

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

In the Matter of: Application of Big Rivers Electric Corporation :
for Approval to Modify its MRSM Tariff, Cease Deferring : Case No. 2020-00064
Depreciation Expenses, Establish Regulatory Assets, Amortize :
Regulatory Assets, and Other Appropriate Relief :

**KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.'s
FIRST SET OF DATA REQUESTS
TO
BIG RIVERS ELECTRIC CORPORATION**

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Dated: March 24, 2020

DEFINITIONS

1. “Document(s)” is used in its customary broad sense and includes electronic mail and all written, typed, printed, electronic, computerized, recorded or graphic statements, memoranda, reports, communications or other matter, however produced or reproduced, and whether or not now in existence, or in your possession.
2. “Correspondence” is used in its customary broad sense and includes electronic email, including all attachments, and all written mail, messages and communications between the persons or parties named in the request.
3. “Study” means any written, recorded, transcribed, taped, filmed, or graphic matter, however produced or reproduced, either formally or informally, a particular issue or situation, in whatever detail, whether or not the consideration of the issue or situation is in a preliminary stage, and whether or not the consideration was discontinued prior to completion whether preliminary or final, and whether or not referred to in Big Rivers’ direct testimony.
4. If any document requested herein was at one time in existence, but has been lost, discarded or destroyed, identify such document as completely as possible, including the type of document, its date, the date or approximate date it was lost, discarded or destroyed, the identity of the person (s) who last had possession of the document and the identity of all persons having knowledge of the contents thereof.
5. “Person” means any natural person, corporation, professional corporation, partnership, association, joint venture, proprietorship, firm, or the other business enterprise or legal entity.
6. A request to identify a natural person means to state his or her full name and residence address, his or her present last known position and business affiliation at the time in question.
7. A request to identify a document means to state the date or dates, author or originator, subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number of code number thereof or other means of identifying it, and its present location and custodian. If any such document was, but is no longer in the Company’s possession or subject to its control, state what disposition was made of it.
8. A request to identify a person other than a natural person means to state its full name, the address of its principal office, and the type of entity.
9. “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.
10. “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.
11. Words in the past tense should be considered to include the present, and words in the present tense include the past, unless specifically stated otherwise.
12. “You” or “your” means the person whose filed testimony is the subject of these interrogatories and, to the extent relevant and necessary to provide full and complete answers to any request, “you” or “your” may be deemed to include any person with information relevant to any interrogatory who is or was employed by or otherwise associated with the witness or who assisted, in any way, in the preparation of the witness’ testimony.
13. “BREC” or “Big Rivers” means Big Rivers Electric Corporation and/or any of their officers, directors, employees, or agents who may have knowledge of the particular matter addressed.

INSTRUCTIONS

1. If any matter is evidenced by, referenced to, reflected by, represented by, or recorded in any document, please identify and produce for discovery and inspection each such document.
2. These interrogatories are continuing in nature, and information which the responding party later becomes aware of, or has access to, and which is responsive to any request is to be made available to Kentucky Industrial Utility Customers. Any studies, documents, or other subject matter not yet completed that will be relied upon during the course of this case should be so identified and provided as soon as they are completed. The Respondent is obliged to change, supplement and correct all answers to interrogatories to conform to available information, including such information as it first becomes available to the Respondent after the answers hereto are served.
3. Unless otherwise expressly provided, each interrogatory should be construed independently and not with reference to any other interrogatory herein for purpose of limitation.
4. The answers provided should first restate the question asked and also identify the person(s) supplying the information.
5. Please answer each designated part of each information request separately. If you do not have complete information with respect to any interrogatory, so state and give as much information as you do have with respect to the matter inquired about, and identify each person whom you believe may have additional information with respect thereto.
6. In the case of multiple witnesses, each interrogatory should be considered to apply to each witness who will testify to the information requested. Where copies of testimony, transcripts or depositions are requested, each witness should respond individually to the information request.
7. The interrogatories are to be answered under oath by the witness(es) responsible for the answer.
8. Responses to requests for revenue, expense and rate base data should provide data on the basis of Total Company as well as Intrastate data, unless otherwise requested.

KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.
FIRST SET OF DATA REQUESTS TO
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CASE NO. 2020-00064

- Q.1-1 Please provide an unredacted copy of the class cost of service study used in Case No. 2013-00199 (Excel version if possible).
- Q.1-2 Please provide an excel version of the rate design model used to develop the Big Rivers as-filed large industrial rate design in Case No. 2013-00199.
- Q.1-3 Please provide a compliance version of the rate design model in Case No. 2013-00199 reflecting the Commission ordered large industrial rate design.
- Q.1-4 Please provide an excel version of Big Rivers' most recent financial model forecast which assumes that this Application is approved.
- a. If the financial model does not separately identify the projected Monthly Bill Credits for the Rural and Large Industrial rate classes, please provide that information.
 - b. If the financial model does not separately identify the amortization of the Smelter Loss Mitigation Regulatory Assets, please provide that information.
 - c. Does the financial model assume that Big Rivers' members will pay for 100% of the costs to decommission the City of Henderson's Station Two power plant? Please explain.
 - d. Does the financial model include the decommissioning costs of the Coleman Station? Please explain.
 - e. Does the financial model include the decommissioning costs of the Reid Station coal unit? Please explain.
 - f. What does the financial model assume when the Nebraska and OMU contracts expire at the end of 2026? Please explain.
 - g. Does the financial model assume a cost for CO2 at some point in the future? Please explain.
 - h. Does the financial model assume that Big Rivers will have an investment grade credit rating from at least two of the three credit rating agencies at some point in the future? Please explain.
 - i. Does the financial model assume that the scrubber at Coleman will be transferred to Wilson? Please explain.
 - j. How much interest expense savings are assumed to occur when the \$245.5 million RUS Series B note is refinanced in December 2023? Please explain.
 - k. Does the financial model assume that a base rate case will be proposed at some point in the future? If so, when?

- Q.1-5 Assuming that this Application is approved, in the future would Big Rivers consider securitization of the remaining Smelter Loss Mitigation Regulatory Assets (estimated to be \$252.5 million at 12/31/19) as a way to potentially reduce costs on its members? Please explain.
- Q.1-6 Please confirm that total revenue allocation of the Monthly Bill Credit between the Rural and Large Industrial classes will exclude Large Industrial revenue associated with EDR sales (Aleris) and sales to which the FAC is not applicable (Domtar and Nucor).
- Q.1-7 Please provide the following data for the year 2019, in Excel format where possible.
- a. O&M (including A&G) Expense by FERC Account.
 - b. Labor Expense by FERC Account.
 - c. Purchased Power Expense separated by Demand and Energy, in detail by sub-account.
 - d. All amounts related to HMP&L Station 2 included in the above numbers by FERC sub-account.
 - e. Off System sales revenue split between Demand and Energy.
 - f. Any “specific assignment” treatment of costs to Off System Sales.
 - g. Billing Determinants and full Proof of Revenue for the Large Industrial class.
 - h. Revenue and Expense (as booked) for FAC, ES, NSNFPPA, Surcredit, MRSM and any other riders, separately for the Rurals and Large Industrial Customer classes.
 - i. Total kWh sales for Rural and Industrial.
 - j. Calculations of FAC, ES, and NSNFPPA factors in effect during the 12 month period.
 - k. Total kWh sales to Off System.
- Q.1-8 Please provide the amount of expense for 2019, by FERC account, which is recoverable through the Company’s various rate riders (FAC, ES, NSNFPPA).
- Q.1-9 Please provide the amount of 2019 Off-System Sales Revenue which is returned to ratepayers through any of the Company’s rate riders.
- Q.1-10 Please provide the 2019 Large Industrial Customer billing determinants (demand and energy) associated with load which is currently receiving an EDR discount, and a description of the remaining time frame to which the discount applies.
- Q.1-11 Please provide the 2019 Large Industrial Customer billing determinants (demand and energy) associated with coal mine customers.
- Q.1-12 Please identify any known or projected loss or gain of Large Industrial Customer load over the next two years.
- Q.1-13 If not provided in response to the previous requests, please provide the Company’s December 2019 year-to-date Trial Balance.

Q.1-14 If not provided in response to the previous requests, please provide the Company's 2019 Operating Report, in Excel format if possible.

Respectfully submitted,

/s/ Michael L. Kurtz

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