



COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL

JACK CONWAY
ATTORNEY GENERAL

January 2, 2014

1024 CAPITAL CENTER DRIVE
SUITE 200
FRANKFORT, KENTUCKY 40601

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

RECEIVED

JAN 02 2014

PUBLIC SERVICE
COMMISSION

RE: *In Re* Application of Big Rivers Electric Corporation, Inc.
for an Adjustment of Rates; Case No. 2013-00199

Dear Mr. Derouen:

On this date, Monday, January 2, 2014, the Attorney General is filing a revised response to the 7th data request of Commission Staff directed toward the Attorney General in the above-styled matter. The Attorney General's revised response includes certain items for which the petitioner, Big Rivers Electric Corp. ["Big Rivers"], has sought confidential protection. As you may be aware, the Attorney General entered into a confidentiality agreement with Big Rivers in which the Attorney General, among other things, agreed to protect the confidentiality of information which Big Rivers deems confidential, and for which it seeks confidential protection from the Public Service Commission. Big Rivers has filed with the Commission petitions for confidential treatment, dated July 1, 2013; July 15, 2013; September 2, 2013; October 22, 2013; Nov. 12, 2013; and Dec. 17, 2013. To date, it appears that the Commission has yet to rule on any of these petitions.

In accordance with Commission procedures, the Attorney General has separately printed each page containing any information for which Big Rivers has sought confidential protection, and is placing these pages in a sealed envelope marked "Confidential."

Please advise if you should have any questions, or require any further information.

Yours truly,

A handwritten signature in cursive script, appearing to read "LW Cook".

Lawrence W. Cook
ASSISTANT ATTORNEY
GENERAL

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RECEIVE

THE APPLICATION OF BIG RIVERS ELECTRIC)
CORPORATION APPLICATION FOR A GENERAL)
ADJUSTMENT IN RATES SUPPORTED BY FULLY)
FORECASTED TEST PERIOD)


JAN 02 2014

CASE NO. PUBLIC SERV
2013-00199 COMMISSIC

ATTORNEY GENERAL'S SUPPLEMENTAL RESPONSE
TO PUBLIC SERVICE COMMISSION DATA REQUEST No. 7

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and hereby tenders the attached supplemental response to data request No. 7 of the Public Service Commission Staff, addressed to the Attorney General. This attachment was inadvertently not included in the original response.

Respectfully submitted,
JACK CONWAY
ATTORNEY GENERAL



JENNIFER BLACK HANS
DENNIS G. HOWARD, II
LAWRENCE W. COOK
ANGELA M. GOAD
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DRIVE
SUITE 200
FRANKFORT KY 40601-8204
(502) 696-5453
FAX: (502) 573-8315
Jennifer.Hans@ag.ky.gov
Dennis.Howard@ag.ky.gov
Larry.Cook@ag.ky.gov
Angela.Goad@ag.ky.gov

Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Mark A. Bailey
President and CEO
Big Rivers Electric Corporation
201 Third St.
Henderson, KY 42420

Hon. Thomas C. Brite
Brite and Hopkins PLLC
P.O. Box 309
Hardinsburg, KY 40143

Hon. James M. Miller
Sullivan, Mountjoy, Stainback & Miller,
PSC
P.O. Box 727
Owensboro, KY 42302-0727

Kelly Nuckols
President & CEO
Jackson Purchase Energy Corp.
PO Box 3188
Paducah, KY 42002-3188

Hon. Michael L. Kurtz
Boehm, Kurtz & Lowry
36 E. 7th St.
Ste. 1510
Cincinnati, OH 45202

Hon. Melissa Yates
P.O. Box 929
Paducah, KY 42002-0929

Gregory Starheim
President and CEO
Kenergy Corp.
P. O. Box 18
Henderson, KY 42419-0018

Edward T. Depp
Dinsmore & Shohl, LLP
101 South Fifth Street
Ste. 2500
Louisville, KY 40202

Hon. J. Christopher Hopgood
Dorsey, King, Gray, Norment &
Hopgood
318 Second St.
Henderson, KY 42420

Burns Mercer
Meade County RECC
P.O. Box 489
Brandenburg, KY 40108

Kristin Henry
Ruben Mojica
Staff Attorneys
Sierra Club
85 Second Street
San Francisco, CA 94105

