COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BIG RIVERS ELECTRIC CORPORATION'S NOTICE)
OF CHANGES IN ITS RATES FOR ELECTRICITY) CASE NO. 9163
SOLD TO MEMBER COOPERATIVES)

ORDER

IT IS ORDERED that Big Rivers Electric Corporation ("Big Rivers") shall file an original and 12 copies of the following information with the Commission by January 4, 1985, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets is required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately. If neither the

requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

Issue: Pro Forma Adjustments

- la. Provide a detailed analysis, with supporting workpapers, of the derivation of 641,780 MWH as the pro forma volume of intersystem sales.
- b. Provide a comparative analysis, by purchasing utility, of the test year intersystem sales volume of 1,896,814 MWH and the projected sales volume of 641,870 MWH.
- 2. Provide the current status and scheduled in-service dates for the pro forma plant additions on Exhibit 5, Entry 10, Pages 8 and 9 of the application.
- 3. With regard to Exhibit 5, Entry 14, provide the following information:
- a. A schedule of test year end annualized labor costs in a format similar to the one on pages 3 through 6 of Entry 14 for pro forma labor. This should reflect the costs associated with the 689 employees included in Entry 14.
- b. A listing and general description of all general wage and salary increases effective from the end of the test year through September, 1984.

Issue: Test Year Expenses

4. Provide an explanation of how Big Rivers' ultimate consumers benefit from donations such as the \$45,417 reported in Item 20(c) of the response to the Commission's Order of April 2, 1984, in Case No. 9006.

- 5. Provide the following information regarding the 1982 Annual Report printed by Creative Press at a cost of \$33,000:
 - a. The number of copies printed.
- b. A list of the persons and organizations receiving copies of the report.
- 6. Provide the following information regarding the test year expense of \$845,000 for outside services employed:
- a. A description of the additional services provided which caused the expense to increase from the \$468,000 amount reported in 1982.
- b. An explanation of why no adjustment was proposed to this expense for rate-making purposes.

Issue: Revenue Normalized

- 7. Provide calculations of the normalized revenue amount.
- 8. On page 2 of Exhibit 16 of the original application, an explanation is given for adjustments made to the billing units shown in Entry 3 of Exhibit 5. Provide calculations showing how these pro forma numbers were determined. Also given an explanation of how the different percentage load factors discussed on page 2 of Exhibit 16 were calculated.

Issue: Off-System Sales

- 9. On pages 3 and 4 of Mr. Burhard's prefiled testimony he refers to Big Rivers' contract with the Municipal Energy Agency of Mississippi ("MEAM"). He states that this "contract will be assigned to the Wilson Plant."
 - a. What does this statement mean?

- b. Is the contract with MEAM a unit power contract or does MEAM have an option to be charged based on the costs of the Wilson unit or system costs?
- c. What are the demand and energy rates presently charged by Big Rivers under the contract with MEAM?
- d. Provide a comparison of these rates to the demand and energy costs directly associated with Wilson 1; the Big Rivers' system demand and energy costs excluding Wilson 1; and the Big Rivers' system demand and energy costs including Wilson 1.

Issue: Cost of Service

10. Provide any additional workpapers used in preparing the cost of service study provided by Mr. Solomon that are not included in Exhibit 20.

Issue: Fuel Inventory/Fuel Cost

- 11. Why wasn't the fuel cost adjustment for the Cravat coal contract renegotiation included in this rate case as it was in Case No. 9006, Exhibit 5, Entry 22.
- 12. What was the test year (as of December 31, 1983) coal inventory level in tons, dollars, and number of days supply (based on the 12-month average daily burn rate for the test year)?

Done at Frankfort, Kentucky, this 21st day of December, 1984.

PUBLIC SERVICE COMMISSION

For the Commission

ATTPET

Secretary