SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC

ATTORNEYS AT LAW

Jesse T. Mountjoy Frank Stainback James M. Miller Michael A. Fiorella William R. Dexter Allen W. Holbrook R. Michael Sullivan

P. Marcum Willis

Bryan R. Reynolds

Mark G. Luckett Tyson A. Kamuf

Mark W. Starnes

Ronald M. Sullivan

February 27, 2004

RECEIVED

Federal Express

Thomas M. Dorman Executive Director Public Service Commission of KY 211 Sower Blvd., P.O. Box 615 Frankfort, KY 40602-0615 MAR 0 1 2004

PUBLIC SERVICE COMMISSION

Re:

Big Rivers Electric Corporation - In the Matter of: A Review of the Adequacy of Kentucky's Generation Capacity and Transmission System, Kentucky Public Service Commission,

Administrative Case No. 387

Dear Mr. Dorman:

Enclosed are an original and ten copies of the responses of Big Rivers Electric Corporation to the continuing data requests in the above-styled matter. I certify that copies of this letter and attachments have been served upon each of the persons identified on the attached service list. Please feel free to contact me with any questions.

Sincerely yours,

James M. Miller

JMM/ej Enclosures

cc: David Spainhoward

Somes M. Melen

Bill Blackburn Counsel of Record

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

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

SERVICE LIST ADMINISTRATIVE CASE NO. 387

Hon. Kendrick R. Riggs Ogden, Newell & Welch PLLC 1700 PNC Plaza 500 West Jefferson Street Louisville, KY 40202-2874

Michael Beer Regulatory Affairs Kentucky Utilities and Louisville Gas and Electric Company 220 West Main Street P. O. Box 32010 Louisville, KY 40232-2010

KENTUCKY UTILITIES AND LOUISVILLE GAS & ELECTRIC COMPANY

Hon. Patrick D. Pace Kamuf, Yewell & Pace 221 West Second Street Owensboro, Kentucky 42303

Stanley K. Conn Director of Power Production Owensboro Municipal Utilities 2070 Tamarack Road P.O. Box 806 Owensboro, Kentucky 42301

CITY UTILITY COMMISSION OF THE CITY OF OWENSBORO, KENTUCKY A/K/A OWENSBORO MUNICIPAL UTILITIES

Hon. Elizabeth E. Blackford Assistant Attorney General Office for Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601 Hon. Dennis G. Howard Assistant Attorney General 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601

KENTUCKY ATTORNEY GENERAL'S OFFICE

Hon. Robert A. Bowman Hobson and Bowman 222 West Main Street Frankfort, KY 40601

Jerry Deaton
Executive Director
Municipal Electric Power Association of
Kentucky
110A East Todd Street
Frankfort, Kentucky 40601

MUNICIPAL ELECTRIC POWER ASSOCIATION OF KENTUCKY

Michael J. Pahutski The Union Light Heat and Power Company 139 Eat Fourth Street Cincinnati, Ohio 45202

James B. Gainer Legal Division The Union Light, Heat & Power Co. 139 E. 4th Street Cincinnati, Ohio 45202

THE UNION LIGHT HEAT AND POWER COMPANY

Michael L. Kurtz, Esq. David F. Boehm, Esq. Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 2110 Cincinnati, OH 45202

KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

Frank N. King, Jr., Esq. Dorsey, King, Gray & Norment 318 Second Street Henderson, Kentucky 42420

Dean Stanley
President/CEO
Kenergy Corp.
P.O. Box 18
Henderson, Kentucky 42419

KENERGY CORP.

Hon. Peter J.P. Brickfield
BRICKFIELD, BURCHETTE, RITTS &
STONE, P.C.
1025 Thomas Jefferson St., N.W.
8th Floor, West Tower
Washington, DC 20007

Hon. Richard S. Taylor Attorney at Law 225 Capital Avenue Frankfort, KY 40601

GALLATIN STEEL COMPANY

Robert L. Madison 5407 Baywood Drive Louisville, KY 40241-1318

ROBERT L. MADISON

Hon. Iris Skidmore
Hon. Ronald P. Mills
NREPC
Office of Legal Services
Fifth Floor, Capital Plaza Tower
Frankfort, KY 40601

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET

Hon. Jeffrey L. Yost JACKSON & KELLY, PLLC P.O. Box 2150 Lexington, KY 40588-9945

Martin R. Bradshaw Director of Legislative Affairs Dynegy, Inc. Suite 5800 1000 Louisiana Street Houston, Texas 77002

DYNEGY, INC.

Charles A. Lile Senior Corporate Counsel East Kentucky Power Cooperative, Inc. 4775 Lexington Road P.O. Box 707 Winchester, Kentucky 40392-0707

Roy M. Palk
President/CEO
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P.O. Box 707
Winchester, Kentucky 40392-0707

EAST KENTUCKY POWER COOPERATIVE, INC.

Hon. William H. Jones Hon. Kimberly S. McCann 1544 Winchester Avenue P.O. Box 1111 Ashland, KY 41105-1111

Hon. Richard S. Taylor Attorney at Law 225 Capital Avenue Frankfort, KY 40601

NORTH AMERICAN STAINLESS, L.P. AND KENTUCKY ELECTRIC STEEL, INC.

