

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:**

<b>APPLICATION OF BIG RIVERS</b>	)	
<b>ELECTRIC CORPORATION FOR</b>	)	<b>CASE NO. 2019-00269</b>
<b>ENFORCEMENT OF RATE AND</b>	)	
<b>SERVICE STANDARDS</b>	)	

---

**CITY OF HENDERSON, KENTUCKY, AND HENDERSON UTILITY COMMISSION,  
d/b/a HENDERSON MUNICIPAL POWER & LIGHT’S SUPPLEMENTAL REQUEST  
FOR INFORMATION TO BIG RIVERS ELECTRIC CORPORATION**

---

The City of Henderson, Kentucky, and the Henderson Utility Commission, d/b/a Henderson Municipal Power & Light (jointly referenced hereinafter as “Henderson”), which filed its Motion for Intervention on August 19, 2019, by counsel and hereby submits its Supplemental Requests for Information and requests that Applicant Big Rivers Electric Corporation (hereinafter “Big Rivers”) respond to the following requests:

**GENERAL INSTRUCTIONS**

1. In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
2. Please identify the company witness who will be prepared to answer questions concerning each request.
3. These requests shall be deemed continuing in nature so as to require further and supplemental responses in the event Applicant receives or generates additional information

within the scope of these requests between the time of the response and the time of any hearing conducted herein.

4. If any request appears to be confusing, please request clarification directly from the undersigned.

5. To the extent that the specific document, work paper, or information as requested does not exist, but a similar document, work paper, or information does exist, provide the similar document, work paper, or information.

6. To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout that would not be self-evident to a person not familiar with the printout.

7. If Applicant has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the undersigned as quickly as possible.

8. For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom the document was distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

9. In the event any document called for has been destroyed or transferred beyond the control of Applicant, state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

10. To the extent that a request calls for information not available for all categories or all period of time for which the information is sought, please explain why the information is not available and answer the request for the time or categories for which it is available.

## SUPPLEMENTAL REQUESTS FOR INFORMATION

1. Is it Big Rivers' position that Big Rivers is the owner of Station Two?
  - a. If no, what authority does Big Rivers rely upon for the proposition that Big Rivers is entitled to control the scope and duration of decommissioning Station Two?
2. Please identify the legal and/or regulatory authority which mandates the time frame in which decommissioning must be completed following closure of a fossil-fuel plant.
3. Refer to Big Rivers' Response to Item No. 31 of Henderson's First Request for Information and Big Rivers' Response to Item No. 73 of Henderson's First Request for Information. Please state the basis of your position that Big Rivers is not responsible for a share of costs associated with a retirement-in-place scenario.
  - a. Please state the basis of your position that Big Rivers is not responsible for a share of ash-pond closure costs in the event of a retirement-in-place scenario.
4. Refer to Big Rivers' Response to Item No. 74 of Henderson's First Request for Information. Is it Big Rivers' position that charges purportedly associated with the closure and/or decommissioning of Station Two should not be subject to Henderson approval?
5. Please state whether Big Rivers will propose a process whereby the Commission would determine that charges filed on a monthly basis by Big Rivers and purportedly owed by Henderson are reasonable, necessary, and reasonably related to Station Two. If so, please describe the proposed process.
6. Has Big Rivers notified either the Commission or any of Big Rivers' customers that Big Rivers intends to increase, decrease, or otherwise modify existing rates in the event its Application in this matter is denied? If so, please provide documentation of such notice. Additionally, provide any studies, calculations, or other information supporting the purported effect on rates resulting from a Commission decision in this case.

7. Has Big Rivers notified either the Commission or any of Big Rivers' customers that Big Rivers intends to increase, decrease, or otherwise modify existing rates in the event its Application in Case No. 2020-64 is denied? If so, please provide documentation of such notice. Additionally, provide any studies, calculations, or other information supporting the purported effect on rates resulting from a Commission decision in this case.

8. Please describe the current status and condition of Big Rivers' Robert A. Reid Station ("Reid"). Your response should include answers to the following inquiries:

- a. When was Reid removed from service?
- b. Identify and describe all activities Big Rivers has performed at Reid since the plant was last operated.
- c. Has Reid been placed in "safe, dark, and dry" condition? If so, when did this occur?
- d. Has Big Rivers received any proposals for decommissioning Reid? If so, please produce copies of those proposals.
- e. Provide details of any and all plans, schedules, and proposed costs to decommission Reid.
- f. Please state the current number of personnel assigned to Reid and the number of man hours and associated cost of maintaining Reid in its current condition.
- g. Identify all asbestos removal activities performed at Reid since the plant last operated.
- h. If asbestos has not been removed from Reid, please explain the rationale underlying the decision to not remove asbestos.
- i. Has Big Rivers received any proposals for asbestos removal at Reid? If so, produce copies of those proposals.

