

**ORIGINAL**



**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

*In the Matter of:*

**ELECTRONIC APPLICATION OF )  
BIG RIVERS ELECTRIC CORPORATION )  
FOR A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY TO )  
CONSTRUCT A 161 KV TRANSMISSION LINE )  
IN HENDERSON COUNTY, KENTUCKY )**

**Case No.  
2022-00012**

**Responses to Commission Staff's  
Third Request for Information  
dated May 9, 2022**

**FILED: May 17, 2022**

**ORIGINAL**

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF )  
BIG RIVERS ELECTRIC CORPORATION )  
FOR A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY TO )  
CONSTRUCT A 161 KV TRANSMISSION LINE )  
IN HENDERSON COUNTY, KENTUCKY )

Case No.  
2022-00012

VERIFICATION

I, Christopher S. Bradley, verify, state, and affirm that the data request responses filed with this verification for which I am listed as witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



\_\_\_\_\_  
Christopher S. Bradley

COMMONWEALTH OF KENTUCKY )  
COUNTY OF HENDERSON )

SUBSCRIBED AND SWORN TO before me by Christopher S. Bradley on this  
the 17<sup>th</sup> day of May, 2022.



\_\_\_\_\_  
Notary Public, Ky. State at Large  
My Commission Expires October 31, 2024  
Notary ID: KYNP16841



**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

- 1 Item 1) *Refer to Application, the maps provided on PDF pages 27–32.*
- 2       a. *Provide the distance from the proposed centerline to the closest*
- 3 *residence, include the parcel number on which the residence closest to the*
- 4 *centerline is located.*
- 5       b. *Provide the distance from the proposed centerline to the closest*
- 6 *structure; identify the structure and the parcel number on which it is located.*
- 7       c. *Refer also to Application, page 9. Explain whether the request to*
- 8 *expand the right of way (ROW) corridor to 500 feet from the proposed*
- 9 *centerline means that if the centerline had to be moved 500 feet in order to*
- 10 *avoid an obstacle, once that obstacle had been passed, the ROW would revert*
- 11 *to the standard 250 foot ROW corridor. If not, explain what the request*
- 12 *means.*
- 13       d. *Refer also to Application, page 9 and Attachment D, pages 50 and*
- 14 *59. Explain whether expanding the proposed right of way to 1,000 feet (500*
- 15 *feet on either side of the centerline) would alter the selection of the preferred*
- 16 *route.*

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1           e.       *Refer also to Application, page 9 and Attachment D, pages 50 and*  
2 *59. Explain how many residential, commercial and industrial structures*  
3 *would be affected by expanding the ROW to 1,000 feet.*

4

5 **Response)**

6           a.       The closest residential structure is approximately 165 feet from the  
7 proposed centerline. The residential structure is located on parcel number 57-33.2.

8           b.       The closest structure is approximately 165 feet from the proposed  
9 centerline and is a residential structure. The structure is located on parcel number  
10 57-33.2.

11          c.       Big Rivers' Application requests the authority to move the location of  
12 the centerline up to 500 feet on either side of the proposed centerline, as shown on  
13 the map attached as Exhibit C to Big River's Application. A shift in the centerline  
14 would not expand the final easement width. The final easement width would  
15 remain 125 foot (not 250 foot), which is Big Rivers' standard for new 161 kV line

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 construction. Any deviation to the proposed centerline route within the requested  
2 area will only deviate to the extent necessary to avoid unexpected conditions.

3 d. Big Rivers is not requesting the right-of-way to be expanded to 500 feet  
4 either side of the centerline. Please see Subpart (c) of this response. Any need to  
5 shift the proposed centerline route as requested (up to 500 feet on either side of the  
6 proposed centerline route), would not alter the selection of the preferred route.

7 e. Big Rivers is not requesting the right-of-way to be expanded. Please  
8 see Subpart (c) of this response. Big Rivers is requesting authority, if unexpected  
9 conditions are found along the proposed centerline, to move the centerline up to 500  
10 feet on either side of the proposed centerline route, provided that no new property  
11 owners are affected. If unexpected conditions were found along the proposed route  
12 and the requested deviation were necessary, consideration would be made to ensure  
13 that there would be no increased impact on residential, commercial, and industrial  
14 structures.