Hon. Winfrey P. Blackburn, Jr. Hon. R. Douglas Burchett Blackburn, Hundley & Domene, LLP 350 Starks Building 455 South Fourth Avenue Louisville, KY 40202

THOROUGHBRED GENERATING COMPANY

Peter C. Brown
Director of Contract Administration
EnviroPower LLC
2810 Lexington Financial Center
250 West Main Street
Lexington, KY 40507

Joe Darguzas
Vice President for Engineering
and Project Management
EnviroPower LLC
2810 Lexington Financial Center
250 West Main Street
Lexington, Kentucky 40507

ENVIROPOWER

James R. Dalrymple Program Support Manager Transmission/Power Supply Group Tennessee Valley Authority 1101 Market Street Chattanooga, Tennessee 37402-2801

TENNESSEE VALLEY AUTHORITY

Hon. Mark R. Overstreet Stites & Harbison 412 West Main Street P.O. Box 634 Frankfort, KY 40602

Errol K. Wagner
Director of Regulatory Services
Kentucky Power Company
D/B/A American Electric Power
101A Enterprise Drive
P.O. Box 5190
Frankfort, Kentucky 40602

KENTUCKY POWER COMPANY D/B/A AMERICAN ELECTRIC POWER

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

| In the Matter of: | | | |
|---|-----|----------------|--------------|
| A Review of the Adequacy of Kentucky's Generation |) | ADMINISTRATIVE | RECEIVED |
| Capacity and Transmission | į (| CASE NO. 387 | MAR 0 1 2004 |

System

PUBLIC SERVICE COMMISSION

BIG RIVERS ELECTRIC CORPORATION'S
RESPONSE TO THE KENTUCKY PUBLIC SERVICE
COMMISSION'S REVIEW OF THE ADEQUACY OF
KENTUCKY'S GENERATION CAPACITY AND
TRANSMISSION SYSTEM
FOR CALENDAR YEAR 2003—ADMINISTRATIVE CASE NO. 387
ORDER OF DECEMBER 20, 2001

March 1, 2004

| | | 1 |
|--|--|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

Witness)

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

Item 1-G) Actual and weather-normalized energy sales for the just completed calendar year. Sales should be disaggregated into native load sales and off-system sales. Off-system sales should be further disaggregated into full requirements sales, firm capacity sales, and non-firm or economy energy sales. Off-system sales shall be further disaggregated to identify separately all sales where the utility acts as a reseller, or transporter, in a power transaction between two or more other parties.

Response) Table # 1-G shows the native and off-system sales for 2003 and the further breakdowns as applicable to Big Rivers. Big Rivers supplies power to be used for back-up of the Weyerhaeuser cogeneration facility. However, this back-up power is received by Big Rivers through a separate back-up power supply agreement and is not included in Table # 1-G.

Please note that the "TOTAL NATIVE LOAD & OFF-SYSTEM ENERGY SALES" category in Table # 1-G represents energy associated with Big Rivers' power supply only. The category "LOAD NOT SERVED BY BIG RIVERS" represents additional energy that is on the Big Rivers' transmission system. The "Control Area" load is composed of energy provided by others to Kenergy Corp. for resale to the aluminum smelters as well as part of the load for the City of Henderson and Big Rivers acts as the "transporter" for control area load. In addition, Big Rivers acts as transporter for energy from Big Rivers' generators sold off-system by LG&E Energy Marketing. Big Rivers does not track megawatt hours for these transports.

C. William Blackburn

Travis D. Housley, P.E.

David G. Crockett, P.E.

Table #1G

| Z |
|--------------------|
| ō |
| F |
| ά |
| Ř |
| Ō |
| 짪 |
| 5 |
| κ |
| ~ |
| CTRIC |
| œ |
| - 55 |
| ш |
| |
| Ш |
| လွ |
| ER |
| ٣ |
| = |
| يا <u>ل</u> د د |
| <u> </u> |
| Ω |
| |

| | BY BIG RIVERS | Wheeling | n | 6,378 4,400 40,605 3,953 1,810 5,651 30,910 19,575 2,655 3,235 6,353 2,284 127,809 |
|----------|---|-------------|-------------------------------|--|
| | LOAD NOT SERVED BY BIG RIVERS | Control | Area Load | 621,201 561,514 622,974 600,665 622,592 602,280 623,588 625,649 603,294 620,324 599,238 621,547 7,324,866 |
| | E E | | y Reseller | 5 1,940 1 1,701 4 1,079 6 274 6 274 7 891 7 891 7 891 7 1,024 7 5,146 83 1,024 70 1,712 93 14,351 93 31,430 |
| | SALES (MW | Off-System | Off-System Energy Non-Firm | |
| | TOTAL NATIVE LOAD & OFF-SYSTEM ENERGY SALES (MWh) | | Off: | 53,317 48,220 47,087 52,265 52,184 29,126 30,097 30,097 46,117 48,706 44,498 47,896 |
| a | LOAD & OFF-S | Load | weather | 275,469 233,132 243,822 213,952 222,737 260,037 295,216 250,031 221,385 227,471 274,700 3,011,717 |
| | OTAL NATIVE | Native Load | <u> </u> | Actual 311,451 270,205 221,207 219,859 240,536 297,623 301,425 241,407 225,385 280,476 3,087,530 |
| | ř | | | Month Jan-03 Feb-03 Mar-03 May-03 Jul-03 Jul-03 Oct-03 Dec-03 |

Note 1: Big Rivers off-system sales are market blocks of power. Therefore, the off-system sales cannot be weather normalized.

