

December 16, 2024

**VIA ELECTRONIC FILING**

Ms. Linda C. Bridwell  
Executive Director  
Public Service Commission  
211 Sower Boulevard, P.O. Box 615  
Frankfort, Kentucky 40602-0615

Re: *In the Matter of: Electronic Application of Big Rivers Electric Corporation for Approval of Its 2020 Environmental Compliance Plan, Authority to Recover Costs Through a Revised Environmental Surcharge and Tariff, the Issuance of a Certificate Of Public Convenience and Necessity for Certain Projects, and Appropriate Accounting and Other Relief – Case No. 2019-00435*

Dear Ms. Bridwell:

Big Rivers Electric Corporation (“Big Rivers”) hereby electronically files this letter, which constitutes the Read 1st file required by 807 KAR 5:001 Section 8(5) and Big Rivers’ response to Ordering Paragraph No. 10 of the Commission’s August 6, 2020, Order (the “Final Order”) in the above referenced matter.

Ordering Paragraphs Numbers 9 and 10 of the Final Order state:

9. BREC's request to establish and amortize the Coleman Station ash pond ARO Regulatory Asset is conditionally approved subject to the actual inclusion of legacy ponds, such as the Coleman Station ash ponds, as being subjected to the requirements of the CCR Rule or being subjected to the Kentucky Administrative Regulations for special waste facilities or forthcoming state regulations specifically applicable to disposal of CCR.

10. BREC shall promptly notify the Commission when the condition in ordering paragraph 9 has occurred and shall initiate (sic) the establishment and amortization of the Coleman Station ash ponds ARO Regulatory Asset until after notification has been provided to the Commission.

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Pursuant to Ordering Paragraph No. 10 of the Final Order, Big Rivers is providing notice that the legacy ponds, including the three Coleman Station ash ponds are subjected to the CCR Rule. As such, Big Rivers plans to establish the Coleman ARO Regulatory Asset. Big Rivers has not finalized construction plans for the closing of Coleman Station's three ash ponds, ("Project 13-2") but must establish the ARO for accounting purposes before the end of 2024.

As part of Big Rivers' 2020 Environmental Compliance Plan ("2020 ECP"), the subject of this proceeding, Big Rivers proposed Project 13-2, closing the Coleman Station ash ponds to comply with anticipated rules governing legacy ash ponds. The Commission found that Big Rivers sufficiently demonstrated a need for Project 13-2 and conditionally approved both the project to be included in Big Rivers' 2020 ECP and the recovery of the Project 13-2 costs through the Environmental Surcharge Mechanism, ("ESM") "subject to the actual inclusion of the legacy ponds, such as the Coleman Station ash ponds, as being subjected to the requirements of the CCR Rule or being subjected to the Kentucky Administrative Regulations for special waste facilities or forthcoming state regulations specifically applicable to disposal of CCR." The Commission also granted Big Rivers the authority to establish and amortize the Coleman ARO Regulatory Asset, as described in Big Rivers' application in this matter, subject to the same condition.

On May 8, 2024, the U.S. Environmental Protection Agency ("EPA") finalized the CCR regulations for inactive surface impoundments at inactive electric utilities, referred to as "legacy CCR surface impoundments." Big Rivers has not determined when the construction for Project 13-2 will begin. However, due to EPA's determination in May of 2024, independent auditors have advised Big Rivers that the Coleman Ash Pond ARO Regulatory Asset must be established before the end of 2024.

Big Rivers will book the Coleman ARO Regulatory Asset, the first month's depreciation and accretion expense, and the deferral of the depreciation and accretion expense to the Regulatory Asset during the November 2024 closing process, based on preliminary Project 13-2 costs. Big Rivers will not amortize the regulatory asset for the ESM recovery, until the construction of Project 13-2 begins, at which time Big Rivers will notify the Commission that ESM recovery will begin.

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The Commission has excused no parties to this proceeding from its electronic filing procedures.

Please feel free to contact me should you have any questions regarding this filing.

Sincerely yours,

/s/ Senthia Santana

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