## SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC

ATTORNEYS AT LAW

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APR 2 4 2015

PUBLIC SERVICE COMMISSION

April 23, 2015

Ronald M. Sullivan Jesse T. Mountjoy

Frank Stainback

James M. Miller Michael A. Fiorella R. Michael Sullivan

Bryan R. Reynolds\* Tyson A. Kamuf Mark W. Starnes

C. Ellsworth Mountjoy John S. Wathen

\*Also Licensed in Indiana

Via Federal Express

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

> Re: In the Matter of: An Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 2013 through April 30, 2014 Case No. 2014-00230; and

In the Matter of: An Examination of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 2012 through October 31, 2014 Case No. 2014-00455

Dear Mr. Derouen:

Enclosed for filing are an original and ten (10) copies of Big Rivers Electric Corporation's First Request for Information to the Attorney General of the Commonwealth of Kentucky and Big Rivers' First Request for Information to Kentucky Industrial Utility Customers, Inc. I certify that on this date, a copy of this letter and a copy of the information requests were served on each of the persons listed on the attached service list by first-class mail.

Sincerely,

Telephone (270) 926-4000 Telecopier (270) 683-6694

Tyson Kamuf Counsel for Big Rivers Electric Corporation

100 St. Ann Building PO Box 727 Owensboro, Kentucky 42302-0727

## SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC

TAK/lm Enclosures

cc: Lindsay Barron DeAnna Speed Service List Service List PSC Case No. 2014-00230 PSC Case. No. 2014-00455

Michael L. Kurtz, Esq. Kurt J. Boehm, Esq. Jody Kyler Cohn, Esq. BOEHM, KURTZ & LOWRY Attorneys at Law 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202

Jennifer B. Hans Lawrence W. Cook Angela M. Goad Assistant Attorneys General 1024 Capital Center Dr. Suite 200 Frankfort, KY 40601-8204

1 2 3	COMMONWEALTH OF KI BEFORE THE PUBLIC SERVICE	RECEIVED	
4			APR 2 4 2015
5 6	In the Matter of:		PUBLIC SERVICE COMMISSION
7	AN EXAMINATION OF THE APPLICATION	)	COMMISSION
8	OF THE FUEL ADJUSTMENT CLAUSE OF	)	
9	BIG RIVERS ELECTRIC CORPORATION	) Case No. 2	014-00230
10	FROM NOVEMBER 1, 2013 THROUGH	)	
11	APRIL 30, 2014	)	
12			
13			
14	AN EXAMINATION OF THE APPLICATION	)	
15	OF THE FUEL ADJUSTMENT CLAUSE OF	)	
16	<b>BIG RIVERS ELECTRIC CORPORATION</b>	) Case No. 2	014-00455
17	FROM NOVEMBER 1, 2012 THROUGH	)	
18	OCTOBER 31, 2014	)	
19			

## BIG RIVERS ELECTRIC CORPORATION'S FIRST REQUEST FOR INFORMATION TO THE ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY TO THE ATTORNEY GENERAL OF THE COMMONWEALTH OF KENTUCKY

Big Rivers Electric Corporation submits these first requests for information to the Attorney General of the Commonwealth of Kentucky, to be answered in accordance with the following Definitions and Instructions.

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## DEFINITIONS

1. Whenever it is necessary to bring within the scope of these information requests documents that otherwise might be construed to be outside their scope (1) the use of "and" as well as "or" shall be construed both disjunctively and conjunctively; (2) the use of a word in its singular form shall be construed to include within its meaning its plural form as well, and vice versa; (3) the use of "include" and "including" shall be construed to mean "without limitation"; and (4) the use of a verb in any tense or voice shall be construed as the use of that verb in all other tenses and voices.

35 2. "Big Rivers" means Big Rivers Electric Corporation.

3. "AG," "you," or "your" means the Attorney General of the Commonwealth of
 Kentucky and its agents, officers, employees, and consultants.

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4. "Commission" means the Kentucky Public Service Commission.

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5. "FAC" means fuel adjustment clause.

