Steve Austin, Mayor

Commissioners: Patti Bugg Robert N. Pruitt Sr. Bradley S. Staton Austin P. Vowels

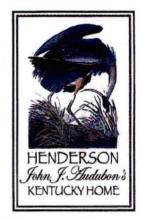


The City of Henderson

P.O. Box 716 Henderson, Kentucky 42419-0716

Russell R. Sights, City Manager
Dawn S. Kelsey, City Attorney
Maree Collins, City Clerk
Donna Stinnett, Public Information Officer/Community Relations Manager

May 21, 2018



RECEIVED

MAY 2 2 2018

PUBLIC SERVICE COMMISSION

Ms. Gwen R. Pinson Executive Director Public Service Commission 211 Sower Boulevard Post Office Box 615 Frankfort, KY 40602-0615

RE:

In The Matter of: Notice of Termination of Contracts and Application of Big Rivers Electric Corporation for a Declaratory

Order and For Authority to Establish A Regulatory Asset

Case No. 2018-00146

Dear Ms. Pinson:

The City of Henderson, Kentucky and Henderson Municipal Power & Light are writing to comment on the application by Big Rivers Electric Corporation to terminate the Station Two contracts.

The City of Henderson, Kentucky, through the Henderson Utility Commission ("Henderson"), provides electricity to 11,954 customers.

This power supply has been provided to the HMP&L customer base since 1972 through the generation of the electric generating plant referred to as Station Two in the Notice of Termination Application of Big Rivers Electric Corporation, Case No. 2018-00146.

The request by Big Rivers to terminate the Station Two contracts would result in the discontinuance of the operation of the Station Two generating plant Units One and Two requiring Henderson to secure an alternative power source for the residents of Henderson.



"HMP&L" agrees with Big Rivers' determination that a minimum of 13 months is necessary to conduct an orderly termination process.

This action is not acquiescing to or agreeing to any testimony, allegations, assertions, studies or other claims contained in the pleadings filed by Big Rivers, including the jurisdiction of the Public Service Commission over this matter.

Henderson reserves its right to intervene and contest any request or supplemental filing by Big Rivers requesting different or additional relief outside of the present filing.

Further, Henderson retains its right to assert any and all legal rights in this or any other proceeding, including the termination of the affected contracts.

Sincerely,

Steve Austin, Mayor

City of Henderson, Kentucky

Chris Heimgartner, General Manager

Henderson Municipal Power & Light