

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF KENERGY CORP.	)	CASE NO.
AND BIG RIVERS ELECTRIC CORPORATION	)	2016-00117
FOR APPROVAL OF CONTRACTS	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO  
KENERGY CORP. AND BIG RIVERS ELECTRIC CORPORATION

Kenergy Corp. and Big Rivers Electric Corporation (collectively "Joint Applicants"), pursuant to 807 KAR 5:001, are to file with the Commission an original and eight copies of the following information, with copies to all parties. The information requested herein is due on or before May 10, 2016. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Joint Applicants shall make timely amendment to any prior response if they obtain information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to

which Joint Applicants fail or refuse to furnish all or part of the requested information, Joint Applicants shall provide a written explanation of the specific grounds for their failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Joint Applicants shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Testimony of Michael W. Chambliss (“Chambliss Testimony”), Exhibit Chambliss\_C, page 1 of 1.

a. It appears that the “Net Rate (\$/MWh)” on line 9, the “Economic Development Rate (EDR) Discount (\$/MWh)” on line 18, and the “Effective Rate (\$/MWh)” on line 32 were calculated by adding 12 months of capacity revenues to one month of energy revenues and dividing that total by one month of kW billing determinants. State whether this was intentional or whether the Joint Applicants intended to use 12 months of energy revenues and 12 months of kW billing determinants in the calculations. If the former, explain why it would not be more accurate to include all 12 months of energy revenues (and dividing the total by annual kW billing determinants), rather than the method used in this exhibit. If the latter, provide an updated Exhibit Chambliss\_C.

b. Provide supporting calculations for the Rider amounts shown on lines 12, 13, and 14.

c. Provide the origin of the "Energy Market Prices (\$/MWh)" shown on line 26 and the "Capacity (\$/MW-day)" amounts shown on line 29.

d. Explain the impact on the "Capacity (\$/MW-day)" amounts shown on line 29 due to the increase in the Midcontinent Independent System Operator Planning Resource Auction Results from \$3.48 MW-day in 2015/2016 to \$72.00 MW-day in 2016/2017.

e. Provide Exhibit Chambliss\_C in Excel spreadsheet format with the formulas intact and unprotected.

2. Refer to the Chambliss Testimony, page 8, regarding a provision in the 2016 Retail Agreement in which Aleris would not receive any EDR credit in any month in which its load factor is less than 50 percent. Explain why Joint Applicants agreed to the monthly threshold load factor of 50 percent.

3. Refer to the Testimony of John Wolfram, Exhibit Wolfram-2, Appendix A, page 13 of 14. The line labelled Total Energy (kWh) indicates an amount of 8,418,926. Explain what this amount represents and provide the calculations showing its derivation.

4. Provide the current status of the project to construct the transmission lines and associated substation equipment at Aleris, i.e., percentage of completion and estimated completion date(s).

5. Refer to the confidential handout provided at the Informal Conference held on April 21, 2016. Provide the handout in Excel spreadsheet format with the formulas intact and unprotected.

*Aaron D. Greenwell*

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Aaron D. Greenwell  
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DATED APR 29 2016

cc: Parties of Record

Case No. 2016-00117

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