3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33

1

2

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

A summary of monthly power purchases for the just completed calendar Item 2-G) year. Purchases should be disaggregated into firm capacity purchases required to service native load, economy energy purchases, and purchases where the utility acts as a reseller, or transporter, in a power transaction between two or more other parties.

Table # 2-G show energy purchases, both firm and economy, which Response) came through Big Rivers' Power Supply for 2003. Table # 2-G also shows additional energy purchased for the control area by others and it shows the quantity of wheeling for 2003.

C. William Blackburn Witness) Travis D. Housley, P.E. David G. Crockett, P.E.

TABLE # 2G

BIG RIVERS ELECTRIC CORPORATION

| • | y Big Kivers | Wheeling MWh | 6,385 4,400 41,308 3,998 1,810 5,651 31,376 19,775 2,655 3,251 6,433 2,290 |
|---|---------------------------------------|--|---|
| ! | Load Not Served By Big Kivers | Control Area Load MWh | 73,905 72,237 28,580 23,719 50,409 64,190 37,584 61,619 36,267 17,365 37,807 49,993 |
| | | Resell Energy MWh | 1,940 170 1,701 1,079 274 991 891 2,151 1,024 1,712 14,351 |
| | y Big Rivers | Economy Energy MWh | 119,124 120,918 165,346 157,508 128,532 109,226 101,729 114,220 124,618 116,728 |
| | r Purchases b | Native Load Firm Capacity MWh | 311,451 270,205 244,209 221,207 219,859 240,536 297,623 301,425 241,407 225,385 233,748 280,476 3,087,530 |
| | Monthly Dower Purchases by Big Rivers | | January February March April May June July August September October November Total |
| | - | 1 | Jan-03 Feb-03 Mar-03 May-03 Jul-03 Sep-03 Oct-03 |

Item 2-G Page 2 of 2

•

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001 Actual and weather-normalized monthly coincident peak demands for the

just completed calendar year. Demands should be disaggregated into (a) native load

Table # 3-G shows the actual and weather normalized native load

demand and the off-system coincident for 2003. Big Rivers sells its surplus power into

Please see the second paragraph of the response to # 1-G for additional explanation.

demand (firm and non-firm) and (b) off-system demand (firm and non-firm).

the market and therefore the off-system sales cannot be weather normalized.

 Item 3-G)

Response)

Witness)

 C. William Blackburn

TABLE#3G

BIG RIVERS ELECTRIC CORPORATION

| | By Big Kivers | Off System | Firm(OPC) | | | - + + | | 1 | - | 1 | 1 | 1 | | 1 | 1 | 1 | |
|---|---|------------------|-------------------|-------------|-------------------|-------|---------|--------|--------|---------|--------|--------|--------|---------|--------|--------|--------------------|
| , | Load Not Served By Big Rivers | Control | Area Load | | | 893 | 892 | 840 | 842 | 878 | 848 | 878 | 885 | 879 | 875 | 886 | 892 |
| | OFF-SYSTEM COINCIDENT PEAK DEMANDS (MW) | Off-System Sales | Assessment Demand | | Firm Non-Firm | 207 | 105 | 105 | 133 | | | | 40 89 | | • | 175 | 90 120 |
| i | | Native Load | All Firm | Peak Demand | Actual Normalized | | 585 523 | | | 406 400 | | | | 584 575 | | | 451 422 477 487 |
| | TOTAL NATIVE LOAD & | | | | Month | 1 | Jan-03 | Feb-03 | Mar-03 | Apr-03 | May-03 | Jun-03 | Jul-03 | Aug-03 | Sep-03 | Oct-03 | Nov-03 Dec-03 |

Note: Big Rivers off-system sales are market blocks of power. Therefore, the off-system sales cannot be weather normalized.

RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001 Load shape curves that slow actual peak demands and weather-Item 4-G) normalized peak demands (native load demand and total demand) on a monthly basis for the just completed calendar year. Graph # 4-G shows the monthly native load demand with the monthly Response) weather normalized native load demand for 2003. The total curve represents the native load demand plus the actual firm off-system sales. 10 11 Please note that this graph represents power that comes through Big Rivers' power 12 supply and does not represent the activity of others in the Big Rivers' control area. Big 13 Rivers does not have the data to supply the remaining power for the control area. 14 15 C. William Blackburn Witness) 16 Travis D. Housley, P.E. 17 David G. Crockett, P.E. 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32

