

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG RIVERS)	CASE NO.
ELECTRIC CORPORATION FOR APPROVAL)	2020-00183
OF SOLAR POWER CONTRACTS)	

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

Big Rivers Electric Corporation (BREC), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on September 10, 2020. The Commission directs BREC to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

preparer or the 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.

BREC shall make timely amendment to any prior response if BREC obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which BREC fails or refuses to furnish all or part of the requested information, BREC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, BREC 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 definition of "Ancillary Services" at page 2 of the Power Purchase Agreement with Henderson Solar, LLC (Henderson Solar) stating that "Ancillary Services does not include any cost recovery available to Seller from the Transmission Provider, Electric System Authority or other similar authority under a FERC-filed reactive power rate (and rights to such cost recovery shall remain with Seller)," and the description of the "Contract Price" at Section 5.1 of the same contract, and the "Power factor requirements" at Exhibit 6.1.

a. State whether there is any provision in BREC's contract with Henderson Solar that requires Henderson Solar to delivery reactive power to BREC with the 160 MW of real power, and explain each basis for BREC's response with reference to any relevant contract provision.

b. State whether BREC will be required to purchase any reactive power it takes from Henderson Solar at a cost in addition to the Contract Price. If so, provide an estimate of the cost of that reactive power, and state whether BREC will be required to take the reactive power at an additional cost or whether it will simply have the option to do so. Explain each basis for BREC's response with reference to any relevant contract provision.

c. Explain in detail how BREC intends to supply or obtain the reactive power, if any, necessary to balance and transmit the real power supplied by Henderson Solar pursuant to the contract, and provide an estimate of the cost.

d. Explain why the definition of "Ancillary Services" was changed in the Henderson Solar contract as compared to the Meade County Solar, LLC (Meade Solar) and the McCracken County Solar, LLC (McCracken Solar) contracts.

e. Explain why the facilities that will be provided by Henderson Solar are not defined in Exhibit 6.1 as they are in the other contracts, and explain how the contract provides any assurance that the facilities will produce energy that meets.

2. Refer to the definition of "Ancillary Services" at page 2 of the Meade Solar Power Purchase Agreement and the McCracken Solar Power Purchase Agreement, respectively, and the description of the "Contract Price" at Section 5.1 and the "Power factor requirements" at Exhibit 6.1 of each contract.

a. State whether there is any provision in BREC's contracts with Meade Solar and McCracken Solar that requires them to delivery reactive power to BREC, and explain each basis for BREC's response with reference to any relevant contract provision.

b. State whether BREC contends that any reactive power produced by the Meade Solar and McCracken Solar projects and taken by BREC would be covered by the Contract Price, and explain each basis for BREC's response with reference to any relevant contract provision.

c. State whether BREC anticipates having to obtain any reactive power from other sources, to balance or transmit the real power supplied by the Meade Solar and McCracken Solar projects, and if so, explain how it anticipates obtaining such reactive power and the provide an estimate of the cost.

d. Explain who will control the power factor of the energy supplied by the facilities to be constructed by Meade Solar and McCracken Solar and whether there are limits placed on the power factor in the contracts for the energy supplied by those facilities.

3. Refer to BREC's response to Commission Staff's First Request (Staff's First Request), Items 2 and 30. Confirm that BREC would only sell the Renewable Energy Credits to customers requesting renewable energy and not enter bilateral contracts to pass through the solar Purchase Power Agreement price. If this cannot be confirmed, explain whether these bilateral contracts would increase or decrease costs to nonparticipating customers.

4. Refer to BREC's response to Staff's First Request, Item 17. If any of the three Solar PPA purchase costs were ever to become uneconomic, explain how BREC intends to recover the uneconomic portions of those costs through the FAC.

5. Refer to BREC's response to Staff's First Request, Item 23. Explain why shadow settlement is necessary if BREC will receive separately metered settlement info from MISO.

6. Provide an analysis quantifying the potential savings to be achieved from the use of the solar purchase power agreements as part of BREC's hedging efforts.



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DATED AUG 28 2020

cc: Parties of Record

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