.D.: 31-0263070

Big Rivers Electric Corporation  
201 Third Street  
P.O. Box 24  
Henderson KY 42419-0024

September 9, 2013  
Invoice # 3089508

Billing Attorney - Edward Tip Depp

Client Number - 75569.4  
Matter: In the Matter of The Application of Big Rivers  
Electric Corporation for a General Adjustment in Rates,  
Kentucky PSC Case No. 2013-00199 (Alcan Rate Case)

## Remittance Advice

For Professional Services Rendered Through August 31, 2013:

|                                     |               |
|-------------------------------------|---------------|
| Current Fee for Hours Worked        | \$ 120,289.00 |
| Attorney Costs                      | \$ 69.28      |
|                                     | <hr/>         |
| Total Due for Professional Services | \$ 120,358.28 |
|                                     | <hr/>         |

## Payment Due on Receipt

Please Return a Copy of this Remittance Advice with your Payment to:

Dinsmore and Shohl LLP  
P.O. Box 640635  
Cincinnati, Ohio 45264-0635

or

We accept Visa, Mastercard, American Express and Discover  
Please call (513) 977-8131 to initiate credit card payment.



BRALSHT  
18665000  
0314  
0999

Dinsmore & Shohl LLP  
Client Number – 75569.4

September 9, 2013  
Invoice # 3089508

**Matter: In the Matter of The Application of Big Rivers Electric Corporation for a General Adjustment in Rates, Kentucky PSC Case No. 2013-00199 (Alcan Rate Case)**

**Summary of Current Hours Worked**

| <u>Timekeeper</u> | <u>Staff Level</u>        | <u>Hours</u>  | <u>Rate</u> | <u>Amount</u>        |
|-------------------|---------------------------|---------------|-------------|----------------------|
| Edward Tip Depp   | Partner                   | 144.90        | 300.00      | \$ 43,470.00         |
| Joseph A Newberg  | Associate                 | 140.90        | 205.00      | \$ 28,884.50         |
| Kurt R Hunt       | Associate                 | 135.50        | 250.00      | \$ 33,875.00         |
| Kerry Ingle       | Paralegal                 | 72.10         | 195.00      | \$ 14,059.50         |
|                   | <b>Total Hours / Fees</b> | <b>493.40</b> |             | <b>\$ 120,289.00</b> |

**Summary of Current Attorney Costs Incurred**

|                             |                |
|-----------------------------|----------------|
| Business Meals              | \$ 16.94       |
| Photocopies                 | \$ 2.55        |
| Miscellaneous               | \$ 49.79       |
| <b>Total Attorney Costs</b> | <b>\$69.28</b> |

**Current Amount Due This Invoice \$120,358.28**

Dinsmore & Shohl LLP  
Client Number – 75569.4

September 9, 2013  
Invoice # 3089508

**Matter: In the Matter of The Application of Big Rivers Electric Corporation for a General Adjustment in Rates, Kentucky PSC Case No. 2013-00199 (Alcan Rate Case)**

