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RECEIVED

APR 29 2011

PUBLIC SERVICE
COMMISSION

Via Overnight Mail

April 28, 2011

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

Re: Case No. 2011-00036

Dear Mr. Derouen:

Please find enclosed the original and twelve (12) copies of **PUBLIC REDACTED VERSION** OF THE SECOND SET OF DATA REQUESTS OF KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC. TO BIG RIVERS ELECTRIC CORPORATION filed in the above-referenced matter. By copy of this letter, all parties listed on the Certificate of Service have been served. I also enclose a copy of the **CONFIDENTIAL** pages to be filed under seal.

Please place this document of file.

Very Truly Yours,

Michael L. Kurtz, Esq.
BOEHM, KURTZ & LOWRY

MLKkew
Attachment
cc: Certificate of Service
David C. Brown, Esq.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by electronic mail (when available) or by mailing a true and correct copy by regular ordinary U.S. mail, unless other noted, this 28th day of April, 2011 to the following

Michael L. Kurtz, Esq.

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of: The Application Of Big Rivers Electric Corporation For A General Adjustment In Rates	: :	Case No. 2011-00036

KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.'s

SECOND SET OF DATA REQUESTS TO

BIG RIVERS ELECTRIC CORPORATION

PUBLIC REDACTED VERSION

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CO-COUNSEL FOR ALCAN PRIMARY PRODUCTS CORPORATION

April 28, 2011

DEFINITIONS

1. "Document(s)" is used in its customary broad sense and includes electronic mail and all written, typed, printed, electronic, computerized, recorded or graphic statements, memoranda, reports, communications or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.

2. "Study" means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion whether preliminary or final, and whether or not referred to in Big Rivers' direct testimony.

3. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person (s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.

4. "Person" means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.

5. A request to identify a natural person means to state his or her full name and residence address, his or her present last known position and business affiliation at the time in question.

6. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number of code number thereof or other means of identifying it, and its present location and custodian. If any such document was, but is no longer in the Company's possession or subject to its control, state what disposition was made of it.

7. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.

8. "And" and "or" should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

9. "Each" and "any" should be considered to be both singular and plural, unless specifically stated otherwise.

10. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.

11. "You" or "your" means the person whose filed testimony is the subject of these interrogatories and, to the extent relevant and necessary to provide full and complete answers to any request, "you" or "your" may be deemed to include any person with information relevant to any interrogatory who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness' testimony.

12. "BREC" means Big Rivers Electric Corporation and/or any of their officers, directors, employees, or agents who may have knowledge of the particular matter addressed.

13. Definitions:

    "MISO" – means the Midwest ISO and/or any of their officers, directors, employees or agents who may have knowledge of the particular matter addressed.

    "ACES" - means

"CRA" – means Charles River Associates and/or any of their officers, directors, employees or agents who may have knowledge of the particular matter addressed.

"FERC" – means the Federal Energy Regulatory Commission.

"MCRSG" – means the Midwest Contingent Reserve Sharing Group

"KPSC" – means the Kentucky Public Service Commission and/or any Commissioners, officials, staff representatives, or other State of Kentucky departments and organizations that act as agents who may have knowledge of the particular matter addressed.

"MTEP" - means the Midwest Transmission Expansion Plan.

"Relevant Period" – means January 1, 2009 through July 31, 2009.

INSTRUCTIONS

1. If any matter is evidenced by, referenced to, reflected by, represented by, or recorded in any document, please identify and produce for discovery and inspection each such document.

2. These interrogatories are continuing in nature, and information which the responding party later becomes aware of, or has access to, and which is responsive to any request is to be made available to Kentucky Industrial Utility Customers. Any studies, documents, or other subject matter not yet completed that will be relied upon during the course of this case should be so identified and provided as soon as they are completed. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as it first becomes available to the Respondent after the answers hereto are served.

3. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.

4. The answers provided should first restate the question asked and also identify the person(s) supplying the information.

5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.

6. In the case of multiple witnesses, each interrogatory should be considered to apply to each witness who will testify to the information requested. Where copies of testimony, transcripts or depositions are requested, each witness should respond individually to the information request.