Thomas J. Cmar
5042 N. Leavitt Street, Ste. 1
Chicago, IL 60625

Shannon Fisk
Earthjustice
1617 JFK Blvd. Suite 1675
Philadelphia, PA 19103

this 2nd day of January, 2014



Assistant Attorney General

Confidential OAG Response to Staff Question No. 7 - Attachment 1
 Kentucky Office of Attorney General
 Revise Forecasted Test Period Payroll for Employee Reductions
 Big Rivers Electric Corporation - Case No. 2013-00199
 Adjusted Forecasted Test Period

Redacted

Note - All employee headcount information is from PSC 1-31

	Ostrander Adj. Original Adj.	Ostrander - Test of Original Adj.
Base Period		
Forecasted Test Period		
BASE PERIOD:		

Average of "actual" first 6 months of base period (Oct. 2012 to Mar. 2013):

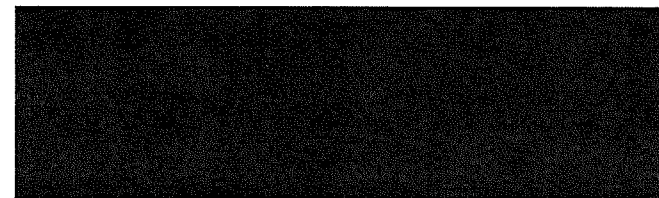
Employees per month	Actual Base Period in BREC's Case
Oct. 2012	
Nov. 2012	
Dec. 2012	
Jan. 2013	
Feb. 2013	
Mar. 2013	
Total	
No. of Months for Average	
Average for actual 6 mos.	

Average of "forecasted" last 6 months of base period (April 2013 to Sept. 2013):

Employees per month	Forecasted Base Period In BREC's Case	Subsequent Actual Not in BREC's Case	Budgeted vs. Actual BRE C Overstated Employees
Apr. 2013			
May. 2013			
June. 2013			
July. 2013			
Aug. 2013			
Sept. 2013			
Total			
No. of Months for Average			
Average for forecasted 6 mos.			
Average - All Base Period per BRE C			

Average of forecasted test period (Feb. 2014 to Jan. 2015):

Employees per month	Forecasted Test Period	
	BRE C's Case	Ostrander Adj.
Feb. 2014		
Mar. 2014		
Apr. 2014		
May. 2014		
June. 2014		
July. 2014		
Aug. 2014		
Sept. 2014		
Oct. 2014		
Nov. 2014		
Dec. 2014		
Jan. 2015		
Total		
No. of Months for Average		
Average - forecasted test period		



Redacted OAG Response to Staff Question No. 7 - Attachment 1
 Kentucky Office of Attorney General
 Revise Forecasted Test Period Payroll for Employee Reductions
 Big Rivers Electric Corporation - Case No. 2013-00199
 Adjusted Forecasted Test Period

Redacted
 Exhibit BCO-2
 Schedule A-5
 Adj. OAG-4-BCO

A	B	C	D	E	F	G	H	
1								
2	Adj. OAG-4-BCO - Alternative calculation							
3		Per BREC		Per Ostrander				
4		Base		Forecasted		Employee		
5		Period		Test Period		Reduction		
6	Average No. of Employees (see "BREC Headcount per month" tab)							Note 2
7								
8		Expensed	%	Capitalized	%	Total		
9	Base Period Labor							Note 1
10	Base Period Benefits							Note 1
11	Total Base Period Labor/Benefits							
12	BREC Avg. No. of employees base period							
13	Avg. Payroll Exp. per Employee base period							
	Avg. Payroll Exp. per Employee forecasted test period (below)							
	Total Avg. Payroll Exp. per Employee base & forecasted test period							
	Avg. Payroll Exp. per Employee for base and forecasted test period							
14	Employee Reduction - Base to Forecast Period							
15	OAG Calculated Payroll Exp. Reduction							
16				Base Period Exp. Labor/Benefits				
17				Forecasted Test Period Exp. Labor/Benefits				
18	BREC Calculated Payroll Exp. Reduction							
19	Adj. OAG-4-BCO							
20								
21	Forecasted Test Period Labor							Note 1
22	Forecasted Test Period Benefits							Note 1
23	Total Forecasted Test Period Labor/Benefits							
24	BREC Avg. No. of employees forecasted test period							
25	Avg. Payroll Exp. per Employee							
26								
27	Note 1 - AG 1-237							
28	Note 2 - AG 1-289 and Staff 1-31							