**Detail of Current Hours Worked**

| <u>Date</u> | <u>Tkpr</u> | <u>Description</u>   | <u>Rate</u> | <u>Hours</u> | <u>Amount</u> |
|-------------|-------------|--|-------------|--------------|---------------|
| 08/05/13    | ETD         | Case No. 2013-00199: Review and respond to emails with Ms. Speed regarding anticipated schedules for data request responses; review and respond to emails with Mr. Hunt, Mr. Newberg, and Mr. Ingle regarding preparations for same.             | 300.00      | 0.50         | 150.00        |
| 08/08/13    | KRH         | 2013-0199: Communications with T. Depp regarding data requests, case schedule.   | 250.00      | 0.10         | 25.00         |
| 08/12/13    | ETD         | Case No. 2013-00199: Review KIUC response to petition for confidential treatment; research regarding applicable regulations for same and conference with Mr. Newberg regarding same; review and respond to emails with Mr. Kamuf regarding same. | 300.00      | 1.00         | 300.00        |
| 08/12/13    | JAN         | Alcan Rate Case, P.S.C. Case No. 2013-00199. Reviewed KIUC's response to Big Rivers' Petition for Confidential Treatment. Reseached Commission regulations on filing window for opposition to petitions for confidential treatment.              | 205.00      | 0.30         | 61.50         |
| 08/13/13    | ETD         | Case No. 2013-00199: Review and respond to emails with Mr. Kamuf regarding draft reply to KIUC opposition to petition for confidentiality; review and revise same.   | 300.00      | 0.70         | 210.00        |
| 08/15/13    | ETD         | Case No. 2013-00199: Conference call regarding status update and preparations for data requests from intervenors.  | 300.00      | 0.80         | 240.00        |
| 08/15/13    | KRH         | 2013-0199: Conducted research regarding rate case issues; prepared for data request responses; communications with team regarding same.  | 250.00      | 1.50         | 375.00        |
| 08/16/13    | KRH         | 2013-0199: Prepared for data request responses; communications with team regarding same.   | 250.00      | 0.70         | 175.00        |
| 08/19/13    | ETD         | Case No. 2013-00199: Review data requests from intervenors and Public Service Commission; prepare for conference call with client to review/assign responses; update data request tracker regarding same.  | 300.00      | 5.20         | 1,560.00      |
| 08/19/13    | JAN         | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199.   | 205.00      | 2.90         | 594.50        |
| 08/19/13    | KRH         | 2013-0199: Reviewed data requests, prepared for data request responses, communications with team regarding same.   | 250.00      | 2.60         | 650.00        |
| 08/20/13    | ETD         | Case No. 2013-0199: Conference call with client to review data requests and assign   | 300.00      | 6.10         | 1,830.00      |

Dinsmore & Shohl LLP  
Client Number -- 75569.4

September 9, 2013  
Invoice # 3089508

**Matter: In the Matter of The Application of Big Rivers Electric Corporation for a General Adjustment in Rates, Kentucky PSC Case No. 2013-00199 (Alcan Rate Case)**

|          |     |   |        |       |          |
|----------|-----|---|--------|-------|----------|
|          |     | responses; conference with Mr. Hunt regarding work on same; work on updating data request trackers; work on responses to data requests.   |        |       |          |
| 08/20/13 | KI  | Prepare tracker spreadsheets for document production in response to data requests in KY PSC Case No. 2013-00199. Conference with Kurt Hunt regarding the same.  | 195.00 | 3.80  | 741.00   |
| 08/20/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199.  | 205.00 | 3.70  | 758.50   |
| 08/20/13 | KRH | 2013-0199: Reviewed data requests, prepared for data request responses, phone conference and communications with team regarding same.   | 250.00 | 5.40  | 1,350.00 |
| 08/21/13 | ETD | Case No. 2013-0199: Work on data request responses; review and respond to emails with Mr. Newberg regarding cross-referencing of data requests for potential duplicates.  | 300.00 | 3.80  | 1,140.00 |
| 08/21/13 | KI  | Perform document production in response to data requests in KY PSC Case No. 2013-00199.   | 195.00 | 7.50  | 1,462.50 |
| 08/21/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199.  | 205.00 | 10.60 | 2,173.00 |
| 08/21/13 | KRH | 2013-0199: Prepared data request responses, communications with team regarding same.  | 250.00 | 8.80  | 2,200.00 |
| 08/22/13 | ETD | Case No. 2013-0199: Work on responses to data requests; preparations for trip to Henderson regarding same; review draft motion regarding hearing date; review and respond to emails with Mr. Miller regarding same. | 300.00 | 4.80  | 1,440.00 |
| 08/22/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199.  | 205.00 | 11.20 | 2,296.00 |
| 08/22/13 | KRH | 2013-0199: Prepared data request responses, communications with team regarding same.  | 250.00 | 4.90  | 1,225.00 |
| 08/23/13 | ETD | Case No. 2013-00199: Travel to Henderson, Kentucky for work on data request responses; work on data request responses.  | 300.00 | 15.70 | 4,710.00 |
| 08/23/13 | KI  | Perform document production in response to data requests in KY PSC Case No. 2013-00199.   | 195.00 | 15.00 | 2,925.00 |
| 08/23/13 | JAN | Travelled from Louisville to Big Rivers HQ in Henderson. Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199.   | 205.00 | 14.50 | 2,972.50 |
| 08/23/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same.   | 250.00 | 14.80 | 3,700.00 |
| 08/24/13 | ETD | Case No. 2013-00199: Work on data request responses.  | 300.00 | 14.50 | 4,350.00 |
| 08/24/13 | KI  | Perform document production in response to data requests in KY PSC Case No. 2013-00199.   | 195.00 | 12.50 | 2,437.50 |

