

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG RIVERS)	
ELECTRIC CORPORATION FOR APPROVAL OF)	CASE NO.
AMENDMENT TO POWER PURCHASE)	2022-00296
AGREEMENT)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO BIG RIVERS ELECTRIC CORPORATION

Big Rivers Electric Corporation (BREC), pursuant to 807 KAR 5:001E, is to file with the Commission an electronic version of the following information. The information requested is due on February 10, 2023. The Commission directs BREC to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

BREC shall make timely amendment to any prior response if BREC obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which BREC fails or refuses to furnish all or part of the requested information, BREC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, BREC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, page 2, lines 18–20 and page 3, lines 1–2. In Case No. 2020-00183², the three contracts were entered into as part of BREC's need fulfill its wholesale obligations and to supply renewable energy to its owner member distribution cooperatives and Meade County RECC's contract with Nucor corporation.³ With the termination or expected termination of the Community Energy Solar contracts, explain

² Case No. 2020-00183, *Electronic Application of Big Rivers Electric Corporation for Approval of Solar Power Contracts* (filed June 24, 2020).

³ See Case No 2020-00183, Sept. 28, 2020 Order at 5.

what actions BREC is taking to replace the renewable energy wholesale and renewable energy obligations to its owner members.

2. Refer to the Application, page 5. Explain how BREC calculates the economic benefit as “significantly more” than the credit support including any supporting calculations. Explain how the “Network Upgrade Costs” impact the analysis.

3. Refer to the Direct Testimony of Mark Eacret (Eacret Testimony), page 11, lines 5–8. Explain which measure of inflation is being reported. If not already provided, explain what the inflation measure is for the building and construction industry and, if known, inflation in the solar manufacturing and construction industry. Include any supporting documentation.

4. Refer to the Eacret Testimony, page 12, lines 7–9.

a. Explain whether there were tariffs on solar crystalline silicon photovoltaic (CSP) cells already in place prior to the US Department of Commerce investigation.

b. Explain whether President Biden’s executive order nullifies any retroactive tariffs applicable to the two-year waiver.

c. If President Biden’s executive order waived tariffs from the four countries for two years, and it has had little effect, explain whether the solar developers were already having trouble importing CSPs and, if so, explain what other issues were impeding the importation of CSPs.

5. Refer to the Eacret Testimony, page 14, lines 15–19 and page 15, lines 1–2.

a. If BREC were to be responsible for network upgrade costs, explain what those costs would entail.

b. Explain whether BREC normally conducts preliminary studies as a part of its own due diligence in cases of interconnection requests.

c. Based upon BREC's experience with network transmission facilities and its own preliminary studies, explain whether MISO's network interconnection studies results are different from BREC's results. Cite to specific examples.

d. If BREC does have to undertake network upgrades, explain whether the upgrades will have benefits beyond the immediate interconnection of Unbridled Solar. Provide any supporting documentation or examples.

6. Refer to the Eacret Testimony, page 18, lines 20–21.

a. Explain whether Community Energy Solar had credit support amounts tied to the two solar projects and whether any amounts accrue to BREC.

b. In light of the two canceled solar projects, explain the options BREC has in relation to providing the necessary renewable energy to Nucor.

7. Refer to the Eacret Testimony, page 12, lines 14–18 and Exhibit Eacret-8. If solar developers are having trouble completing projects, presumably there is less solar and renewable energy generally being developed. Explain the reasons for the value of the renewable energy credits declining.

8. Refer to the Eacret Testimony, page 18, lines 1–2. Explain the circumstances under which BREC would draw on the credit support and what eventually happens to the credit support provided by Unbridled Solar, a wholly owned subsidiary of Geronimo Energy, Inc., a National Grid Renewables (NGR) company.

9. Refer to the Eacret Testimony, Exhibit Eacret-7.
 - a. Provide the Exhibit in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.
 - b. For pages 1–4, explain the meaning and derivation of the terms “Generation Weighted Adjustment,” “BREC.BREC Adjustment,” ZRC Adjustment Factor,” and “Henderson Year 2 160.”
 - c. Explain the meaning and derivation of the term “Nucor-Adjusted Total.”
 - d. On page 5, explain why there are potential reductions in value.
 - e. On page 5, explain the assumptions behind and the meaning of the row headings “Forward Curve \$/kw-month,” “Alternative Capacity Value,” and Reduction From Base Assumption,”.
 - f. For the analyses on pages 9–12, explain the purpose of the analyses, how it fits in with the overall analysis, and how it relates to the analyses contained on pages 4–8.
10. Refer to the Eacret Testimony, Exhibit Eacret-8.
 - a. Explain the term “Value to Nucor.” Include in the response whether Nucor had any part in the renegotiation of the contract with Unbridled Solar. Provide all supporting documentation.
 - b. Explain the drivers behind the increased forecast of energy prices. Provide all supporting documentation.



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DATED JAN 26 2023

cc: Parties of Record

Case No. 2022-00296

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