

ORIGINAL



Your Touchstone Energy® Cooperative 

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

In the Matter of:

**ELECTRONIC APPLICATION OF)
BIG RIVERS ELECTRIC CORPORATION)
FOR APPROVAL TO MODIFY ITS MRSM TARIFF,)
CEASE DEFERRING DEPRECIATION EXPENSES,)
ESTABLISH REGULATORY ASSETS,)
AMORTIZE REGULATORY ASSETS, AND)
OTHER APPROPRIATE RELIEF)**

**Case No.
2020-00064**

**Response to Staff's Information Requests from the
Informal Conference of May 28, 2020**

FILED: June 3, 2020


ORIGINAL

BIG RIVERS ELECTRIC CORPORATION

**ELECTRONIC APPLICATION OF
BIG RIVERS ELECTRIC CORPORATION
FOR APPROVAL TO MODIFY ITS MRSM TARIFF,
CEASE DEFERRING DEPRECIATION EXPENSES,
ESTABLISH REGULATORY ASSETS,
AMORTIZE REGULATORY ASSETS, AND
OTHER APPROPRIATE RELIEF
CASE NO. 2020-00064**

VERIFICATION

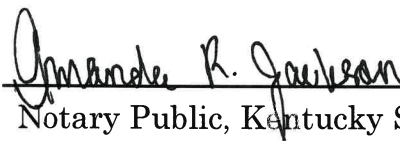
I, Paul G. Smith, verify, state, and affirm that the response to information requests from the May 28, 2020, informal conference, filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Paul G. Smith

COMMONWEALTH OF KENTUCKY)
COUNTY OF HENDERSON)

30th SUBSCRIBED AND SWORN TO before me by Paul G. Smith on this the
____ day of June, 2020.



Notary Public, Kentucky State at Large

My Commission Expires

March 28, 2023

BIG RIVERS ELECTRIC CORPORATION

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Request for Information from the Informal Conference
of May 28, 2020**

June 3, 2020

1 **Item 1)** *Provide a financial forecast reflecting Big Rivers' proposed*

2 *Settlement.*

3

4 **Response)** Please see the **CONFIDENTIAL** attachment to this response.

5

6

7 **Witness)** Paul G. Smith

8

Big Rivers Electric Corporation

Case No. 2020-00064

TIER Credit Forecast Update to Reflect Proposed Settlement filed May 29, 2020

<u>Line</u>	<u>Net Margin Summary</u>	2020		2021		2022		2023		2020-2023	
		Net Margin	TIER	Net Margin	TIER	Net Margin	TIER	Net Margin	TIER	Total	Annual Average
			(Note 1)								
1	Pre-Regulatory Asset Amortization & New TIER Credit										
2	Plus: Regulatory Exclusions in Excess of \$400										
3	Less: Annual Regulatory Asset Amortization (Note 2)										
4	Net Margins Pre-New TIER Credit										
5	Less: New TIER Credit										
6	50% Additional Regulatory Asset Amortization										
7	50% MRSM Member Bill Credits										
8	Total New TIER Credit										
9											
10	Net Margins										
11	Note 1: Long-term Debt Interest to Calculate TIER										
	Note 2: Regulatory Asset Amortization										
12	Regulatory Asset Balance at 12/31/19										
13	Less: 2019 Station Two TIER Credit										
14	Plus: 2020 Wilson Station Deferred Depreciation										
15	Less: 2021 Member Equity Utilization										
16	Less: 2019 DSM Regulatory Liability										
17	Regulatory Asset to be Amortized										
18	Amortization Period (2021 thru 2043)										
19	Annual Amortization Expense										
20	Regulatory Asset Balance: Beginning of Year										
21	Less: Annual Amortization (Line 3)										
22	Less: Add'l Regulatory Asset Amortization (Line 6)										
23	Regulatory Asset Balance: End of Year										

Case No. 2020-00064

Attachment for Response to 2nd IC Item 1

Witness: Paul G. Smith

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