Dinsmore & Shohl LLP  
Client Number – 75569.4

September 9, 2013  
Invoice # 3089508

**Matter: In the Matter of The Application of Big Rivers Electric Corporation for a General Adjustment in Rates, Kentucky PSC Case No. 2013-00199 (Alcan Rate Case)**

|          |     |  |        |       |          |
|----------|-----|--|--------|-------|----------|
| 08/24/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199. | 205.00 | 13.80 | 2,829.00 |
| 08/24/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same.                          | 250.00 | 12.40 | 3,100.00 |
| 08/25/13 | ETD | Case No. 2013- 00199: Work on data request responses.  | 300.00 | 13.90 | 4,170.00 |
| 08/25/13 | KI  | Perform document production in response to data requests in KY PSC Case No. 2013-00199.                  | 195.00 | 8.50  | 1,657.50 |
| 08/25/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199. | 205.00 | 12.50 | 2,562.50 |
| 08/25/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same.                          | 250.00 | 9.30  | 2,325.00 |
| 08/26/13 | ETD | Case No. 2013-00199: Work on data request responses.   | 300.00 | 17.80 | 5,340.00 |
| 08/26/13 | KI  | Perform document production in response to data requests in KY PSC Case No. 2013-00199.                  | 195.00 | 16.80 | 3,276.00 |
| 08/26/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199. | 205.00 | 15.30 | 3,136.50 |
| 08/26/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same.                          | 250.00 | 16.10 | 4,025.00 |
| 08/27/13 | ETD | Case No. 2012-00199: Work on data request responses.   | 300.00 | 17.10 | 5,130.00 |
| 08/27/13 | KI  | Perform document production in response to data requests in KY PSC Case No. 2013-00199.                  | 195.00 | 8.00  | 1,560.00 |
| 08/27/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199. | 205.00 | 14.70 | 3,013.50 |
| 08/27/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same.                          | 250.00 | 15.70 | 3,925.00 |
| 08/28/13 | ETD | Case No. 2013- 00199: Work on data request responses.  | 300.00 | 15.60 | 4,680.00 |
| 08/28/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, P.S.C. Case No. 2013-00199. | 205.00 | 15.80 | 3,239.00 |
| 08/28/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same.                          | 250.00 | 14.50 | 3,625.00 |
| 08/29/13 | ETD | Case No. 2013-00199: Work on data request responses.   | 300.00 | 15.30 | 4,590.00 |
| 08/29/13 | JAN | Prepared responses to intervenors' initial data requests in Alcan rate case, PSC Case No. 2013-00199.    | 205.00 | 14.10 | 2,890.50 |
| 08/29/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same.                          | 250.00 | 15.90 | 3,975.00 |
| 08/30/13 | ETD | Case No. 2013-0199: Work on data request responses; travel back to Louisville.                           | 300.00 | 12.10 | 3,630.00 |
| 08/30/13 | JAN | Prepared responses to intervenors' initial data  | 205.00 | 11.50 | 2,357.50 |

Dinsmore & Shohl LLP  
Client Number – 75569.4

September 9, 2013  
Invoice # 3089508

**Matter: In the Matter of The Application of Big Rivers Electric Corporation for a General Adjustment in Rates, Kentucky PSC Case No. 2013-00199 (Alcan Rate Case)**

|          |     |  |        |       |          |
|----------|-----|--|--------|-------|----------|
|          |     | requests in Alcan rate case, P.S.C. Case No. 2013-00199. Travel from Henderson, KY to Louisville, KY.                |        |       |          |
| 08/30/13 | KRH | 2013-0199: Responded to data requests, communications with team regarding same; travel from Henderson to Cincinnati. | 250.00 | 12.80 | 3,200.00 |