1

2 3

> 4 5

> > 6 7

8

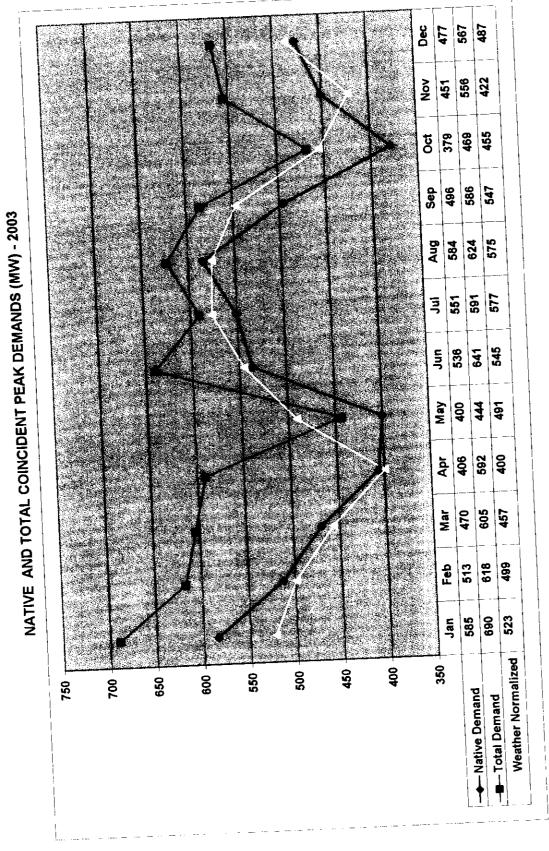
9

33

BIG RIVERS ELECTRIC CORPORATION'S

Graph #4G

BIG RIVERS ELECTRIC CORPORATION



Item 4-G Page 2 of 2

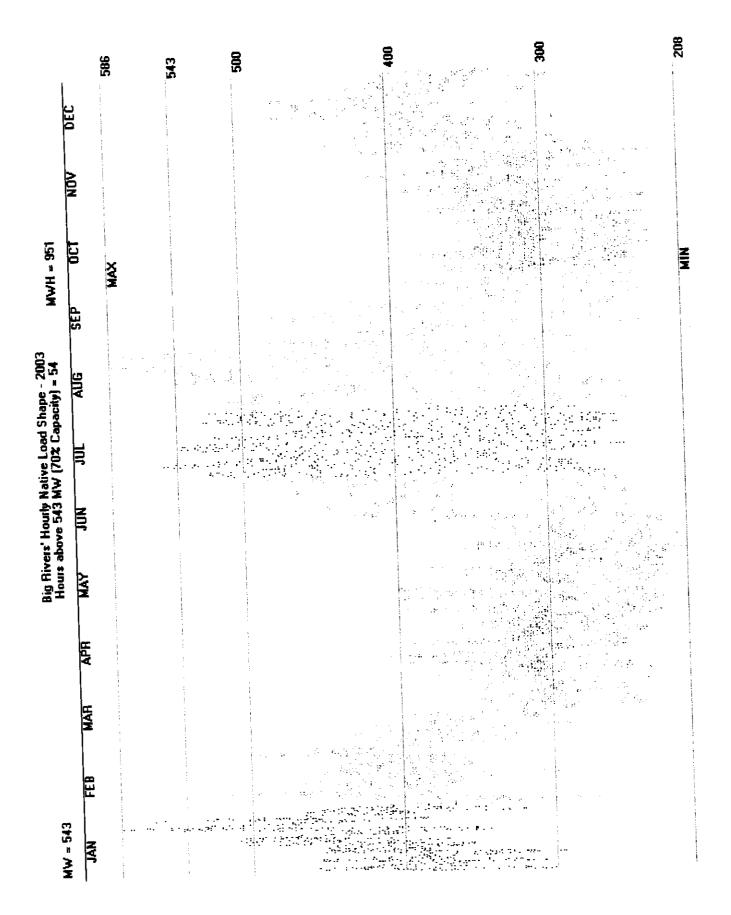
BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

Item 5-G) Load shape curves showing the number of hours that native load demand exceeded these levels during the just completed calendar year: (1) 70% of the sum of installed generating capacity plus firm capacity purchases; (2) 80% of the sum of installed generating capacity plus firm capacity purchases; (3) 90% of the sum of installed generating capacity plus firm capacity purchases.

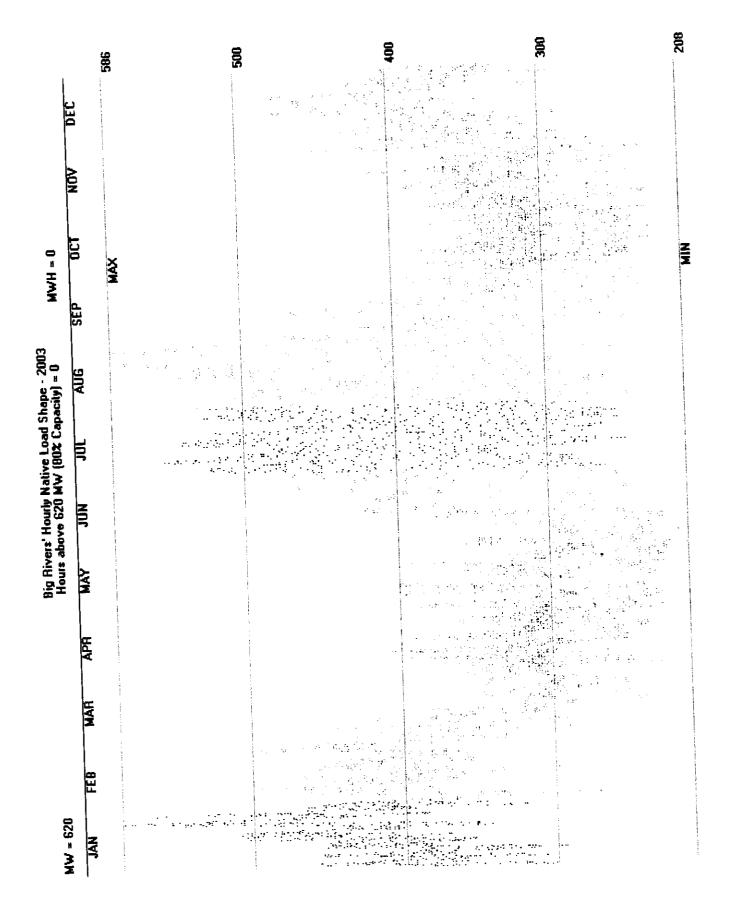
Response) Graphs, # 5-G-1, 5-G-2 and 5-G-3, show the hourly native load demand for 2003 with each dot representing the demand for that hour. They also show the lines representing 70%, 80% and 90% (respectively) of Big Rivers' total capacity. Big Rivers exceeded 70% of its capacity for a total of 54 hours during the year, which may be seen as all of the dots above the 543 line on the graph. At 80% and 90% of Big Rivers' capacity (620 MW and 698MW respectively), Big Rivers' maximum native load did not exceed either of those levels.