15

16

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1

2 **Witness)** Christopher S. Bradley

3

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 **Item 2) Refer to BREC's response to Commission Staff's First Request**  
2 **for Information (Staff's First Request), Item 12, lines 6–8.**

3 **a. Explain whether the term “oversubscription” means that the**  
4 **additional demand placed on the 69 kV circuit by the Pratt Paper Mill and**  
5 **the anticipated load growth from the additional workers and any other**  
6 **anticipated economic development would be greater than the 69 kV line's**  
7 **capacity. If not, explain in greater detail why the 69 kV circuit is**  
8 **unsuitable.**

9 **b. Explain whether the Pratt Paper Mill's load, by itself, would**  
10 **cause “oversubscription” on the 69 kV line.**

11 **c. Explain in greater detail what “the reliability and power**  
12 **quality issues expected with that scenario” means and provide any the**  
13 **results of the Midcontinent Independent System Operator (MISO) or BREC**  
14 **transmission load studies or other documentation to support the existence**  
15 **of reliability and power quality issues in the referenced area.**

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1           *d. State whether oversubscription of the 69 kV network is only a*  
2 *concern due to the Pratt Paper Mill or if there is a possibility of*  
3 *oversubscription of the 69 kV network without the addition of the Pratt*  
4 *plant.*

5 **Response)**

6           a. Yes, addition of the Pratt Paper load and other anticipated load growth  
7 would exceed the existing 69 kV line's capacity.

8           b. The Pratt Paper load demand by itself would exceed the 69 kV line's  
9 capacity.

10          c. The reliability and power quality issues with serving the Pratt Paper  
11 load would include 69 kV line overloading and under voltage issues. A MISO MTEP  
12 2020 series model was used to study the option to serve the Pratt Paper facility on  
13 the 69 kV system. The facility location would allow for three different 69 kV source  
14 scenarios on Big Rivers' existing system. The study showed under voltage issues in  
15 each scenario at the load, and voltage as low as 0.79 P.U. In the three scenarios,  
16 fifteen (15) different 69kV line sections, totaling 48.7 miles, and two (2) 161/69 kV



**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 transformers were thermally overloaded. Further N-1 scenarios<sup>1</sup> on the system  
2 would only aggravate and add to the above-mentioned violations. Results from the  
3 Big Rivers evaluation of 69 kV service options are shown in the Attachment to this  
4 response.

5       d.       The 69 kV system has limited capacity, and it was determined that it  
6 would not be a viable option for serving the Pratt Paper demand. The 69 kV system  
7 is designed with adequate capacity to serve the existing load.

8       **Witness)**   Christopher S. Bradley

9

---

<sup>1</sup> "N-1 scenario" = taking one line at a time out of service

**Big Rivers Electric Corporation**  
**Model: MISO20\_2030\_SUM from MISO MTEP 2020**  
**Addition of Pratt Paper simulated at 'New Paper Mill Tap'**

Scenario Source	Loading (Summer)	Reid EHV <u>161/69 kV Transformer</u> (% Loading of 56 MVA)	Reid EHV-KBI Tap (% Loading of 52 MVA)	KBI Tap-Corydon (% Loading of 52 MVA)	Corydon-Geneva Jct (% Loading of 40 MVA)
Reid EHV (Substation)	Peak	162	170	122	150
Reid Switchyard	Peak	60	65	32	25
Henderson County (Substation)	Peak	60	65	32	25

Indicates Thermal Overload

**Big Rivers Electric Corporation**  
**Model: MISO20\_2030\_SUM from MISO MTEP 2020**  
**Addition of Pratt Paper simulated at 'New Paper Mill Tap'**

Scenario Source	Geneva Jct-Geneva (% Loading of 40 MVA)	Geneva Jct- Riverport Tap (% Loading of 40 MVA)	Riverport Tap-Riverport (% Loading of 33 MVA)	Riverport Tap-New Paper MillTap (% Loading of 42 MVA)	New Paper Mill Tap-Weaverton (% Loading of 42 MVA)
Reid EHV (Substation)	14	124	14	105	10
Reid Switchyard	14	12	14	N/A	92
Henderson County (Substation)	14	12	14	N/A	92

Indicates Thermal Overload

**Big Rivers Electric Corporation**  
**Model: MISO20\_2030\_SUM from MISO MTEP 2020**  
**Addition of Pratt Paper simulated at 'New Paper Mill Tap'**