j. Provide details concerning Big Rivers' plan and time frame for and the projected cost of removing asbestos from Reid.

k. Identify all ponds or impoundments containing coal combustion residuals (CCRs) at Reid. Include in your answer a description of the pond or impoundment structure and state whether the pond or impoundment is lined or unlined, the size of the pond or impoundment, and the method and means by which each pond or impoundment is monitored.

l. Have any of the CCR impoundments at Reid shown any indication of leakage or contamination of surrounding areas?

m. What is the status of all ponds containing CCRs at Reid?

n. Has Big Rivers received any proposals for closure of CCR ponds or impoundments at Reid? If so, produce copies of those proposals.

o. Provide details concerning Big Rivers' plan and time frame for and the projected cost of closing CCR ponds and/or impoundments at Reid.

9. Please describe the current status and condition of Big Rivers' Kenneth C. Coleman Station ("Coleman"). Your response should include answers to the following inquiries:

a. When was Coleman removed from service?

b. Identify and describe all activities Big Rivers has performed at Coleman since the plant was last operated.

c. Has Coleman been placed in "safe, dark, and dry" condition? If so, when did this occur?

d. Has Big Rivers received any proposals for decommissioning Coleman? If so, please produce copies of those proposals.

e. Provide details of any and all plans, schedules, and proposed costs to decommission Coleman.

- f. Please state the current number of personnel assigned to Coleman and the number of man hours and associated cost of maintaining Coleman in its current condition.
  - g. Identify all asbestos removal activities performed at Coleman since the plant last operated.
  - h. If asbestos has not been removed from Coleman, please explain the rationale underlying the decision to not remove asbestos.
  - i. Has Big Rivers received any proposals for asbestos removal at Coleman? If so, produce copies of those proposals.
  - j. Provide details concerning Big Rivers' plan and time frame for and the projected cost of removing asbestos from Coleman.
  - k. Identify all ponds or impoundments containing coal combustion residuals (CCRs) at Coleman. Include in your answer a description of the pond or impoundment structure and state whether the pond or impoundment is lined or unlined, the size of the pond or impoundment, and the method and means by which each pond or impoundment is monitored.
  - l. Have any of the CCR impoundments at Coleman shown any indication of leakage or contamination of surrounding areas?
  - m. What is the status of all ponds containing CCRs at Coleman?
  - n. Has Big Rivers received any proposals for closure of CCR ponds or impoundments at Coleman? If so, produce copies of those proposals.
  - o. Provide details concerning Big Rivers' plan and time frame for and the projected cost of closing CCR ponds and/or impoundments at Coleman.
10. Please disclose the percentage of waste material, including but not limited to fly ash, bottom ash, scrubber sludge, construction debris, trash, and hazardous waste deposited in the

Green Landfill from each of the following sources: i) Reid plant; ii) Green plant; iii) Station Two plant; iv) Coleman plant; v) other sources.

a. If you contend that one or more of the listed sources is not a source of material deposited in the Green Landfill, please identify the source(s).

b. With respect to “other sources,” please identify the source and the nature of the material deposited into the landfill and attributable to that source.

c. Please provide a list of contractors or other parties who hauled any type of waste from any source to the Green Landfill.

d. Please produce copies of any and all contracts between Big Rivers and any other party who hauled any type of waste from any source to the Green Landfill.

11. Please state whether ash attributable to Station Two was hauled to or deposited anywhere other than in the Green Landfill. If so, please state:

a. The amount of Station Two ash hauled to a different site or deposited somewhere other than in the Green Landfill;

b. The name of the site to which the ash was hauled and/or the facility into which the ash was deposited.

c. The time frame during which the ash was hauled to or deposited somewhere other than in the Green Landfill.

d. The parties to any and all contracts under which the ash was hauled and/or deposited;

e. The name of the Big Rivers supervisor who oversaw the hauling or depositing of Station Two ash to a different site or into a different facility.

12. Refer to Big Rivers’ Response to Item No. 61 of Henderson’s First Request for Information. Please identify the third party contractor referenced in your response.

13. Will Big Rivers acknowledge that the energy at issue in the Henderson Circuit Court proceeding, Civil Action No. 09-CI-693, is that energy which was wanted by both parties to the Station Two contracts?

14. Will Big Rivers acknowledge that the energy at issue in Commission Case No. 2016-278 is that energy which was unwanted by either party to the Station Two contracts?