Total Hours 493.40



*Legal Counsel.*

DINSMORE & SHOHL LLP  
101 South Fifth Street ^ Suite 2500 ^ Louisville, KY 40202  
www.dinsmore.com

Edward T. Depp  
502-540-2347  
tip.depp@dinsmore.com

September 10, 2013

**VIA U.S. MAIL and EMAIL**

Billie J. Richert  
Chief Financial Officer  
Big Rivers Electric Corporation  
201 Third Street  
P.O. Box 24  
Henderson, KY 42419-0024

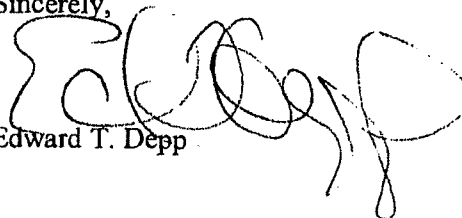
**Re: Statement of Services  
In the Matter of The Application of Big Rivers Electric Corporation for a  
General Adjustment in Rates (Alcan Rate Case); Kentucky PSC Case No.  
2012-00199**

Dear Ms. Richert:

Enclosed is our billing statement for services rendered through August 31, 2013.

Thank you, and if you have any questions about the bill, please call me.

Sincerely,



Edward T. Depp

ETD/lb  
Enclosure

cc: Mr. Bob Berry  
James M. Miller, Esq.  
Ms. Donna Windhaus

1096430v1

Invoice Number: 21034638  
 Client/Matter Number: 0050450.00003  
 September 06, 2013

Big Rivers Electric Corporation  
 Attn: Ms. Billie Richert  
 P.O. Box 24  
 Henderson, KY 42419-0024

Tax Identification No. 75-1312888

**Billing Attorney: John D. Penn**

*For Professional Services Through August 31, 2013*

0050450.00003  
 Alcan Rate Case  
2013-00199

**Professional Fees**

| <u>Date</u>             | <u>Timekeeper</u>    | <u>Description</u>  | <u>Hours</u> |
|-------------------------|----------------------|---|--------------|
| 08/23/13                | Robert D. Albergotti | Extended call with Mr. Miller re Alcan Rate Case issues; confer with Mr. Miller regarding intervenor data requests. | 2.00         |
| 08/26/13                | Robert D. Albergotti | Revise draft of response to AG data request regarding potential alternatives.                                       | 2.60         |
| 08/26/13                | John D. Penn         | Revise draft response to data request by Attorney General.  | 0.50         |
| 08/26/13                | Robin E. Phelan      | Review and revise draft of response to data requests.   | 2.20         |
| 08/26/13                | Andrew Weissman      | Review issues in Alcan Rate Case identified in data requests.   | 1.50         |
| 08/27/13                | Andrew Weissman      | Additional work on data request issues in Alcan Rate Case.  | 0.80         |
| 08/28/13                | Robert D. Albergotti | Analyze issues for presentation in Alcan Rate Case.   | 0.80         |
| 08/29/13                | Robin E. Phelan      | Analysis of issues noted in data requests.  | 1.10         |
| 08/30/13                | Robert D. Albergotti | Confer with Mr. Miller regarding issues in Alcan Rate Case.   | 0.50         |
| 08/30/13                | Robin E. Phelan      | Additional analysis of issues noted in data requests.   | 0.60         |
| <b>Chargeable Hours</b> |                      |   | 12.60        |
| <b>Total Fees</b>       |                      |   | \$8,113.50   |

BRBALSHT  
 18665000  
 0314  
 0999

RECEIVED  
 9/10/13

adw



Adjustment (Attorney blended rate variance) (\$1,614.00)

**Total Adjusted Fees \$6,499.50**

**Timekeeper Summary**

| <u>Timekeeper</u>                 | <u>Hours</u> | <u>Rate</u> | <u>Amount</u>     |
|-----------------------------------|--------------|-------------|-------------------|
| Robert D. Albergotti              | 5.90         | \$695.00    | \$4,100.50        |
| John D. Penn                      | 0.50         | \$650.00    | \$325.00          |
| Robin E. Phelan                   | 3.90         | \$695.00    | \$2,710.50        |
| Andrew Weissman                   | 2.30         | \$425.00    | <u>\$977.50</u>   |
| <b>Total Professional Summary</b> |              |             | <b>\$8,113.50</b> |