Scenario Source	Weaverton-Adams Ln (% Loading of 28 MVA)	Adams Ln-Accuride (% Loading of 28 MVA)	Accuride-Anthoston Jct (% Loading of 28 MVA)	Anthoston Jct-Zion (% Loading of 42 MVA)	Zion-Race Creek Jct (% Loading of 40 MVA)
Reid EHV (Substation)	N/A	17	38	N/A	17
Reid Switchyard	155	172	210	N/A	17
Henderson County (Substation)	154	171	207	143	169

Indicates Thermal Overload

**Big Rivers Electric Corporation**  
**Model: MISO20\_2030\_SUM from MISO MTEP 2020**  
**Addition of Pratt Paper simulated at 'New Paper Mill Tap'**

Scenario Source	Race Creek Jct- Race Creek (% Loading of 33 MVA)	Race Creek Jct-HMPL 6 Tap (% Loading of 40 MVA)	Henderson-HMPL 6 Tap (% Loading of 67 MVA)	Henderson #1 <u>161/69 kV Transformer</u> (% Loading of 56 MVA)	Henderson #2 <u>161/69 kV Transformer</u> (% Loading of 56 MVA)
Reid EHV (Substation)	17	32	42	59	51
Reid Switchyard	17	32	43	60	61
Henderson County (Substation)	17	187	104	108	92

Indicates Thermal Overload

**Big Rivers Electric Corporation**  
**Model: MISO20\_2030\_SUM from MISO MTEP 2020**  
**Addition of Pratt Paper simulated at 'New Paper Mill Tap'**

Scenario Source	Reid-Niagra Tap (% Loading of 63 MVA)	Niagra Tap-Niagra (% Loading of 42 MVA)	Niagra-Anthoston Jct (% Loading of 42 MVA)	Voltage Violations Per Unit ( P.U.)
Reid EHV (Substation)	28	41	26	Geneva Jct: 0.851 Geneav: 0.849 Riverport Tap: 0.833 Riverport: 0.832 New Paper Mill Tap: 0.798 Weaverton: 0.797
Reid Switchyard	119	177	148	Anthoston Jct: 0.897 Accuride: 0.825 Adams Ln: 0.820 Weaverton: 0.806 New Paper Mill Tap: 0.791
Henderson County (Substation)	35	15	N/A	Accuride: 0.886 Adams Ln: 0.881 Weaverton: 0.868 New Paper Mill Tap: 0.854

Indicates Thermal Overload

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 **Item 3)**     *BREC has submitted information that a contract is being*  
2 *negotiated between BREC and Pratt Paper Mill. Provide an outline of the*  
3 *contract and a description of the material terms.*

4

5 **Response)** See attached, a copy of the confidential Memorandum of  
6 Understanding among Pratt Paper (KY), LLC, Big Rivers, and Kenergy Corp. Pratt  
7 has provided the surety bond as described in Section 4(c) of the Memorandum of  
8 Understanding.

9

10

11

12 **Witness)**   Christopher S. Bradley

13



201 Third Street  
P.O. Box 24  
Henderson, KY 42419-0024  
270-827-2561  
www.bigrivers.com

August 5, 2021

Gary Byrd  
Pratt Paper (KY), LLC  
1800-C Sarasota Business Parkway  
Conyers, Georgia 30013

Jeff Hohn  
President and CEO  
Kenergy Corp.  
6042 Old Corydon Road  
Henderson, Kentucky 42420

**Re: Memorandum of Understanding**

Dear Gary and Jeff:

As you know, Pratt Paper (KY), LLC (“Customer”), Kenergy Corp. (“Kenergy” or “Seller”), and Big Rivers Electric Corporation (“Big Rivers”) have been in discussions (the “Discussions”) relating to Customer’s desire to locate a new facility in Henderson County, Kentucky, contingent upon Customer being provided an economic development incentive rate (“EDR”) for electric service. For purposes of this Memorandum of Understanding, “Customer” may include affiliated entities that operate different elements of the total project; provided that the total project is a single site or is metered as a single site.

The purpose of this Memorandum of Understanding is to set forth certain agreements among Customer, Kenergy, and Big Rivers (each individually, a “Party,” and collectively, the “Parties”), relating to the recent Discussions.

**A. RETAIL AND WHOLESALE AGREEMENTS**

The Parties will negotiate in good faith (i) a retail electric service agreement between Customer and Kenergy (the “Retail Agreement”), under which Kenergy will provide retail electric service to Customer’s new facility; and (ii) a corresponding letter agreement between Kenergy and Big Rivers (the “Wholesale Agreement”), under which Big Rivers will provide the wholesale electric service necessary for Kenergy to provide retail electric service to Customer under the Retail Agreement. The Retail Agreement and



Wholesale Agreement will both be subject to the approval of Kenergy, Big Rivers, the Kentucky Public Service Commission (“KPSC”), and the Rural Utilities Service (“RUS”).