15. Will Big Rivers acknowledge that its position at the time of the execution of the Settlement Agreement which resolved the Henderson Circuit Court action styled Big Rivers Electric Corp. v. City of Henderson, et al, Civil Action No. 09-CI-693, was that the unwanted energy at issue in Commission Case No. 2016-278 was not addressed in the Settlement Agreement?

16. Please provide a comprehensive list of those costs Big Rivers has avoided as a direct or indirect result of the closure of Station Two.

17. Will Big Rivers acknowledge that it was Big Rivers' position in Commission Case No. 2016-278 that energy not wanted by either party (unwanted Excess Henderson Energy) was the subject of that proceeding?

18. Will Big Rivers confirm that Henderson is not a Big Rivers ratepayer?

19. Will Big Rivers confirm that Big Rivers is not a Henderson ratepayer?

20. Refer to Big Rivers' Response to Item No. 4 of Henderson's First Request for Information and Big Rivers' Response to Item No. 6 of Commission Staff's Initial Request for Information.

a. Will Big Rivers acknowledge that Big Rivers has not sought and is not seeking a rate adjustment as a result of Henderson's failure to pay amounts allegedly owed to Big Rivers? If Big Rivers will not make the requested acknowledgement, please produce copies of any and all exhibits and/or schedules reflecting the requested rate adjustment.



21. Refer to Big Rivers' Revised Response to Item 7 of the Commission Staff's Initial Request for Information, p. 4, line 11. Please cite to the specific language of the Commission's Order dated January 5, 2018, in which the Commission states that Henderson owns the excess energy unwanted by either party.

22. Please explain the steps Big Rivers would have to have taken to withdraw Henderson assets from MISO registration upon receipt of written notice of Henderson's objection to MISO registration (Attachment B).

a. What, if any, action did Big Rivers take in response to Henderson's written notice that Henderson did not want Big Rivers to register the Station Two units in MISO and intended to seek its own market participant?

b. Please produce a copy of any and all documents MISO sent to Big Rivers related to the registration of Station Two energy and capacity in MISO.

23. Refer to Big Rivers' Response to Item 9(a) of the Commission Staff's Initial Request for Information and Big Rivers' Response to Item No. 23 of Henderson's First Request for Information. Please state the basis of your position that Big Rivers would not have been capable of fulfilling its offer to operate and maintain Station Two an additional 13 months (after termination of the Station Two contracts) without a severance package.

a. State the amount of severance costs avoided as a result of Henderson's acquiescence to close Station Two 10 months after contract termination rather than 13 months after contract termination.

b. State whether Big Rivers has hired any bargaining or salaried employees since Station Two ceased operation on January 31, 2019. If so, please include in your answer the positions filled and explain why no severed employees were reassigned to those positions.

24. Refer to Direct Testimony of Robert W. Berry, p. 48, line 17, through p. 49, line 3. Please state the methodology used to calculate purported savings to Henderson of \$3.1 million in 2015.

25. Refer to Section 6.1 of the Joint Facilities Agreement, as amended. Refer to Direct Testimony of Michael T. Pullen, p. 17, lines 13-14. Will Big Rivers acknowledge that the Station Two ash-pond dredgings no longer serve a continuously operating generating station?

26. Please produce copies of all correspondence between Big Rivers and MISO regarding the registration of Station Two load and capacity in MISO.

27. Refer to Big Rivers' Response to Item No. 49 of Henderson's First Request for Information.

a. Define the term "economically feasible" as used in your response.

b. Provide the specific "NERC Contingency Reserve requirements" referenced in your response.

c. State whether Big Rivers performed or authorized the performance of any studies or analyses regarding Henderson's ability to meet NERC Contingency Reserve requirements.

28. Please produce copies of any correspondence, including enclosures and attachments, sent from Big Rivers to MISO on July 29, 2010, and related to any Grandfathered Agreement.

29. Please provide the number of the Grandfathered Agreement associated with the Power Sales Contract between Henderson and Big Rivers.

30. Please produce copies of all MISO Grandfathered Agreement filing templates as completed and executed by Big Rivers in 2010.

31. Please provide documentation demonstrating that Henderson, as a party to Grandfathered Agreement No. 510, consented to the designation of Big Rivers as GFA Responsible Entity in accordance with the MISO Tariff Section 38.8.1.

32. Please provide documentation demonstrating that Henderson, as a party to Grandfathered Agreement No. 510, consented to the designation of Big Rivers as GFA Scheduling Entity in accordance with the MISO Tariff Section 38.8.2.