7. The interrogatories are to be answered under oath by the witness(es) responsible for the answer.

8. Responses to requests for revenue, expense and rate base data should provide data on the basis of Total Company as well as Intrastate data, unless otherwise requested.

SECOND SET OF DATA REQUESTS OF KENTUCKY INDUSTRIAL UTILITY CUSTOMERS. INC. TO BIG RIVERS ELECTRIC CORPORATION Case No. 2011-00036

Q2-1. With regard to Mr. Blackburn's testimony on energy efficiency on pages 32 to 35, please provide the following:

a. For each project budgeted in 2011 (per testimony page 33 at line 5), please provide a detailed description of the project, a table showing monthly tasks, capital expenditures and expenses in 2011.

b. For each project budgeted in 2012 (per testimony page 33 at line 6), please provide a detailed description of the project, a table showing monthly tasks, capital expenditures and expenses in 2012.

Q2-2. For each of the projects identified in the previous question for which Big Rivers' expects to incur expenditures for in 2011 and/or 2012, please identify the proportion (on a percentage of cost basis) that is designed as a Rural program, a Large Industrial program or a Smelter program.

Q2-3. Please provide an explanation for Big Rivers' decision (testimony page 33 at lines 13 to 14) not to seek the establishment of a mechanism in this case to recover energy efficiency costs as they are incurred.

Q2-4. Please provide Table No. ES-1 of the company's deprecation study in excel or native format with formulae intact. If already provided please identify data request and file name.

Q2-5. Please provide Appendix A of the company's deprecation study in excel or native format with formulae intact. If already provided please identify data request and file name

Q2-6. Please explain how the remaining lives for each account in Table No. ES-1 of the company's deprecation study were derived.

Q2-7. Please provide the workpapers underlying the calculation of the remaining lives in Table No. ES-1 of the company's deprecation study in excel or native format with formulae intact. If already provided please identify data request and file name.

Q2-8. Please reconcile the remaining lives displayed in Table No. ES-1 of the company's deprecation study with the remaining lives calculated in Appendix A of the company's deprecation study.

Q2-9. If different methodologies were used, please explain why one methodology was chosen over another.

Q2-10. What weighting factors where used in the calculation of the remaining lives?

a. If weighting done by plant capacity, please provide all underlying workpapers in excel or native format with formulae intact and explain why it chosen over dollar based weighting

b. If dollar based weighting was used, please provide all underlying workpapers in excel or native format with formulae intact.

Q2-11. In regards to Appendix A of the company's deprecation study, please explain the following calculations and source of data:

a. Date of Retirement

b, Study Date, Year-End

c. Future life from Study Date

Q2-12. In regards to Appendix A of the company's deprecation study, please provide the value for the Remaining life of Account 316.

Q2-13. Referring email correspondence on page 862 of the Attachment for Item KIUC 1-36, was Burns and McDonnell ("B&M") able to compute weighted averages based on the plant balances? If B&M was able to compute the weighted averages, please provide the results of the analysis.

Q2-14. Please provide the "book value" or balance by production plant and account.

Q2-15. For each of Big Rivers' generator units, please provide the expected forced outage rates (EFOR) used for the purpose of near-term planning (2011-2013) and long-range planning.

Q2-16. .For each of Big Rivers' generator units, please provide the expected maintenance schedule, defined as the beginning and ending dates, used for near-term (2011-2013) and long-range planning.

Q2-17. For each of Big Rivers' generator units, please provide the time stamp (date, hour) that the unit entered and exited its maintenance period(s), for the period November 2009 forward.

Q2-18. For each of Big Rivers' generator units, please confirm that Big Rivers' projections of fuel costs for the period 2011-2013 (shown in Data Response to Interrogatory Item 129 of Kentucky Industrial Utility Customers' Initial Request for Information dated April 1, 2011), include the fuel transportation costs.

Q2-19. For each of Big Rivers' generator units, please provide estimates of non-fuel variable operations and maintenance expenses, stated in annual total dollars, used for the purpose of near-term planning (2011-2013) and long-range planning.