The Retail Agreement will include the following provisions (this is not a complete statement of all terms and conditions of the proposed transaction but provides a basis for further negotiations):

**1. Term**

- a. The Retail Agreement will have an initial term of twenty years (20) years, commencing with the commercial operation date of the new project, with an evergreen provision.

**2. Supply of Power; Demand**

- a. Customer shall be a member of Seller, and shall be bound by applicable tariffs, rules, and regulations as may from time to time be adopted by Seller, and the rules, regulations, and orders of the KPSC as may be applicable and effective from time to time, subject to the specific terms and conditions of the Retail Agreement.
- b. Seller shall supply, sell, and deliver to Customer, and Customer shall accept and pay for all of the electric power and energy Customer may need for the operation of the Facility, up to [REDACTED] (the “Maximum Contract Demand”). Seller shall not be obligated under the Retail Agreement to supply capacity in excess of the Maximum Contract Demand.
- c. The applicable “Billing Demand” shall be considered equal to the highest integrated 30-minute clock-hour non-coincident peak demand during a billing month; provided, however, that the Billing Demand for any billing month shall not be less than 60% of the Maximum Contract Demand.

**3. Rates and Billing**

- a. Rates. The rates applicable to service to Customer are as follows:
  - i. Customer shall pay Kenergy the Customer, Demand, Energy, Facilities, and other charges under Kenergy’s Rate Schedule 34, a copy of which is attached to this Memorandum of Understanding as Exhibit A, as such tariff may be amended from time to time; less the EDR credit described below.

- ii. For service to Customer, Kenergy shall pay Big Rivers the applicable rates under Big Rivers' Large Industrial Customer ("LIC") rate schedule; less the EDR credit described below.
- b. EDR Credit. Unless Customer exercises the EDR Option described below, Customer will receive an EDR credit on its load less 1 MW for the second five years of the term equal to 90% of the Demand Charge under Big Rivers' LIC rate schedule. Each year in which Customer receives the EDR credit is an "EDR Credit Period," and each of the first five years of the term is a "Full-Rate Period." Customer's load receiving the EDR credit during an EDR Credit Period cannot exceed Customer's average monthly peak load during the Full-Rate Period, and any load during an EDR Credit Period in excess of the average monthly peak load during the Full-Rate Period will not receive the EDR credit.
- i. EDR Option. Customer has the option to elect to begin receiving the five-year EDR credit at the beginning of any year of the Retail Agreement prior to the second five years of the contract (the "EDR Option"). If Customer elects this option, the Full-Rate Periods will be the first five years of the Retail Agreement that are not EDR Credit Periods. For example, if Customer elects to begin the EDR credit with the fourth year of the Retail Agreement, years 1-3 of the Retail Agreement would be the first three Full-Rate Periods, years 4-8 would be the EDR Credit Periods, and years 9-10 would be the last two Full-Rate Periods.
- For any Full-Rate Period after the EDR Credit Periods, Customer's load during each Full-Rate Period must be equal to or greater than Customer's load during the corresponding EDR Credit Period. If Customer's load during such a Full-Rate Period is not equal to or greater than the load for the corresponding EDR Credit Period, then Customer shall refund the proportionate amount of the EDR credit earned during that EDR Credit Period (i.e., the difference between the credit earned and the amount the credit would have been based on the actual load during the Full-Rate Period).
- ii. Load receiving the EDR Credit will not be eligible to receive credits under Big Rivers' or Seller's Members Rate Stability Mechanism ("MRSM") tariffs.
- c. Due Date. Payments shall be due on the fifteenth (15th) day of each month for service furnished during the preceding monthly billing period.

**4. Termination Charges and Credit Support**

- a. Transmission Facilities Termination Charge. If the Retail Agreement expires or is terminated for any reason, Customer shall pay Seller and Seller shall pay Big Rivers, in addition to any other obligations Customer may have to Seller upon the expiration or termination of the Retail Agreement, a "Transmission Facilities Termination Charge" equal to the actual investment Big Rivers is required to make to install or upgrade the transmission facilities necessary to serve Customer, [REDACTED]. Big Rivers currently estimates the transmission upgrades will cost \$20.2 million.

