Steven L. Beshear Governor

Robert D. Vance, Secretary Environmental and Public Protection Cabinet

Larry R. Bond Commissioner Department of Public Protection



Commonwealth of Kentucky Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

June 17, 2008

David L. Armstrong Chairman

> James Gardner Vice-Chairman

> John W. Clay Commissioner

Sullivan, Mountjoy, Stainback & Miller, P.S.C. Attention: James M. Miller 100 At. Ann Street P.O. Box 727 Owensboro, Kentucky 42302-0727

Re: Big Rivers Electric Corporation's - Petition for Confidentiality received 4/23/08 PSC Case No. 2007-00455

Dear Mr. Miller:

The Public Service Commission has received the Petition filed April 23, 2008 on behalf of Big Rivers Electric Corporation to protect as confidential, certain information in Exhibit Nos. 67 and 77 to its third amendment and supplement to application. The information is identified in the Petition as costs, concessions, terms, and conditions contained in a letter agreement between Big Rivers and Bank of America to terminate two leverage lease transactions and a discussion thereof in the supplemental testimony of C. William Blackburn. Confidentiality is requested on the basis that public disclosure would grant an unfair commercial advantage to competitors.

A review of the information has determined that the financing related information does not meet the criteria for confidentiality. Therefore, this information is denied confidential protection. The Commission's decision to deny confidential protection is based on the fact that Big Rivers operates as a regulated monopoly and it does not have competitors for the electric service it provides to its three distribution cooperative members. With respect to Big Rivers' participation in a competitive wholesale power market, there has been no showing of how the disclosure of the letter agreement would result in competitive disadvantage to Big Rivers since all of its revenues and expenses are already publicly available in its financial statements and the financial unwind model filed in this case. In addition, the fees to be paid under the letter agreement have been disclosed in Big Rivers' June 2, 2008 filing of updated data response, Tab 2, Item 17. .Consequently, public disclosure of the letter agreements will not result in competitive injury to Big Rivers.

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The information denied confidentiality will be withheld from public inspection for 20 days from the date of this letter. If you disagree with the Commission's decision, you may seek rehearing with the Commission within 20 days of the date of this letter under the provisions of KRS 278.400.

Sincere

Stephanie Stumbo, Executive Director

RR/kg

cc: Parties of Record

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