6. "Document" means any written, recorded, transcribed, printed or impressed matter of whatever kind, however produced, stored or reproduced, including, but not limited to, sound or pictorial recordings, computerized information, books, pamphlets, letters, memoranda, telegrams, electronic or mechanical transmissions, communications of all kinds, reports, notes, working papers, handwritings, charts, papers, writings, printings, transcriptions, tapes and records of all kinds. Document includes, without limitation, all workpapers produced by or relied upon by the witness.

12 7. "Person" includes a natural person, a business organization of any type, an
13 unincorporated association, a governmental subdivision, agency, or entity, and a business trust.

8. Wherever in these information requests you are asked to "identify," you arerequested:

- a. when identifying a person, to give such person's:
  - (1) full name,

18 (2) business address, residence address, and telephone number,

- 19(3)his or her present or last known position and business affiliation at20the time in question, and
- 21 (4) the nature of such person's participation in, and the scope of his
  22 responsibility with regard to, the facts and events underlying the
  23 present case;

1	b.	when	identifying an oral communication, to:
	0.		
2		(1)	identify the author thereof and the parties thereto,
3		(2)	state the date of the communication,
4		(3)	state the place of the communication,
5		(4)	state the substance of the communication, and
6		(5)	state whether such communication has been reduced to writing
7			and, if so, identify each document and the present custodian
8			thereof;
9	с.	when	identifying a document, to:
10		(1)	identify the author thereof and the parties thereto,
11		(2)	state its title or other identifying data,
12		(3)	state the date of the document or if no date appears thereon, the
13			approximate date,
14		(4)	state the exact nature and substance thereof;
15		(5)	identify each person having possession, care, custody or control of
16			the original and any copies thereof; and
17		(6)	if such document was, but no longer is, in your possession or
18			subject to your control, state what disposition was made of it; and
19	d.	when	identifying other information, to state:
20		(1)	the source thereof,
21		(2)	any oral communications pertaining thereto,
22		(3)	any documents pertaining thereto, and
23		(4)	the substance of the information.

1 INSTRUCTIONS 2 1. If any document called for by any of these data requests is withheld based upon a 3 claim of privilege or work product, please produce so much of the document as to which you do not claim privilege or protection, and for each document or part of a document for which you 4 5 claim privilege or protection, describe or identify: 6 The nature, subject matter and substance of the document or part of the a. 7 document withheld; The nature of the privilege or protection claimed; 8 b. 9 c. The date, author or authors, addressee or addressees, and distribution of 10 the document; Each person in whose possession, custody or control any copy of the 11 d. document is or has been; and 12 Paragraph number of the schedule of documents to which the document or 13 e. part of the document is responsive. 14 15 If, for reasons other than a claim of privilege or work product, you refuse to 2. 16 answer any data request or to produce any document requested, state the grounds upon which the refusal is based with sufficient specificity to permit a determination of the propriety of such 17 refusal. 18 19 3. If any copy of any document requested herein or any record which refers or 20 relates to any document requested herein has been destroyed or lost, set forth to the extent 21 possible the content of each such document, the date such document and its copies were 22 destroyed or lost and, if destroyed, the identity of the person authorizing such destruction, and the identity of the last known custodian of such document prior to its destruction. 23

1 4. These data requests shall be deemed continuing and you should serve upon Big 2 Rivers' counsel (1) supplemental responses to these data requests if additional information or 3 information that changes your response to any data request is obtained during the course of this 4 proceeding, and (2) any documents requested herein that become available or that are discovered 5 after the date your responses to these data requests are due. 6 7 DATA REOUESTS 8 1. Please provide a copy of all correspondence and other documents sent by or to the AG related to this case or to the operation of Big Rivers' FAC during the review period, except 9 for correspondence with Big Rivers. 10 11 2. Please produce all documents, including without limitation correspondence and 12 calculations, in the possession, custody, or control of the AG related to the AG's or Mr. Kollen's 13 analysis regarding this case or to the operation of Big Rivers' FAC during the review period. 14 3. Refer to the Direct Testimony of Lane Kollen at page 3, lines 20-22. 15 a. Please explain in detail the "East Kentucky Power Cooperative ('EKPC')/Duke 16 Energy Kentucky ('Duke') methodology." Please provide all documents relied 17 upon for your response. 18 b. Please explain in detail any differences between EKPC's FAC and Duke's FAC and any differences between the operation of EKPC's FAC and Duke's FAC. 19 Please provide all documents relied upon for your response. 20 21 Refer to the Direct Testimony of Lane Kollen at page 4, line 14. Please provide 4. 22 the source for the \$11.77 million value. Please provide all workpapers, assumptions,

calculations, and documents used in the derivation of this value. Please provide all spreadsheets
 in electronic format with formulas intact.