Big Rivers Electric Corporation  
Invoice Number: 21034638  
Client/Matter Number: 0050450.00003

September 06, 2013  
Page 3

**Total Fees and Expenses Due**

**\$6,499.50**

**Total Amount Due**

**USD \$6,499.50**

**Outstanding Accounts Receivable**

| <b><u>Date</u></b>                | <b><u>Invoice No.</u></b> | <b><u>Invoice Amount</u></b> | <b><u>Payments/Credits</u></b> | <b><u>Balance Due</u></b> |
|-----------------------------------|---------------------------|------------------------------|--------------------------------|---------------------------|
| <b>Total Outstanding Invoices</b> |                           |                              |                                | <hr/> <b>\$0.00</b>       |

Big Rivers Electric Corporation  
Invoice Number: 21034638  
Client/Matter Number: 0050450.00003

September 06, 2013

Big Rivers Electric Corporation  
Attn: Ms. Billie Richert  
P.O. Box 24  
Henderson, KY 42419-0024

**Client/Matter: 0050450.00003**  
**Alcan Rate Case**  
Billing Attorney: John D. Penn

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**REMITTANCE PAGE**

*For Professional Services Through August 31, 2013*

Remit to:

Haynes and Boone LLP  
P.O. Box 841399  
Dallas, TX 75284-1399

|   |                       |
|---|-----------------------|
| Total Fees                                  | \$8,113.50            |
| Adjustment (Attorney blended rate variance) | (\$1,614.00)          |
| Total Adjusted Fees                         | \$6,499.50            |
| Total Expenses                              | \$0.00                |
| <b>Total Fees and Expenses</b>              | <b>\$6,499.50</b>     |
| <b>Invoice Balance Due</b>                  | <b>USD \$6,499.50</b> |

**WIRING INSTRUCTIONS FOR OPERATING ACCOUNT**

Any bank wire fees are the responsibility of the sender.  
BANK OF AMERICA 100 West 33rd Street New York, NY 10001  
For Credit to the Account of HAYNES AND BOONE, LLP  
ABA NO. **0260-0959-3** Operating Account No.: **018-08-3729-4**

**SWIFT Address: BOFAUS3N**

**For ACH Payments**

For Credit to the Account of HAYNES AND BOONE, LLP  
ABA NO. **111-000-025** Operating Account No.: **018-08-3729-4**  
Please Reference Invoice Number: 21034638  
Responsible Attorney: **John D. Penn**  
Client Matter Number: **0050450.00003**

Case No. 2013-00199

Attachment to *Third Updated* Response to PSC 1-54a

Witness: DeAnna M. Speed

Page 14 of 19

Big Rivers Electric Corp.  
Attn: Billie Richert  
VP Accounting, Rates & CFO  
P. O. Box 24  
Henderson, KY 42419-002

Invoice # 119,275  
Our file # 17356 00504  
Billing through 08/31/2013

Rate Case 2013 - 2013-00199 *Alcan*

**BALANCE SUMMARY**

|                                     |                    |
|-------------------------------------|--------------------|
| Balance Forward As Of Last Invoice  | \$4,675.00         |
| Payments Applied Since Last Invoice | -\$4,675.00        |
| Total current charges               | \$48,184.50        |
| <b>BALANCE DUE</b>                  | <b>\$48,184.50</b> |