Q2-20. For each of Big Rivers' intertie locations with the Midwest ISO, please provide the planning-based flow limits, stated in MVA and MW, by season.

Q2-21. Included in the Financial Model provided in the response to KIUC 1-43, the realization from market sales (off-system sales) is projected as follows:

2011 [redacted]

2012 [redacted]

2013 [redacted]

2014 [redacted]

a) For each of the years, please identify the on-peak and the off-peak prices assumed and the number of MWh sales projected in each category.

b) For each month in 2011 for which data is available, please identify the average realization for off-system sales actually realized.

Q2-22. In response to KIUC Data Request 1-69, Big Rivers provided several sensitivity analyses regarding the impact on rates to its remaining customers in the event of a loss of one or more of the smelters. Please provide any studies, memos, or presentations that Big Rivers has prepared that addresses the potential financial impact to Big Rivers in the event of a loss of one or more of the smelters.

Q2-23. With respect to Big Rivers' response to KIUC 1-69 regarding loss of the smelter load, please identity which, if any, of the seven documents attached were prepared after the Unwind Transaction closing in July 2009.

Q2-24. Please provide a table of patronage capital allocations by Big Rivers to Kenergy by retail endpoint for each year from 2007 through 2010 in substantially the same format as shown on the attached table which shows Big Rivers' patronage capital allocations to Kenergy by retail endpoint for the year 2006.

Q2-25. Please provide a table of patronage capital allocations by Big Rivers to Kenergy, subdivided by rural customers, large industrial customers, smelter customers, and total, for each year from 2007 through 2010 in substantially the same format as shown on the attached table which shows Big Rivers' patronage capital allocations to Kenergy by customer group for the years 2000 through 2006.

Q2-26. Please provide a table of patronage capital allocations by Big Rivers to each of its three Members, subdivided by rural customers, large industrial customers, smelter customers, and total, and cumulative patronage, for each year from 2007 through 2010 in substantially the same format as shown on the attached table which shows Big Rivers' patronage capital allocations to Kenergy by customer group for the years 2000 to 2006.

Q2-27. Please refer to line number 379 for account number 555250, Purchased Power – MISO Reservation Fee, on page 19 of 25 of the attachment provided by the Company in response to PSC 1-19b.

a. Please provide a detailed description of the $609,000 recorded in this account during the test year.

b. Please indicate whether the expense reflected in this account during the test year is recurring in nature. If the Company believes this expense is recurring, then please provide all evidence that demonstrates the expense is recurring. In addition, provide all evidence relied on that the test year amount of the expense is recurring.

c. If the expense reflected in this account during the test year is recurring, then please explain why similar expenses for this account were not recorded in the years 2005 through 2009 or reflected in the 2011 and 2012 expense budgets provided by the Company in response to KIUC 1-45.

Q2-28. Please refer to line 400 of the schedule provided in the Company's response to PSC 1-19(b) for account 565100 Transmission of Electricity by Others. The Company's actual test year expense for this account was $3.064 million. Refer also to the Company's response to KIUC 1-43 and the Trial Bal tab in the workbook for 2011, 2012, 2013, and 2014 and the expense amount shown for this account in each of those years, which is substantially less than the test year. Please describe and quantify all reasons for the reductions in expense after the test year.

Q2-29. Refer to the Depr WP3 tab in the excel workbook provided in response to KIUC 1-37, which provides the monthly depreciation expense in the historic test year.

a. Please indicate if the Company recorded depreciation expense on CWIP in the historic test year.

b. If the response to part (a) of this question is yes, then please provide the Company's definition and/or description of CWIP on which it computed depreciation expense.

c. If the response to part (a) of this question is yes, then please provide all references to the RUS Uniform System of Accounts that allows depreciation expense on CWIP.

d. If the response to part (a) of this question is yes, then please provide the depreciation expense on CWIP in each month and the calculations, including the CWIP balance by RUS plant account, the depreciation rates applied, and the totals for each month.

e. If the response to part (a) is no, then please explain why the Company did not record depreciation expense on CWIP in the historic test year and provide all references to the RUS USOA that prohibits depreciation expense on CWIP.

