

SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC
ATTORNEYS AT LAW

Ronald M. Sullivan
Jesse T. Mountjoy
Frank Stainback
James M. Miller
Michael A. Fiorella
Allen W. Holbrook
R. Michael Sullivan
Bryan R. Reynolds
Tyson A. Kamuf
Mark W. Starnes
C. Ellsworth Mountjoy
Susan Montalvo-Gesser

January 21, 2010

Jeff DeRouen
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

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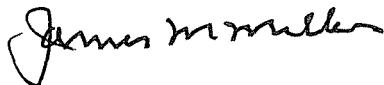
PUBLIC SERVICE
COMMISSION

Re: Big Rivers Electric Corporation
PSC Case No. 2009-00441

Dear Mr. DeRouen:

Enclosed are an original and eight copies of the response of Big Rivers Electric Corporation to the Public Service Commission Staff's Supplemental Data Request. I certify that we have today mailed a copy of these responses to each of the persons on the attached service list.

Sincerely yours,



James M. Miller

JMM/ej
Enclosures

cc: Bill Blackburn
Albert Yockey
Service List

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

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

SERVICE LIST
PSC CASE NO. 2009-00441

David C. Brown, Esq.
STITES & HARBISON
1800 Providian Center
400 West Market Street
Louisville, Kentucky 40202

Counsel for Alcan Primary Products Corporation

Michael L. Kurtz, Esq.
BOEHM, KURTZ & LOWRY
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

**Counsel for Alcan Primary Products Corporation
and Century Aluminum of Kentucky General Partnership**

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION
TO COMMISSION STAFF'S SUPPLEMENTAL DATA REQUEST
DATED JANUARY 19, 2010
PSC CASE NO. 2009-00441
JANUARY 21, 2010

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PSC 2-1) *Refer to the response to Item 5 of Commission's Staff's first data request ("Staff's first request").*

a. *Did the CFC board of directors approve the terms of the proposed Guaranty transaction at its January 10, 2010 meeting?*

b. *Has Big Rivers received a commitment from CFC to enter into the proposed Guaranty transaction since the January 6, 2010 board meeting?*

c. *If the CFC commitment has not yet been received, when is the next scheduled board of directors' meeting at which the proposed Guaranty transaction could be considered by the CFC board?*

Response)


- a. The CFC board of directors approved the terms of the proposed Guaranty at a meeting on January 6, 2010.
- b. Big Rivers has received the commitment letter attached to this response, which is typical under these circumstances.
- c. See response to a, above.

Witness) C. William Blackburn



**National Rural Utilities
Cooperative Finance Corporation**

2201 Cooperative Way
Herndon, Virginia 20171-3025
703-709-6700 | www.nrucfc.coop

A Touchstone Energy Cooperative 

January 20, 2010

Mr. William Blackburn
Senior Vice President, Financial/Energy Services & CFO
Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42419

Re: \$83.3 million Tax-Exempt Bond Guarantee Facility (“Guarantee Facility”) for
the benefit of Big Rivers Electric Cooperative (“BREC”).

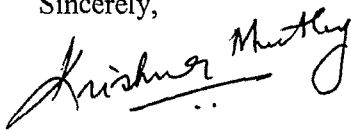
Dear Mr. Blackburn:

Bill

The National Rural Utilities Cooperative Finance Corporation (“CFC”) is pleased to inform BREC that your request for credit enhancement of your tax-exempt bond reissuance in the amount of \$83.3 million has been approved pursuant to the terms and conditions outlined in the attached Term Sheet.

CFC is appreciative of the opportunity provide value in this important BREC transaction. If you have any questions regarding the Guarantee Facility and/or the attached Term Sheet, please feel free to call me at (800) 424-2954 ext. 6738.

Sincerely,



Krishna S. Murthy
Vice President, Portfolio Management

Cc: Mark Bailey; BREC
Allyn Amato, John Jay List, Nazir Rostom, Thomas Hall; CFC

BIG RIVERS ELECTRIC CORPORATION
("BREC")

SERIES 2010 TAX-EXEMPT BOND ISSUANCE
UNCONDITIONAL GUARANTEE FACILITY

provided by

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION
("CFC")

INDICATIVE TERM SHEET

A. PROPOSED FINANCING

Facility: Guaranty Facility in connection with the issuance of the Series 2010 Bonds (Bonds) following redemption of the Series 2001 Pollution Control Bonds currently insured by Ambac Assurance Corporation.

Issuer/Borrower: County of Ohio, Kentucky, for the benefit of BREC.

Closing Date: TBD.

Structure: Tax Exempt Pollution Control Bonds.

Guarantor: CFC.

Underwriter: Goldman Sachs.

Trustee: US Bank National Association.

Bond Counsel: Orrick, Herrington & Sutcliffe LLP.

Guarantor's Counsel: Hogan & Hartson.

Underwriter's Counsel: Sutherland.

B. THE BONDS

Amount Issued: \$83.3 million.

Maturity Date: No later than August 31, 2031.

Interest Rate Mode: Long-Term Fixed Rate Bonds.

Security: The Bonds will be secured by a trust indenture, acceptable to CFC, between the county of Ohio and the Trustee.

Debt Service Reserve Fund: N/A

Capital Term Certificates: BREC shall purchase interest bearing Capital Term Certificates in CFC in the amount of 14.29% of the Bonds issued and guaranteed by CFC.

CFC understands that Big Rivers will request an unsecured term loan from CFC, matching the term of the Bonds issued, to purchase the Capital Term Certificates.