*< 704.00 >*  
*< 1,672.00 >*  
*45,808.50*

**FOR PROFESSIONAL SERVICES RENDERED**

|            |     |  |      |        |          |
|------------|-----|--|------|--------|----------|
| 08 02 2013 | JMM | Conferences with Speed and Kamuf re strategies.  | 0.50 | 220.00 | 110.00   |
| 08 02 2013 | TAK | Research for Alcan rate case; review IBEW petition to intervene.   | 0.70 | 170.00 | 119.00   |
| 08 05 2013 | JMM | Review accumulated matters relating to filed case and related issues; conference with Kamuf.   | 0.90 | 220.00 | 198.00   |
| 08 06 2013 | JMM | Prepare strategy memorandum.   | 1.10 | 220.00 | 242.00   |
| 08 06 2013 | TAK | Correspondence regarding confidentiality agreements in Alcan rate case.  | 0.30 | 170.00 | 51.00    |
| 08 12 2013 | JMM | Review and provide comments for response to KIUC reply to motion for confidential treatment; conference with Kamuf.  | 0.50 | 220.00 | 110.00   |
| 08 12 2013 | TAK | Work on data request update in Alcan rate case; review KIUC response to confidentiality petitions; conference with Jim Miller; drafting reply to KIUC response to confidentiality petitions. | 3.40 | 170.00 | 578.00   |
| 08 13 2013 | JMM | Review and comment on draft response to KIUC; conference with Kamuf.   | 0.60 | 220.00 | 132.00   |
| 08 13 2013 | TAK | Work on reply to KIUC response to confidentiality petitions.   | 6.20 | 170.00 | 1,054.00 |
| 08 14 2013 | TAK | Call with DeAnna Speed regarding Alcan rate case; compiling list of persons who have signed confidentiality agreements.  | 0.70 | 170.00 | 119.00   |
| 08 16 2013 | TAK | Call with Larry Cook regarding data requests in Alcan rate case.   | 0.10 | 170.00 | 17.00    |
| 08 19 2013 | JMM | Attention to final closing details; lien search; confirm closing conditions; review and issue opinions;  | 3.20 | 220.00 | 704.00   |

*CFC Review*

Case No. 2013-00199

Attachment to *Final Updated* Response to PSC 1-54a

Witness: DeAnna M. Speed

|            |     |  |       |        |          |
|------------|-----|--|-------|--------|----------|
|            |     | participate in closing conference call.  |       |        |          |
| 08 19 2013 | JMM | Begin review data requests from Commission and parties.  | 1.10  | 220.00 | 242.00   |
| 08 19 2013 | TAK | Review and work on data requests in Alcan rate case.   | 6.40  | 170.00 | 1,088.00 |
| 08 20 2013 | JMM | Extended conference call to review and assign data request responsibilities; research for and prepare information for data request responses.  | 11.10 | 220.00 | 2,442.00 |
| 08 20 2013 | TAK | Meeting to review and assign data requests in Alcan rate case; work on data requests and data request updates; drive to and from Big Rivers.   | 9.30  | 170.00 | 1,581.00 |
| 08 21 2013 | JMM | Research for and drafting information for responses to data requests; conferences with team members.   | 5.70  | 220.00 | 1,254.00 |
| 08 21 2013 | TAK | Conference with Trisha Wright regarding Alcan rate case data requests; work on data request responses; phone calls regarding data requests.  | 9.20  | 170.00 | 1,564.00 |
| 08 21 2013 | TW  | Data request responses.  | 1.50  | 75.00  | 112.50   |
| 08 22 2013 | JMM | Research for and drafting information for responses to data requests; conferences with team members; prepare and file motion for hearing date; attention to consents required to produce information sought by AG; attention to strategy issues; conference with Billie Richert. | 7.30  | 220.00 | 1,606.00 |
| 08 22 2013 | TAK | Work on data request responses in Alcan rate case; drive to and from Big Rivers.   | 11.80 | 170.00 | 2,006.00 |
| 08 23 2013 | JMM | Assistance with data request response preparation; address confidentiality issues with potential generating station purchaser; conferences with counsel.   | 6.10  | 220.00 | 1,342.00 |
| 08 23 2013 | TAK | Work on data request responses in Alcan rate case; drive to and from Big Rivers.   | 14.30 | 170.00 | 2,431.00 |
| 08 24 2013 | JMM | Research for and providing assistance drafting information for responses to data requests.   | 7.00  | 220.00 | 1,540.00 |
| 08 24 2013 | TAK | Work on data request responses in Alcan rate case; drive to and from Big Rivers  | 14.10 | 170.00 | 2,397.00 |
| 08 25 2013 | JMM | Meet at Big Rivers to provide assistance drafting information for responses to data requests.  | 9.70  | 220.00 | 2,134.00 |
| 08 25 2013 | TAK | Work on data request responses in Alcan rate case; drive to and from Big Rivers  | 11.90 | 170.00 | 2,023.00 |
| 08 26 2013 | JMM | Review, research for and revision of draft data request responses at Big Rivers.   | 7.60  | 220.00 | 1,672.00 |
| 08 26 2013 | JMM | Review, research for and revision of draft data request responses at Big Rivers. <i>Duplicate Charge - Excluded</i>  | 7.60  | 220.00 | 1,672.00 |
| 08 26 2013 | TAK | Work on data request responses in Alcan rate case; drive to and from Big Rivers.   | 13.90 | 170.00 | 2,363.00 |