Q2-30. Refer to the Depr WP1 tab in the excel workbook provided in response to KIUC 1-37, which provides the computation of annualized depreciation expense using the Company's existing depreciation rates and its proposed depreciation rates.

a. Please confirm that the Company's calculations include depreciation expense on CWIP.

b. Please confirm that the amount of CWIP used in these calculations is $46.802 million.

c. Please provide the Company's definition and/or description of CWIP on which it computed depreciation expense. Please provide all references to the RUS USOA relied on for this definition and/or description of CWIP.

d. Please provide a description of each CWIP project, the amount of each CWIP project included for each CWIP/plant account listed on this schedule, and the actual (if now in service) or projected (if not now in-service) in-service date for each project. Please correlate the transmission CWIP projects on the referenced tab to those identified on Table 2 on page 10 of Mr. Crockett's testimony.

e. Please identify all testimony by Company witnesses in this proceeding that address the depreciation on CWIP.

f. Please identify and provide a copy of all authorities and precedent relied on for depreciation on CWIP.

g. Please provide all reasons in support of the Company's request for depreciation on CWIP.

h. Does the Company consider the CWIP a post test year adjustment to plant in service? If so, then please explain.

i. If the Company considers the CWIP to be a post test year adjustment to plant in service, then why did it not also propose a post test year adjustment to accumulated depreciation for depreciation expense after the test year?

j. If the Company considers the CWIP to be a post test year adjustment to plant in service, why did it not also propose a post test year adjustment to reduce plant in service for retirements after the test year?

Q2-31. Please provide a schedule for each month October 2010 through December 2011 showing plant in service by RUS plant account, CWIP by project and plant account, and accumulated depreciation by plant account (actual through the most recent month for which actual data is available and budgeted month end amounts thereafter through December 2011). On this schedule, show transfers from CWIP to plant in service by RUS plant account by month (actual through the most recent month for which actual data is available and budgeted transfers thereafter through December 2011), retirements from plant in service by RUS plant account by month (actual through the most recent month for which actual data is available and budgeted retirements thereafter through December 2011), depreciation expense by RUS plant account by month (actual through the most recent month for which actual data is available and budgeted depreciation expense thereafter through December 2011), any other adjustments and/or transfers to plant in service, CWIP and/or accumulated depreciation (actual through the most recent month for which actual data is available and budgeted retirements thereafter through December 2011).

Q2-32. Refer to the Labor_WP1 tab in the excel workbook provided in response to KIUC 1-37, which provides the total proforma labor (payroll) expense used to compute the labor and labor overheads expense proforma adjustment on Exhibit Wolfram-2 Reference Schedule 2.07.

a. Please provide the equivalent total proforma labor (payroll) expense annualized at October 31, 2010, assuming no other post test year adjustments. Provide all computations, including assumptions, data, and electronic spreadsheets with formulas intact.

b. Please separate the Company's proposed proforma adjustment to labor and labor overheads expenses into an adjustment to annualize labor expenses at October 31, 2010 (based on the information provided in response to part (a) of this question) and each proposed post-test year proforma adjustment, e.g., "step increases and contract increases for the bargaining employees, and qualification increase for non-bargaining employees." Provide a description of each of these other post test year proforma adjustments and all source documents and computations, including assumptions, data, electronic spreadsheets with formulas intact, and actuarial reports.

c. Please demonstrate that the proforma adjustment is to labor and labor overheads expense only and not to the portion of such costs that is capitalized. If this is not the case, then please provide the Company's test year actual labor and labor overheads expense ratio.

Q2-33. Refer to the Prod_WP3 tab in the excel workbook provided in response to KIUC 1-37, which provides the project detail supporting the non-labor non-planned outage O&M expense proforma adjustment summarized on Exhibit Wolfram-2 Reference Schedule 2.10. Please provide the actual non-labor non-planned outage O&M expense for the 12 months ending each month June 2010 through December 2011 in the same level of detail as shown on the referenced tab.