The Capital Term Certificates will amortize in proportion to the principal outstanding of the Bonds. The loan for the purchase of Capital Term Certificates shall be at CFC's standard rates and contain standard terms for unsecured term loans.

The Capital Term Certificates shall yield a return to BREC pursuant to applicable CFC policies.

Principal Amortization of the Bonds: The Bonds will be structured with a bullet amortization, with all principal paid at Maturity. Interest payments will be made semi-annually through the maturity of the Bonds.

Ratings: The Bonds will be rated by S&P.

Interest Rate on the Bonds: Long-Term Fixed Rate through the Maturity Date.

Interest Payments: Interest will be due semi-annually.

Early Redemption of Bonds: BREC may redeem the Bonds, in whole or in part, as provided for in the bond documents, and may be required to pay a premium.

C. GUARANTY

Guaranty: CFC will unconditionally guarantee the full, regularly scheduled payment of principal and interest on the Bonds. The Guaranty will be irrevocable.

CFC Functions:

Advisor - CFC will assist with the coordination of the activities associated with hiring the counsel, arranging for the underwriter, delivering the lender's

certifications, coordinating the drafting of documents, and other activities of the various members of the deal team.

Guarantor - Providing the unconditional Guarantee.

Transaction Costs - BREC will pay all transaction costs, including but not limited to: (a) fees and expenses of Bond Counsel and Guarantors' Counsel, (b) all rating agency fees of any rating agency billed under this transaction, (c) printing and engraving, (d) CFC's accountants fees (including fees for issuing comfort letters), (e) underwriter's discount and underwriter's counsel, (f) all other counsel(s) engaged in this transaction (h) County of Ohio, Kentucky fee and its counsels and (g) any other issue expenses necessary to successfully close the transaction.

CFC and its agents will endeavor to keep these costs as low as possible in an attempt to stay within the financing amount allowed pursuant to any applicable regulations. In the event these costs exceed the amount allowed under applicable regulations, BREC will be required to use general funds to pay for amounts exceeding the limits.

Guarantee Fee: BREC shall pay to CFC a non refundable guarantee fee of 0.35% per annum on all of the outstanding Bonds guaranteed by CFC over the life of the Bonds. The fee shall be paid quarterly, starting with the date of closing of the issuance. Failure to pay such fee will not result in the revocation of the Guaranty.

Documentation: Acceptable to CFC and customary for transactions of this type.

D. PRINCIPAL COVENANTS

Covenants: Margins for Interest (MFI) of 1.10x as defined under BREC's indenture. Additional covenants necessary to close the transaction may be applied and will be discussed on a case-by-case basis.

Payments at Closing: At the time this transaction is closed, BREC will pay all fees, costs, and expenses due at closing.

Trustee and Rating Agency Fees: In addition to all other fees set forth herein, BREC will pay annual Trustee fees, annual rating agency fees and any rating agency fee that CFC incurs on behalf of BREC for issuing the Bonds.

Obligations of Big Rivers: BREC is responsible for the charges of their own accountants, legal counsel as well as any other direct expenses.

E. CONDITIONS PRECEDENT

- Execution of Bond and Guaranty Documents satisfactory to the Guarantor.
- Delivery of Borrowers' Counsel Opinions satisfactory to the Guarantor.
- Delivery of Opinions satisfactory to the Bond Counsels and Underwriter's Counsel.
- Allocation by Bond Issue Authority of the amounts contemplated.
- Rating Agency Actions satisfactory to the Guarantor.
- BREC to provide information to be included in the Offering Memorandum.
- BREC to provide such studies, information, contracts, financial data and financial projections that may be necessary for review by the Guarantor and Underwriter.
- Completion of Due Diligence by the Guarantor and Underwriter.
- Approval of the credit exposures by the Guarantor, including but not limited to the CFC Board of Directors.
- Relevant regulatory agency approval of all matters concerning the proposed transaction.
- Closing of bond transaction at rates and with terms and conditions acceptable to CFC and Underwriter.
- Submission by BREC of the required organizational documents, resolutions and certificates, including the Certificate of incumbency.

F. FILING WITH PUBLIC SERVICE COMMISSION ("PSC")

The filing with PSC, on November 9, 2009, will contain a statement that CFC's commitment has neither been obtained nor assured at this time.

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION
TO COMMISSION STAFF'S SUPPLEMENTAL DATA REQUEST
DATED JANUARY 19, 2010
PSC CASE NO. 2009-00441
JANUARY 21, 2010

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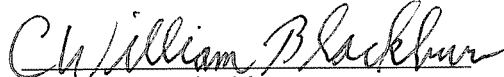
PSC 2-2) *Refer to the response to Item 7 of Staff's first request. Provide the point in the timeline when Big Rivers will determine whether to use the Guaranty arrangements.*

Response) If Big Rivers decides to use the Guaranty, the Guaranty will need to be described in the Preliminary Offering Statement to give potential investors an opportunity to see how the Guaranty is structured, and to review the CFC credit. Therefore, Big Rivers will have to make a decision before the week of April 5, the week that Big Rivers anticipates mailing the Preliminary Offering Statement.

Witness) C. William Blackburn

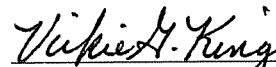
VERIFICATION

I verify, state, and affirm that I prepared or supervised the preparation of the data request responses filed with this Verification for which I am listed as a witness and that those responses are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.


C. William Blackburn

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

SUBSCRIBED AND SWORN TO before me by C. William Blackburn on this the 2nd
day of January, 2010.


Notary Public, Ky State at Large
My Commission Expires 03/03/2010