|            |     |   |       |        |          |
|------------|-----|---|-------|--------|----------|
| 08 27 2013 | JMM | Review, research for and revision of draft data request responses at Big Rivers.  | 7.40  | 220.00 | 1,628.00 |
| 08 27 2013 | TAK | Work on data requests; drive to and from Big Rivers.  | 16.20 | 170.00 | 2,754.00 |
| 08 28 2013 | JMM | Review, research for and revision of draft data request responses at Big Rivers.  | 7.10  | 220.00 | 1,562.00 |
| 08 28 2013 | TAK | Work on data requests; drive to and from Big Rivers.  | 15.90 | 170.00 | 2,703.00 |
| 08 29 2013 | JMM | Review, research for and revision of draft data request responses at Big Rivers.  | 7.00  | 220.00 | 1,540.00 |
| 08 29 2013 | TAK | Work on data request responses in Case No. 2013-00199; drive to and from Big Rivers.  | 16.50 | 170.00 | 2,805.00 |
| 08 30 2013 | JMM | Conference with Phelan and Algbergotti; respond to miscellaneous matters in discovery process; conferences with Wolfram and Kamuf; review research. | 2.60  | 220.00 | 572.00   |
| 08 30 2013 | TAK | Work on data request responses in Case No. 2013-00199; drive to and from Big Rivers.  | 10.10 | 170.00 | 1,717.00 |

**TIMEKEEPER SUMMARY**

|                                   |                |        |          |                  |
|-----------------------------------|----------------|--------|----------|------------------|
| JMM                               | Miller, James  | 94.10  | \$220.00 | 20,702.00        |
| TAK                               | Kamuf, Tyson   | 161.00 | \$170.00 | 27,370.00        |
| TW                                | Wright, Trisha | 1.50   | \$75.00  | 112.50           |
| <b>Total fees for this matter</b> |                |        |          | <u>48,184.50</u> |

**BILLING SUMMARY**

|                                       |                    |
|---------------------------------------|--------------------|
| TOTAL PROFESSIONAL SERVICES           | \$48,184.50        |
| TOTAL OUT-OF-POCKET EXPENSES          | \$0.00             |
| TOTAL CURRENT CHARGES                 | \$48,184.50        |
| <b>TOTAL BALANCE DUE UPON RECEIPT</b> | <b>\$48,184.50</b> |

*Alcan Rate Case - BRBALSHT 18665000 0314 0999 \$47,480.50*  
*CFC Revolver - BRA001 928260-DD00 0314 0011 704.00*  
*\$48,184.50*

