## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS ELECTRIC CORPORATION FOR THE SIX-MONTH BILLING PERIOD ENDING JULY 31, 2016 AND THE PASS THROUGH MECHANISM OF ITS THREE MEMBER DISTRIBUTION COOPERATIVES

CASE NO. 2016-00368

## COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO BIG RIVERS ELECTRIC CORPORATION

Big Rivers Electric Corporation ("Big Rivers"), pursuant to 807 KAR 5:001, is to file with the Commission the original and seven copies of the following information, with a copy to all parties of record. The information requested herein is due on or before January 24, 2017. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response 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. Big Rivers shall make timely amendment to any prior response if it obtains 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 Big Rivers fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its 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, Big Rivers shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the document so that personal information cannot be read.

1. Refer to pages 14 and 15 of the Direct Testimony of Nicholas R. Castlen ("Castlen Testimony"), Big Rivers' response to Item (c) of Staff's questions regarding consideration of direct billing of environmental costs.

a. Confirm that the reference to February 2016 on line 18 is incorrect, and that Big Rivers meant to refer to January 2016.

 b. If part a. of this question is not confirmed, explain why the reference to February 2016 is correct.

c. Explain in detail why direct billing requires additional time to compile and finalize environmental costs that are not currently necessary for Big Rivers to calculate an environmental surcharge factor.

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2. Refer to page 17 of the Castlen Testimony. Provide the reasons or factors why the Member Cooperatives believe direct billing would not result in less volatility in the billings to their retail customers.

Mathews

Talina Mathews Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED JAN 1.0 2017

cc: Parties of Record

\*Kenergy Corp. 6402 Old Corydon Road P. O. Box 18 Henderson, KY 42419 \*Jackson Purchase Energy Corporation Jackson Purchase Energy Corporation 2900 Irvin Cobb Drive P. O. Box 4030 Paducah, KY 42002-4030

\*Kenergy Corp. Kenergy Corp. 6402 Old Corydon Road P. O. Box 18 Henderson, KY 42419

\*Meade County R.E.C.C. P. O. Box 489 Brandenburg, KY 40108-0489

\*Meade County R.E.C.C. Meade County R.E.C.C. P. O. Box 489 Brandenburg, KY 40108-0489

\*Big Rivers Electric Corporation 201 Third Street P. O. Box 24 Henderson, KY 42420

\*Big Rivers Electric Corporation Big Rivers Electric Corporation 201 Third Street P. O. Box 24 Henderson, KY 42420

\*Jackson Purchase Energy Corporation 2900 Irvin Cobb Drive P. O. Box 4030 Paducah, KY 42002-4030