Please note that these graphs represent power that came through Big Rivers' power supply and does not represent the activity of others in the Big Rivers' control area. Big Rivers does not have the data to supply the remaining power for the control area.

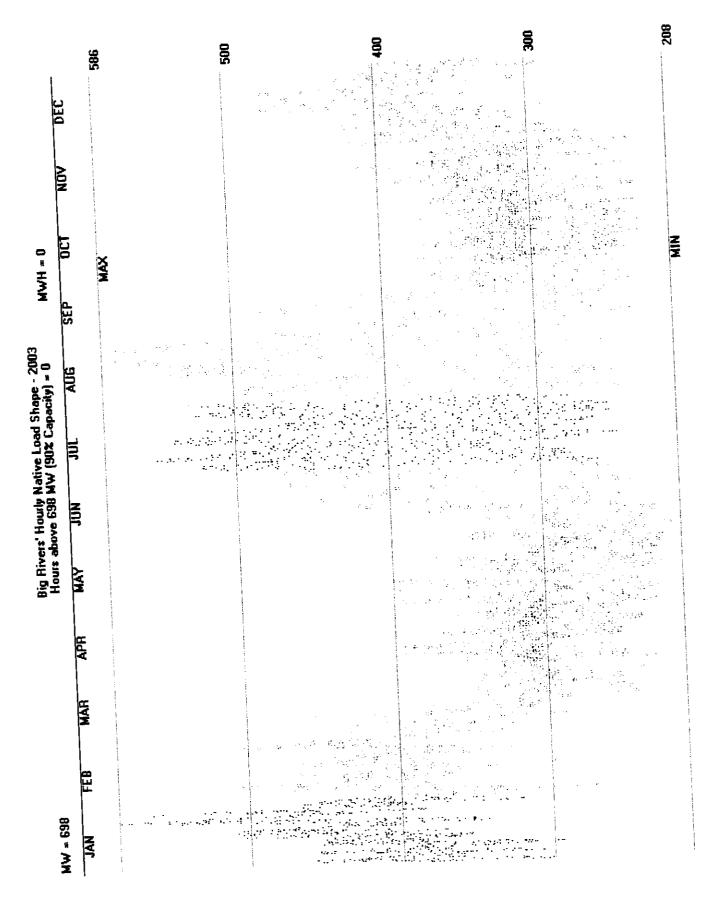
Witness) C. William Blackburn



Item 5-G Page 2 of 4



Item 5-G Page 3 of 4



Item 5-G Page 4 of 4

.

.

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 – ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

Item 6-G) Based on the most recent demand forecast, the base case demand and energy forecasts and high case demand and energy forecasts for the current year and the following four years. The information should be disaggregated into (a) native load (firm and non-firm demand) and (b) off-system load (both firm and non-firm demand).

Response) Table # 6-G tabulates the forecasted base case and high case demand and energy in the associated demand breakdowns as requested. Big Rivers does not have any native non-firm demand.

Please note that this table represents power that came through Big Rivers' power supply and does not represent the activity of others in the Big Rivers' control area. Big Rivers does not have the data to supply the remaining power for the control area.

Witness) C. William Blackburn

Item 6-G Page 1 of 2

TABLE # 6G

BIG RIVERS ELECTRIC CORPORATION

TOTAL NATIVE LOAD & OFF-SYSTEM LOADS BASE & HIGH CASE FORECASTS

| Sales* | FIRM NON-FIRM Demand | (MW) (MW) 90 53 | 85 30 85 30 50 0 | |
|-------------------|----------------------------|-----------------------------|--|---------------|
| Off-System Sales* | Base Case FIRM NON-FIRM | (MW) | 85 85 85 30 50 60 | |
| þ | High Case | Demand Energy (MW) (MWh) | 640 3,292,633 650 3,341,928 661 3,390,360 673 3,445,723 | 685 3,496,298 |
| Native Load | Base Case | Demand Energy (MW) (MWh) | 612 3,167,095 623 3,215,084 634 3,262,191 | |
| Year | | l | 2004 2005 2006 | 2007 2008 |

*The forecasted demand for off-system sales is assumed to be at the time of the native load coincident peak demand.

