

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF BIG RIVERS	)	
ELECTRIC CORPORATION TO	)	CASE NO. 99-360
REVISE THE LARGE INDUSTRIAL	)	
CUSTOMER RATE SCHEDULE	)	

O R D E R

IT IS ORDERED that Big Rivers Electric Corporation ( Big Rivers ) shall file with the Commission the original and 8 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than October 25, 1999. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are 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 to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to Page 3 of Big Rivers transmittal letter dated August 26, 1999, where it states, Under Big Rivers latest load projections, ordinary load growth will consume the amount of excess Base Power available by the year 2003. Based on the most current load projections available at the time that the lease arrangement with the

affiliates of LG&E Energy Corp. was initiated, when was ordinary load growth forecasted to consume available excess Base Power?

2. What factors have caused the changed results from the load projections at the time the lease arrangement was initiated to the latest load projections referenced on Page 3 of Big Rivers transmittal letter that indicate that excess Base Power will be consumed by ordinary load growth by the year 2003?

3. The terms of the proposed Expansion Rate Tariff reflect that Big Rivers will purchase power from third-party suppliers and will procure the type and quantity of power required by one of its member cooperative for resale to the cooperative's retail customers on a customer-by-customer basis.

a. Explain Big Rivers decision to acquire power on a customer-by-customer basis rather than make contractual arrangements for a third-party power supplier to provide power for all expansion loads.

b. To what extent has Big Rivers investigated the availability of medium to long-term third-party power supplies in order to determine whether arrangements could be made with a single power supplier to serve its expansion loads?

c. Would there be any means other than issuing a Request for Proposals ( RFP ) by which a thorough investigation of third-party power supplies could be performed and adequately documented?

d. Has Big Rivers issued an RFP to investigate the availability of third-party power supplies to serve its expansion loads?

4. Big Rivers transmittal letter refers to member cooperatives and Big Rivers concerns that one or two large loads could consume all remaining quantities of Base Power.

a. Given that Big Rivers latest load projections indicate that ordinary load growth will consume excess Base Power by the year 2003, are there any immediate concerns or expectations that new large loads will be coming on the Big Rivers system between now and 2003?

b. If there are such expectations currently, provide the time and size of the expected load additions.

5. The latest load projections show that ordinary load growth will consume excess Base Power by the year 2003. What are Big Rivers current plans for meeting that load growth beginning in 2003?

6. Explain how the Big Rivers Adder as described in Rate Schedule 10 (f)(4) was calculated. Provide any workpapers supporting this calculation.

7. Explain what steps Big Rivers will take to procure power for new and additional load under the proposed tariff. Also, address these specific issues:

a. Will Big Rivers member cooperatives or their customers have any influence on the choices of suppliers from whom power is purchased? Why or why not?

b. Describe any contract standards for purchasing power to which Big Rivers will adhere.

c. Under any circumstances will an entity other than Big Rivers procure this power on Big Rivers behalf? Under what types of circumstances might this occur?

d. Does Big Rivers anticipate procuring power for these customers on both a firm and non-firm basis? If no, explain why not.

e. Explain how Big Rivers will bill its member cooperatives for new loads under the proposed tariff. Provide all supporting calculations.

Done at Frankfort, Kentucky, this 15<sup>th</sup> day of October, 1999.

By the Commission

ATTEST:

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Executive Director