33. Please provide documentation demonstrating that Henderson, as a party to Grandfathered Agreement No. 510, consented to the designation of the Transmission and Transformation Agreement between Henderson and Big Rivers as a Grandfathered Agreement with a Carve-Out Option pursuant to the MISO Tariff Section 38.8.3.

a. Please explain the rationale underlying the designation of the agreement as a Grandfathered Agreement with a Carve-Out Option.

34. Is it Big Rivers' position that the administration of Grandfathered Agreement No. 510 caused Big Rivers to incur MISO charges, including charges under Schedule 17 and/or Schedule 23, for the period beginning on December 1, 2010, and ending on May 31, 2016? If yes, please explain.

35. Please provide all MISO settlement data reflecting any debits or credits Big Rivers received from MISO as a result of Auction Revenue Rights (ARRs) or Financial Transmission Rights (FTRs) held by Big Rivers in connection with Grandfathered Agreement Nos. 510 and 511.

36. Please provide documentation demonstrating that Henderson, as a party to Grandfathered Agreement No. 510, either supplied information to MISO or authorized Big Rivers to supply information to MISO regarding specific sources of Operating Reserves (Regulation, Spinning, and/or Supplemental) in accordance with MISO Tariff Section 38.8.4.1.

37. Please provide documentation demonstrating that Henderson, as a party to Grandfathered Agreement No. 510, either supplied information to MISO or authorized Big Rivers to supply information to MISO regarding Commercial Pricing Node Sources and Sinks and the Capacity associated with Grandfathered Agreement No. 510 in accordance with MISO Tariff Section 38.8.4.1.

38. Please provide any billing information Big Rivers supplied to the Transmission Provider for the Carved-Out Grandfathered Agreement Customer (including information pertaining to load data for Henderson), any adjustments to the Transmission Owner's load, and any credits received by Big Rivers under the Tariff relating to Schedule 10 and 17 charges applicable to Carved-Out Grandfathered Agreements prior to invoicing Henderson for Schedule 23 charges.

39. Please provide documentation demonstrating that Big Rivers was notified of the filing of an executed or unexecuted Schedule 23 Service Agreement with the Federal Energy Regulatory Commission (FERC) and produce copies of any FERC Orders permitting Big Rivers to assess Schedule 23 charges against Henderson.

40. Please provide an accounting of any credit and/or revenue Big Rivers received from MISO for ancillary services associated with Station Two between 2010 and 2016.

41. Provide the minimum reserve margin criteria used by Big Rivers in its 2010 Integrated Resource Plan filed with the Commission on November 15, 2010.

a. Please explain the basis for this reserve margin.

42. Refer to Big Rivers' Revised Response to Item No. 7 of commission Staff's Initial Request for Information. Provide the source of the historical data reflecting Henderson's "projection of peak load."

a. Refer to the document marked “HMPL Capacity Deficits” and attached to Big Rivers’ Revised Response to Item No. 7 of Commission Staff’s Initial Request for Information. Provide the coincident factor applied to calculate the figures in the column marked “HMPL Peak Demand mW.”

43. Please provide all correspondence, communications, and other documentation dated between January 1, 2012, and December 31, 2018, in which Big Rivers communicated to Henderson that Henderson was deficient in meeting MISO’s Resource Adequacy capacity planning requirements for the planning years 2013 through. Include any documentation specifying the degree to which Henderson was purportedly deficient and any documentation in which Big Rivers communicated to Henderson the steps or actions Henderson would have to take to correct the purported deficiency.

44. State when and describe how Big Rivers communicated to Henderson that it intended to offer a severance package to employees terminated as a result of the closure of Station Two.

Respectfully submitted,

/s/ John N. Hughes

JOHN N. HUGHES

ATTORNEY AT LAW

Professional Service Corporation

124 West Todd Street

Frankfort, Kentucky 40601

Telephone: (502) 227-7270

[jnhughes@johnnhughespcc.com](mailto:jnhughes@johnnhughespcc.com)

and

*/s/ H. Randall Redding*

---

H. RANDALL REDDING  
SHARON W. FARMER  
KING, DEEP & BRANAMAN  
127 North Main Street  
P.O. Box 43  
Henderson, Kentucky 42419-0043  
Telephone: (270) 827-1852  
[redding@kdbl.com](mailto:redding@kdbl.com)  
[sfarmer@kdbl.com](mailto:sfarmer@kdbl.com)

*Attorneys for Henderson Utility Commission, d/b/a  
Henderson Municipal Power & Light*

*/s/ Dawn Kelsey*

---

DAWN KELSEY  
CITY ATTORNEY  
CITY OF HENDERSON  
222 First Street  
Henderson, Kentucky 42420  
*Attorney for City of Henderson*