Item 6-G Page 2 of 2

| , | | | | |
|---|--|--|--|---|
| | | | | 7 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 1 ORDER DATED DECEMBER 20, 2001 2 The target reserve margin currently used for planning purposes, stated as 3 **Item 7-G**) a percentage of demand. If changed from what was in use in 2001, include a detailed 4 5 explanation for the change. 6 When Big Rivers operated its own generation, a generation planning 7 reserve margin was calculated using output data from statistical calculations for loss of Response) 8 load probabilities and loss of generation expectations for various outage states of the 9 10 generators. 11 Big Rivers is now a unique utility in Kentucky because it leases all of its generation 12 capacity and purchases most of its power requirements as liquidated damages firm (LD 13 firm) power. Reserve margins are calculated from historical generator operating 14 characteristics and various states of generator outages. Because Big Rivers' native load 15 is now supplied with LD firm power from LG&E Energy Marketing and firm power 16 from the Southeastern Power Administration. Because of this, Big Rivers has no 17 18 formal planning reserve margin. 19 20 C. William Blackburn Witness) 21 22 23 24 25 26 27 28 29 30 31 32

| | | 8 |
|--|--|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001 Projected reserve margins stated in megawatts and as a percentage of demand for the current year and the following 4 years. Identify projected deficits and Item 8-G) current plans for addressing these. For each year identify the level of firm capacity purchases projected to meet native load demand. Please see Response to #7-G relative to reserve margins. Big Rivers has no projected deficits for the current year nor for the following 4 years. Big Rivers' level of firm capacity purchases for the next 4 years is 775 MW. C. William Blackburn Witness)

| | | • |
|--|--|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 – ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

Item 9-G) By date and hour, identify all incidents during the just completed calendar year when reserve margin was less than the East Central Area Reliability Council's ("ECAR") 1.5% spinning reserve requirements. Include the amount of capacity resources that were available, the actual demand on the system, and their reserve margin, stated in megawatts and as a percentage of demand. Also identify system conditions at the time.

Response) The attached table lists the incidents as reported to ECAR, when the contingency spinning reserves in Big Rivers' control area was less than the required 1.5%. The table contains the available generation capacity, system demand, reserve margin, and system condition information as requested.

Witness) Travis D. Housley, P.E. David G. Crockett, P.E.

| | | | : | : | | Big Rivers Elec Responsi | Big Rivers Electric Corporation Response to Item 9 | | |
|---------|-----|----------|--|-------------------------|-----------|-----------------------------|--|--------------------|--|
| 2003 | | - - | | | : | | | | |
| Month | Day | Hour CPT | Capacity Res | Capacity Resources (MW) | System De | System Demand (MW) | Reserve Margin (MW) | Reserve Margin (%) | System Conditions |
| | 4 | 14:00 | | 1273 | | 1269 | 7 | +0.3 | Wilson 1 Forced Outage Hend 1, PMO, Reid 1, Cole 2, Cole |
| April | - ω | | | 1318 | | 1309 | 6+ | +0.7 | 3 & Hend 2 Forced Outage Reid 1, PMO Hend 1, Cole 3, |
| April | | | : | 1306 | | 1292 | +14 | + | Forced Outage. Reid 1, PMO Hend 1, Cole 3, |
| April | ζ, | | | 1308 | | 1296 | +12 | 6.0+ | Forced Outage. Reid 1, Forced Outage. Hend 1, |
| March | 31 | 20:00 | : : | 1351 | | 1334 | +17 | +1.3 | Cole 3, PMO |
| March | 9 | : | · · · | 1426 | | 1410 | +16 | +1.1 | Coleman 3, PMO |
| March | ம | : | : <u>, , , , , , , , , , , , , , , , , , ,</u> | 1395 | | 1392 | £+ | +0.2 | Coleman 3, PMO |
| January | 24 | | | 1472 | | 1465 | Z + | +0.5 | Hend 2 & Wilson 1, Forced Outage |
| January | 24 | | | 1564 | | 1559 | 19 | +0.3 | Hend 2 & Wilson 1, Forced Outage Cole 1, Cole 3, Hend 2 & Wilson 1, |
| January | 23 | | | 1535 | | 1528 | | +0.5 | Forced Outage Cole 1, Cole 3, Hend 2 & Wilson 1, |
| January | 23 | | | 1545 | | 1544 | + | 0 | Forced Outage Cole 1, Cole 3, Hend 2 & Wilson 1, |
| January | 22 | 19:00 | | 1550 | | 1540 | +10 | 9.0+ | Forced Outage Cole 1, Cole 3, Hend 2 & Wilson 1, |
| January | 21 | 18:00 | 0 | 1448 | | 1430 | +18 | +1 3 | Forced Outage |
| January | 14 | 18:00 | | 1457 | : | 1438 | +19 | +1.3 | Wilson 1 Forced Outage |
| January | 4 | | 0 | 1472 | ; | 1455 | +17 | +1.2 | Wilson 1 Forced Outage |
| January | | | ō | 1354 | | 1343 | +11 | +0.8 | Wilson 1 Forced Outage |
| January | · | | - - | 1444 | | 1436 | +8 | 9.0+ | Wilson 1 Forced Outage |

PSC 387 - Item 9

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - CASE NO. 387 ORDER DATED DECEMBER 20, 2001

Item 10-G) A list identifying and describing all forced outages in excess of 2 hours in duration during the just completed calendar year.

