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JUL 25 2014

PUBLIC SERVICE
COMMISSION

July 24, 2014

Via Federal Express

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

**RE: *BIG RIVERS ELECTRIC CORPORATION'S FILING OF
WHOLESALE CONTRACTS PURSUANT TO KRS 278.180
AND 807 KAR 5:011 §13, CASE NO. 2014-00134***

Dear Mr. Derouen:

Enclosed for filing on behalf of Big Rivers Electric Corporation are an original and ten (10) copies of (i) an updated response to Item 2 of Kentucky Industrial Utility Customers, Inc.'s Initial Request for Information, and (ii) a petition for confidential treatment. I certify that on this date, a copy of this letter, a copy of the updated response, and a copy of the petition were served on each of the persons listed on the attached service list by first-class mail or by federal express.

Sincerely,



Tyson Kamuf
Counsel for Big Rivers Electric Corporation

TAK/lm
Enclosures

cc: Billie Richert, Big Rivers Electric Corporation
DeAnna Speed, Big Rivers Electric Corporation
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PSC Case No. 2014-00134

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Big Rivers

ELECTRIC CORPORATION

Your Touchstone Energy® Cooperative 

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

**BIG RIVERS ELECTRIC CORPORATION'S FILING)
OF WHOLESALE CONTRACTS PURSUANT TO) Case No.
KRS 278.180 and 807 KAR 5:011 §13) 2014-00134**

**Updated Response to the Kentucky Industrial Utility Customers, Inc.'s
Initial Request for Information
Dated June 27, 2014**

FILED: July 25, 2014

BIG RIVERS ELECTRIC CORPORATION

**BIG RIVERS ELECTRIC CORPORATION'S FILING OF WHOLESALE
CONTRACTS PURSUANT TO KRS 278.180 and 807 KAR 5:011 §13
CASE NO. 2014-00134**

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July 25, 2014

1 **Item 2) Please provide the most recent version of the following information.**

2 **Provide all supporting documents and the Company's assumptions and calculations,**
3 **including electronic spreadsheets with formulas intact:**

4 **a) The Company's projection of the revenues, expenses, and margins**
5 **associated with each of the contracts submitted in this proceeding by month with**
6 **calendar year totals over the full term of the contracts. Further separate the projected**
7 **expenses into fuel, purchased power, production O&M, transmission O&M, and other**
8 **expenses, all by RUS O&M/A&G expense account. Provide all assumptions, data**
9 **computations, and electronic spreadsheets with formulas intact.**

10 **b) The Company's projection of the revenues, expenses, and margins**
11 **associated with sales into the MISO markets for the equivalent loads and related losses**
12 **represented by each of the contracts submitted in this proceeding by month with**
13 **calendar year totals over the full term of the contracts. Further separate the projected**
14 **expenses into fuel, purchased power, production O&M, transmission O&M, and other**
15 **expenses, all by RUS O&M/A&G expense account. Provide all assumptions, data,**
16 **computations, and electronic spreadsheets with formulas intact.**

17 **c) A copy of the Big Rivers financial model.**

18 **d) The ACES production cost model for Big Rivers.**

BIG RIVERS ELECTRIC CORPORATION

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1 e) Big Rivers' projection of future MISO capacity and energy prices.

2 f) A copy of all workpapers and analyses used by Big Rivers in evaluating
3 each of the contracts, including all electronic spreadsheets with formulas intact and no
4 pasted-in values. If there are input values, then provide the source for those values and
5 a copy of all sources.

6

7 Response)

8 a-d. Please see Big Rivers' response to AG 1-12. The analysis provided in
9 response to AG 1-12 reflects the most recent analysis of the Nebraska contracts. The
10 prices reflected in the financial model represent the most recent projections on which
11 Big Rivers has relied for analysis. Big Rivers has begun its 2015 budget process and
12 has in recent weeks gathered newer projections of capacity and energy projections,
13 which are provided in response to KIUC 1-2(e). Big Rivers has not completed any
14 analyses based on these new projections.

15 e. Please see the confidential attachments to this response.

16 f. KIUC has agreed to limit this request to seek only workpapers and analyses
17 relevant to Big Rivers' decision-making process regarding the contracts. In

BIG RIVERS ELECTRIC CORPORATION

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1 accordance with this limitation, please see Big Rivers' responses to PSC 1-3 and AG
2 1-12.

3

4 **Witness) Lindsay N. Barron**

Case No. 2014-00134

KIUC 1-2(e) Attachment 1

Filed under a petition for confidential treatment.

Case No. 2014-00134

KIUC 1-2(e) Attachment 2

Filed under a petition for confidential treatment.