3 5. Refer to the Direct Testimony of Lane Kollen at page 4, lines 17-18. 4 a. Please provide the amount used as Big Rivers' weighted cost of debt. Please 5 provide the source of this amount and all workpapers, assumptions, calculations, 6 and documents used in the derivation of this value. Please provide all 7 spreadsheets in electronic format with formulas intact. b. Please provide the source for the \$1.57 million value. Please provide all 8 9 workpapers, assumptions, calculations, and documents used in the derivation of 10 this value. Please provide all spreadsheets in electronic format with formulas 11 intact. 12 6. Refer to the chart on page 8 of the Direct Testimony of Lane Kollen. 13 Please provide the source for the values in the chart. a. 14 b. How was the stated "Reserve Margin" calculated? 7. 15 Refer to the chart on page 9 of the Direct Testimony of Lane Kollen. Please provide the source for the values in the chart. 16 17 8. Refer to the chart on page 10 of the Direct Testimony of Lane Kollen. Please 18 provide the source for the values in the chart. 19 9. Refer to the Direct Testimony of Lane Kollen at page 11, line 3. Please explain 20 the basis for Mr. Kollen's claim that "[t]he Coleman unit fuel costs were among the Company's 21 lowest." 22 10. Refer to the Direct Testimony of Lane Kollen at page 11, line 18. Please provide 23 the source for the \$22.85/MWh value. If this value is the result of a calculation not performed

1	by Big Rivers, please provide all workpapers, assumptions, calculations, and documents used in		
2	the derivation of this value. Please provide all spreadsheets in electronic format with formulas		
3	intact.		
4	11. Refer to the Direct Testimony of Lane Kollen at pages 14-15.		
5	a. Does the AG advocate that the Commission require Big Rivers to use an		
6	incremental cost methodology?		
7	b. Please explain whether the AG believes the EKPC/Duke methodology is an		
8	incremental cost methodology.		
9	c. Please explain whether Mr. Kollen believes the EKPC/Duke methodology is an		
10	incremental cost methodology.		
11	12. Please explain in detail how Mr. Kollen allocated start-up and no load fuel costs.		
12	13. Refer to the Direct Testimony of Lane Kollen at page 19, line 9. Please provide		
13	Mr. Kollen's "restacking analysis" and describe in detail all data sources, assumptions, and		
14	calculations. Please provide all work-papers, with all spreadsheets and models in electronic		
15	5 format with formulas intact.		
16			

1	On this the 23 <sup>rd</sup> day of April, 2015.		
2	Respectfully submitted,		
3			
4			
5	Tolore		
6	James M. Miller		
7	Tyson Kamuf		
8	SULLIVAN, MOUNTJOY, STAINBACK		
9	& MILLER, P.S.C.		
10	100 St. Ann Street		
11	P. O. Box 727		
12	Owensboro, Kentucky 42302-0727		
13	Phone: (270) 926-4000		
14	Facsimile: (270) 683-6694		
15	jmiller@smsmlaw.com		
16	tkamuf@smsmlaw.com		
17 18	Counsel for Big Rivers Electric Corporation		
19			
20	Certificate of Service		
21			
22	I certify that a true and accurate copy of the foregoing was served by first class mail or by		
23	overnight courier upon the persons listed on the accompanying service list, on or before the date		
24	the foregoing is filed with the Kentucky Public Service Commission.		
25			
26	On this the 23 <sup>rd</sup> day of April, 2015,		
27			
28			
29	TANK C		
30	Counsel for Big Rivers Electric Corporation		
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