Response) Big Rivers Electric Corporation entered into various agreements with Western Kentucky Energy Corp. ("WKE") and with WKE Station Two Inc. ("WKE Station Two") which require the two companies to operate and maintain Big Rivers' generating stations and Henderson Municipal Power and Light's Station Two generating stations respectively. The requested information cannot be provided by Big Rivers without written approval from WKE and WKE Station Two. Big Rivers is forwarding a copy of this response to Western Kentucky Energy Corp. and WKE Station Two Inc., Attention: Mr. Robert Toerne, Contract Manager, Western Kentucky Energy Corp., P.O. Box 1518, Henderson, KY, 42419-1518.

Witness) David Spainhoward

.

1 2 3 4 Item 11-G) 5 6 7 Response) 8 9 10 11 12 13 14 15 16 17 been retired in the last year. 18 19 Witness) 20 21 22 23 24 25 26 27 28 29 30

31 32 33

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

A list that identifies scheduled outages or retirements of generating capacity during the current year and the following four years.

Big Rivers Electric Corporation entered into various agreements with Western Kentucky Energy Corp. ("WKE") and with WKE Station Two Inc., ("WKE Station Two") which require the two companies to operate and maintain Big Rivers' generating stations and Henderson Municipal Power and Light's Station Two generating stations respectively. The requested information cannot be provided by Big Rivers without written approval from WKE and WKE Station Two. Big Rivers is forwarding a copy of this response to Western Kentucky Energy Corp. and WKE Station Two Inc., Attention: Mr. Robert Toerne, Contract Manager, Western Kentucky Energy Corp., P.O. Box 1518, Henderson, KY, 42419-1518. There are no retirements of generating capacity planned for the next four years nor has any capacity

David Spainhoward

Item 11-G Page 1 of 1

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

Item 12-G) Identify all planned base load or peaking capacity additions to meet native load requirements over the next 10 years. Show the expected in-service date, size and site for all planned additions. Include additions planned by the utility, as well as those by affiliates, if constructed in Kentucky or intended to meet load in Kentucky.

Response) Big Rivers presently has no plans to make base load or peaking capacity additions to meet native load for the years 2004 through 2013.

Witness) C. William Blackburn

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 - CASE NO. 387 ORDER DATED DECEMBER 20, 2001

2 3

> 4 5

1

The following transmission energy data for the just completed calendar Item 13-G) year and the forecast for the current year and the following four years:

6 7

Total energy received from all interconnections and generation a) sources connected to the transmission system.

9 10

8

Total energy delivered to all interconnections on the transmission b) system.

12 13

11

Peak load capacity of the transmission system. c)

14 15

Peak demand for summer and winter seasons on the transmission d) system.

16 17

18

19

The attached four tables list the Big Rivers' transmission system energy, Response) capacity and demand responses.

20

Travis D. Housley, P.E. Witness) 21 David G. Crockett, P.E.

22

23 24

25

26

27

28

29

30

31

32

33

| - | Big Rive | ers Electric Corpora | |
|----------------|--------------|----------------------|-------------|
| | Res | ponse to Item 13a | |
| · | Transmission | System Energy Rec | eived (MWh) |
| | _ | Interconnections | Total |
| 2003 | 11,190,322 | 3,682,979 | 14,873,301 |
| _ | Projected | System Energy Rec | eived (MWh) |
| | | | 15,000,000 |
| 2004 | | | 15,000,000 |
| 2005 | | 1 | 15,000,000 |
| 2006 | | | 15,000,000 |
| 2007 | | ļ | 15,000,000 |
| 2008 | | | |
| | | | |
| | | | <u></u> |

| Big Rivers Lico | tric Corporation |
|--------------------------------|----------------------------------|
| Response to | |
| Transmission System Energy Del | in red at Interconnections (MWh) |
| Transmission System Energy Del | ivered at interconnection |
| | Total |
| | 4,284,682 |
| 2003 | |
| | vered at Interconnection (MWh) |
| Projected System Energy Deliv | vered at Interconnection (MWh) |
| | 4,250,000 |
| 2004 | 4,200,000 |
| 2005 | 4,150,000 |
| 2006 | 4,100,000 |
| 2007 | 4,050,000 |
| 2008 | |
| | |
| | |
| | |
| | |
| | |
| | |
| L | |

| | Big Rivers Elect | ric Corporation |
|-------|------------------------|--------------------|
| | Response to I | Item 13c |
| | Transmission Pea | k Canacity (MW) |
| | | Capacity (IIII) |
| | 2003 | 2035 |
| | Projected Transmission | Peak Capacity (MW) |
| | 2004 | 2035 |
| : | 2005 | 2035 |
| | 2006 | 2035 |
| | 2007 | 2035 |
| | 2008 | 2035 |
| | | i |
| | | |
| | | |
| | | |
| | | |
| | | |
| · | | |
| | | |

| (MW) Summer |
|----------------|
| |
| |
| 1811 |
| IW) |
| Summer |
| 1850 |
| 1850 |
| 1850 |
| 1850 |
| 1850 |
| |
| |

| , | | |
|---|--|--|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

| | | 1 |
|--|--|---|
| | | |
| | | |
| | | |
| | | |
| | | |

BIG RIVERS ELECTRIC CORPORATION'S RESPONSE TO THE KENTUCKY PUBLIC SERVICE COMMISSION'S REVIEW OF THE ADEQUACY OF KENTUCKY'S GENERATION CAPACITY AND TRANSMISSION SYSTEM FOR CALENDAR YEAR 2003 – ADMINISTRATIVE CASE NO. 387 ORDER DATED DECEMBER 20, 2001