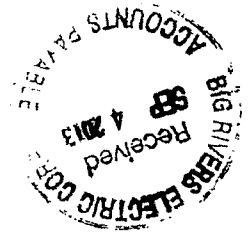
|            |     |  |                        |
|------------|-----|--|------------------------|
| 08 28 2013 | CP  | Cash paid for lunch in Henderson on <u>8/20/13</u> . (TAK) <i>Alcon Rate Case</i>                    | 6.89 ✓                 |
| 08 28 2013 | CP  | Cash paid for lodging in Lexington from <u>8/14/13 - 8/15/13</u> . (TAK) <i>Smartgrid/Smartmeter</i> | 179.76                 |
| 08 28 2013 | MIL | Mileage to & from Henderson on <u>8/20/13</u> . (TAK) <i>Alcon Rate Case</i>                         | 37.29 ✓                |
| 08 28 2013 | MIL | Mileage to Big Rivers for meeting with David Ashby on 8/05/13. (FS) <i>Fuel Procurement</i>          | 37.29                  |
| 08 28 2013 | MIL | Mileage to Ohio Circuit Court for hearing in Schroader case on 8/08/13. <i>W9190000</i>              | 33.90 <i>BR 03 RO.</i> |
| 08 28 2013 | MIL | Mileage to Sacramento, KY in order to meet with Barry Ellis on 8/28/13. <i>Fuel Procurement</i>      | 28.25                  |
| 08 28 2013 | MIL | Mileage to & from Lexington on <u>8/14/13</u> . (TAK) <i>Smartgrid/Smartmeter</i>                    | 203.40                 |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/22/13. (TAK)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/23/13. (TAK)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/24/13. (TAK)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/25/13. (TAK) <i>Alcon rate case \$298.32</i>                        | 37.29 ✓                |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/26/13. (TAK)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/27/13. (TAK)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/28/13. (TAK)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/29/13. (TAK)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/16/13. (JMM)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/20/13. (JMM)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/25/13. (JMM)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/26/13. (JMM)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/27/13. (JMM)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/28/13. (JMM)  | 37.29                  |
| 08 28 2013 | MIL | Mileage to & from Henderson on 8/29/13. (JMM)  | 37.29                  |
| 08 28 2013 | SHP | Overnite shipping charges to <u>Victoria K. Boyne</u> from Jim Miller. <i>CFC Rev/Hel ORICK</i>      | 21.46                  |
| 08 31 2013 | CC  | Photocopies Through Billing Date.  | 1,227.60               |
| 08 31 2013 | COL | Color photocopies through billing date.  | 3.00                   |



PSC Case # 2013-00199 (Alcan)

Big Rivers- August Invoice

Date: 9/1/2013



| <u>Date</u> | <u>Description</u>                  | <u>Hours</u> | <u>Total</u> |
|-------------|-------------------------------------|--------------|--------------|
| 8/20/13     | Review questions & make notes       | 2 hrs        |              |
| 8/22/13     | Work on questions                   | 2 hrs        |              |
| 8/23/13     | Prepare responses to questions      | 4 hrs        |              |
| 8/24/13     | Prepare responses                   | 3 hrs        |              |
| 8/25/13     | Prepare responses for new questions | 2 hrs        |              |
| 8/27/13     | Prepare verification form           | <u>1 hr</u>  |              |
|             | Total Time                          | 14 hrs       |              |

Total Services

@ \$225.00 /hr.

\$3,150

Thanks for the opportunity to do business with Big Rivers

Daniel Walker  
7106 University Drive  
Richmond, Virginia 23229

BRBALSHT  
18665000  
0314  
0999

**Big Rivers Electric Corporation**  
**Case No. 2013-00199**  
***Third Monthly Update* of Schedule of Rate Case Costs Incurred-To-Date**

| Line No. | Month Booked | Check Number | Vendor                                 | Invoice Number            | Amount               | Account | Description | Base Period |
|----------|--------------|--------------|--|---------------------------|----------------------|---------|-------------|-------------|
| 1        | August 2013  | 533553       | Catalyst Consulting LLC                | 162                       | \$ 39,342.94         | 186     | Consulting  | Note 1      |
| 2        | August 2013  | 533555       | Dinsmore & Shohl LLP                   | 3089508                   | 120,358.28           | 186     | Legal       | Note 1      |
| 3        | August 2013  | 533556       | Haynes and Boone LLP                   | 21034638                  | 6,499.50             | 186     | Legal       | Note 1      |
| 4        | August 2013  | 533557       | Sullivan, Mountjoy, Stainback & Miller | 119,275                   | 46,151.00            | 186     | Legal       | Note 1      |
| 5        | August 2013  | 533554       | Daniel M. Walker                       | Big Rivers-August Invoice | 3,150.00             | 186     | Consulting  | Note 1      |
| 6        |              |              | <b>Total - August 2013</b>             |                           | <b>215,501.72</b>    |         |             |             |
| 7        |              |              | <b>Total To-Date July 2013</b>         |                           | <b>114,552.16</b>    |         |             |             |
| 8        |              |              | <b>Total To-Date August 2013</b>       |                           | <b>\$ 330,053.88</b> |         |             |             |

Notes(s): Costs associated with this Rate Case are currently booked to a deferred debit account on the balance sheet pending approval from the KPSC to defer costs in a regulatory asset to be amortized over three years.