Q2-34. Refer to the Prod_WP2 tab in the excel workbook provided in response to KIUC 1-37, which provides the detail by account, including various lines labeled "inflation," for the proforma adjustment for non-labor non-outage O&M expense that is summarized on Exhibit Wolfram-2 Reference Schedule 2.10 and Exhibit Berry-3.

a. Please provide the Company's workpapers supporting the computation of the inflation amounts on this schedule.

b. Please confirm that the Company's "inflation" amounts included in this proforma adjustment are based on an average of projected inflation growth over the four years following the test year, i.e., 2011, 2012, 2013, and 2014.

c. Please confirm that there is a mathematical error in the calculation of the inflation amounts that applies the inflation factor to the base expense amount of all prior years, i.e., the 2013 inflation amount is computed against a base consisting of the sum of the test year base amount, the 2011 inflated amount and the 2012 inflated amount. If the Company agrees that there is a mathematical error, then please provide a corrected workpaper and corrected schedules and exhibits.

d. Please provide all precedent relied on by the Company where the Commission adopted a proforma adjustment to increase test year expense for projected inflation growth over the four years following the test year.

e. Please confirm that the "inflation" amounts included in this proforma adjustment represent $2.155 million of the Company's proposed $5.661 million proforma adjustment. If this is not correct, then please provide the correct amount.

Q2-35. Refer to the Planned_WP2 through Planned_WP6 tabs in the excel workbook provided in response to KIUC 1-37, which provides the detail by account for the proforma adjustment for planned outage O&M expense that is summarized on Exhibit Wolfram-2 Reference Schedule 2.11. Please provide all support for the projections of these expenses in 2011, 2012, 2013, and 2014, including all assumptions, data, computations, and electronic spreadsheets with formulas intact.

Q2-36. Please refer to the monthly detailed trial balances for Big Rivers provided in response to AG 1-9. Please refer further to account 920.183 entitled "Admin and General Salaries – Oracle" included in the trial balances for each month in the test year but not included in the November 2010 and December 2010 trial balances.

a. Please describe in detail the nature of the costs that were reflected in this account during the test year.

b. Please indicate all reasons why there is no expense recorded in this account after October 2010.

c. Please indicate whether or not this test year expense is recurring. If the Company believes that this expense is recurring, then please provide all support for this position and demonstrate that it is included in the 2011, 2012, 2013 and 2014 expense budgets.

Q2-37. Refer to the Debt tab in the Company's excel workbook provided in response to KIUC 1-43, which provide the multi-year financial forecast model.

a. Please confirm that the April 2011 entries under RUS [Debt] GAAP reflects the Company's use of the transition reserve to prepay the RUS Series A Note and that this transaction actually occurred.

b. Please provide the accounting journal entries and the date at which the transaction occurred.

c. Please confirm that this transaction reduced the Company's interest expense and provide a quantification of the reduction in interest expense on an annualized basis.

d. Please confirm that this reduction in interest expense was not reflected in the proforma interest expense shown on Exhibit Wolfram-2 Reference Schedule 2.15.

e. Please provide a copy of the RUS written authorization to use the transition reserve in this manner.

Q2-38. Refer to the Company's response to KIUC 1-104.

a. Please explain why the transfer of functional control over the Company's transmission system has not resulted in any reductions in the work force.

b. Has the transfer of functional control over the Company's transmission system to MISO resulted in any savings? If so, please describe and quantify and indicate if and if so, where such savings have been incorporated in the Company's cost of service. If not, then please explain why there have been no savings.

c. Please provide a copy of all studies and/or analyses of the potential for savings and/or actual savings along with all quantifications of such savings.

Q2-39. Refer to the Company's response to AG 1-20. Please respond to the question posed. The response referred to the Company's response to AG 1-18; however, the response to AG 1-18 addressed only the Company's proposed proforma adjustments for MISO related expenses and did not address the MISO amounts in the historic test year.

Respectfully submitted,

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CO-COUNSEL FOR ALCAN PRIMARY PRODUCTS CORPORATION

April 28, 2011

CONFIDENTIAL EXHIBITS

PUBLIC REDACTED VERSION