Item 14-G) Identify all planned transmission capacity additions for the next 10 years. Include the expected in-service date, size and site for all planned additions and identify the transmission need each addition is intended to address.

Response) The attached table lists Big Rivers' current ten-year transmission capacity addition plan. All the projects in this plan are for the purpose of meeting member cooperative load growth and if load patterns deviate from the current forecast, the plan will be correspondingly altered.

Witness) Travis D. Housley, P.E. David G. Crockett, P.E.

BIG RIVERS ELECTRIC TRANSMISSION ADDITIONS, 2004 - 2013

Project Description

Notes

Up-grading infrastructure to meet system load growth Up-grading infrastructure to meet system load growth

Year: 2004

Falls of Rough – McDaniels 69 kV Line (7 miles) Hardinsburg # 1 RCS

Meade County Substation 161 kV Interconnection Crossroads Substation 161/69 kV (20 MVA) Reid EHV, Coleman EHV, Wilson EHV RTU

6GHz Microwave System Digital Radios Bryan Road Transformer Addition (SOMUA)

Item 14-G Page 2 of 4

Equipment replacement
Up-grading infrastructure to meet system load growth

Equipment replacement

New Substation to replace temporary facilities

Support for radial fed Substation

Year: 2005

Hardinsburg 161 kV Substation Modification
Possum Trot 69 kV Tap/Metering
McCracken Co. – Olivet Church 69 kV Line (4 miles)
Livingston Co. & McCracken Co. RTU
Re-Sag Hardinsburg – Fordsville Tie (1 mile)
Re-Sag Livingston Co. - Smithland (5.3 miles)
Henderson Co. – Newman 161 kV Line (13 miles)
Henderson Co. – 161 kV Line Terminal
Newman 161 kV Line Terminal

Increase Substation operational flexibility
Member Substation tap line and metering
Up-grading infrastructure to meet system load growth
Equipment replacement
Additional line capacity for load growth
Additional line capacity for load growth

Up-grading infrastructure to meet system load growth Up-grading infrastructure to meet system load growth Up-grading infrastructure to meet system load growth

BIG RIVERS ELECTRIC TRANSMISSION ADDITIONS, 2004 - 2013

Project Description

Notes

Year: 2006

Hardinsburg Transformer Upgrades (100 MVA)
Hopkins Co. & Skillman RTU

Re-conductor Reid – Niagara to 336 MCM (6 miles) Re-conductor Corydon – Geneva to 336 MCM (6 miles) Co-op Substation 69 kV Line (2 miles)

Up-grading infrastructure to meet system load growth Member Substation tap line and metering

Up-grading infrastructure to meet system load growth

Jp-grading infrastructure to meet system load growth

Equipment replacement

Year: 2007

Co-op Substation 69 kV Line (2 miles)

Member Substation tap line and metering

Year: 2008

East Owensboro Substation (50 MVA)

East Owensboro 69 kV and 161 kV Lines (5 miles)

Relaying PLC at Reid (2), Henderson & Daviess Co.

Re-conductor Henderson Co. – Zion tap (1.6 miles)

Co-op Substation 69 kV Line (2 miles)

New Substation to meet system load growth Transmission lines to connect new Substation Equipment replacement Up-grading infrastructure to meet system load growth Member Substation tap line and metering

BIG RIVERS ELECTRIC TRANSMISSION ADDITIONS, 2004 – 2013

Project Description

Notes

Year: 2009

Relaying PLC at Henderson Co., Coleman,

Hardinsburg(2), & Skillman

Re-conductor Meade Co. – Garrett (8.5 miles)
Co-op Substation 69 kV Line (2 miles)

Year: 2010

Hancock Co. Transformer Upgrades (100 MVA)
Co-op Substation 69 kV Line (2 miles)

Year: 2011

Corydon 161/69 kV Substation (50 MVA)
HMP&L #4 161 kV Line Terminal

Corydon-HMP&L #4 161 kV Line (9 miles)
Co-op Substation 69 kV Line (2 miles)

Year: 2012

Co-op Substation 69 kV Line (2 miles)

Year: 2013

Co-op Substation 69 kV Line (2 miles)

Equipment replacement

Up-grading infrastructure to meet system load growth Member Substation tap line and metering

Up-grading infrastructure to meet system load growth Member Substation tap line and metering

New Substation to meet system load growth Transmission Line to connect new Substation Transmission Line to connect new Substation Member Substation tap line and metering

Member Substation tap line and metering

Member Substation tap line and metering