## SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC

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RECEIVED

JUL 3 1 2015

PUBLIC SERVICE COMMISSION

## Via Federal Express

Mr. Jeff Derouen **Executive Director** Public Service Commission 211 Sower Boulevard, P.O. Box 615

Frankfort, Kentucky 40602-0615

In the Matter of: Application of Big Rivers Electric Corporation Re: for a Certificate of Public Convenience and Necessity to Construct Two 161 kV Transmission Lines in Hancock County, Kentucky, Case No. 2015-00051

Dear Mr. Derouen:

Enclosed on behalf of Big Rivers Electric Corporation for filing in the above-styled matter are an original and ten (10) copies of a letter dated July 27, 2015, to you from Andrew L. Ishmael, Vice President, North American Automotive for Aleris International. I certify that on this date, a copy of this letter and a copy of the above-referenced document were served on each of the persons listed on the attached service list by first-class mail. Please contact me if you have any questions about this filing.

Sincerely yours,

James M. Miller

JMM/lm Enclosures

Michael Chambliss CC.

James dr. miller

DeAnna Speed

Service List

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

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## Service List PSC Case No. 2015 00051

Thomas K. Baird 1092 Howards Mill Road Calhoun, KY 42327 Andrew L. Ishmael

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July 27, 2015

JUL 3 1 2015

Jeff Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-00615

PUBLIC SERVICE COMMISSION

In Re: Application of Big Rivers Electric Corporation for a Certificate of Public Convenience and Necessity to Construct Two 161 kV Transmission Lines in Hancock County, Kentucky, P.S.C. Case No. 2015-00051

Dear Mr. Derouen,

This letter acts as formal notice to the Kentucky Public Service Commission ("Commission") of the status of the Aleris Rolled Products, Inc. ("Aleris") automotive body sheet expansion project ("Project") being constructed in Lewisport, Kentucky. To date, the following activities have occurred or are in process with respect to the Project:

- 1. Aleris has approved the Project for construction in Lewisport, Kentucky and all necessary capital to fund the Project has been obtained.
- 2. Aleris has obtained all necessary permits from the state of Kentucky for the construction of the Project.
- Numerous equipment and construction contracts have been negotiated and finalized with respect to the Project. The remainder of the contracting process for goods and services related to the Project will continue through August, 2017.
- 4. In December, 2014, Aleris began construction of the Project. To date, the construction of the Project is 20% complete. Pictures of construction progress are attached.
- 5. To date, Aleris has spent 25% of its total Project budget on construction and procurement activities related to the Project.
- 6. The anticipated Project completion date is August, 2017. Upon completion, the Project is estimated to create 60 new jobs in Lewisport, Kentucky.

- 7. Aleris, Big Rivers Electric Corporation ("Big Rivers"), and Kenergy Corp. are actively negotiating an Amended and Restated Agreement for Retail Electric Service ("Amended Agreement"). We anticipate completion of the Amended Agreement in the near future.
- 8. To facilitate Big Rivers' ability to construct a new power substation for electricity supply for the Project, on or about May 29, 2015, Aleris issued a \$3.9 million letter of credit. This letter of credit secures the purchase of certain long lead-time transformers by Big Rivers as well as the construction of the new transmission facilities that are the subject of the proceeding before you. The letter of credit will remain in effect until execution of the final Amended Agreement. The construction of this substation and the transmission facilities are critical to the completion of the Project. If Aleris fails to complete the Project, it must reimburse Big Rivers for all costs related to the substation and transmission facilities.

The Project is a key component of Aleris automotive sheet business. Aleris is dedicated to the successful completion of the Project and is looking forward to the benefits that the Project will provide both to Aleris and the state of Kentucky.

Sincerely,

Andrew L. Ishmael

Vice President, North America Automotive

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