For example:

YEAR 1 EXAMPLE		
Transmission Upgrade Cost		\$20,200,000
Customer Credit:		
Monthly Demand	[REDACTED]	
x Number of Months	x 12 months	
x Credit Per MW-Month	x [REDACTED]	
Total Credit for Year 1		[REDACTED]
Remaining Transmission Facilities Termination Charge After Year 1		[REDACTED]

- b. EDR Termination Charge. If Customer exercises the EDR Option, and if the Retail Agreement expires or is terminated for any reason, or upon the end of the last Full-Rate Period (if the end of the last Full-Rate Period occurs prior to the expiration or termination of the Retail Agreement), Customer shall pay Seller and Seller shall pay Big Rivers, in addition to any other obligations Customer may have to Seller upon the expiration or termination of the Retail Agreement, an "EDR Termination Charge" equal to the sum of all EDR credits that Customer is required to refund.

- c. Credit Support for Transmission Facilities Termination Charge. As security for payment of the Transmission Facilities Termination Charge, Customer shall provide both the surety bond contemplated by Part B of this MOU [REDACTED] until the Transmission Facilities Termination Charge is reduced to \$0, which is projected to occur within 10 years after the commencement of the transmission facilities improvements.
- d. Credit Support for EDR Termination Charge. If Customer exercises the EDR Option, as security for payment of the EDR Termination Charge, Customer shall provide, at the time Customer becomes entitled to an EDR credit, and thereafter maintain, a cash deposit or an irrevocable bank letter of credit acceptable to Seller and Big Rivers in an amount equal to the total amount of the EDR credits that remain subject to refund.
- e. Credit Support for Monthly Billing Obligation
- i. As security for Customer's monthly billing obligation for construction power, Customer shall provide Seller with a cash deposit or letter of credit acceptable to Seller in an amount equal to two months of estimated billing.
- As security for Customer's monthly billing obligation for power under the rates in Section A.3 of this MOU, Customer shall provide Seller with a cash deposit or letter of credit acceptable to Seller in an amount equal to two months of estimated billing, as may change consistent with Seller's other large industrial direct serve contracts. Two months of billing once Customer reaches full load is currently estimated to be [REDACTED].
- f. Financial Statements
- i. Customer shall annually provide Seller and Big Rivers with Customer's and Customer's parent's audited financial statements; and both Seller and Customer may seek additional assurances should Customer's or Customer's parent's financial health diminish.

## 5. Facilities

- a. Delivery Point: Seller's Delivery Point of the facilities shall be at the 12.47 kV low-side bushing of the 161/12.47 kV transformer in the new, Seller-provided substation(s), equipped with both a primary and standby transformer, to be located on a mutually agreed location as defined in Paragraph 5.e.i.

Customer is responsible for all facilities after the switch and breaker on the low side of the transformer forward.

- b. Seller shall furnish or cause to be furnished, at no extra charge to Customer, all of the facilities required for the delivery of electric power and energy to the Delivery Point at 12.47 kV, including the metering, communications, relaying, control circuits, and associated equipment necessary to properly measure, control, and coordinate the delivery of electrical power and energy between Seller's and Customer's facilities. Subject to delays due to Force Majeure Events, design and construction of the Seller-supplied facility shall commence no later than [REDACTED], and the Seller will make commercially reasonable effort to have the supplied facilities complete and operational by [REDACTED], or sooner if reasonably possible.
- c. Subject to delays due to Force Majeure Events and Customer's prepayment of the costs of the distribution facilities needed for Seller to provide construction power, Seller will make commercially reasonable efforts to furnish or cause to be furnished facilities required for the delivery of construction power during Customer's site development and building construction period by the later of March 1, 2022, or eight (8) months after Customer prepays for the distribution facilities, as required in this section. [REDACTED]

[REDACTED] The rates applicable to construction power ([REDACTED], and through the commercial operation of the project) will be under Seller's Rate Schedule 5 (for a demand of 1,000 kW or less) or 7 (for a demand of 1,000 kW or more), copies of which schedules are attached to this Memorandum of Understanding as Exhibits B and C, with no Economic Development Rate Credit applicable to construction power.

Seller estimates the cost for the distribution facilities needed for Seller to provide construction power will be [REDACTED], which estimate Seller may adjust for additional distribution facilities not included in its original estimate and which construction cost customer shall prepay prior to the beginning of construction. This prepayment will be trued up to actual upon Seller's completion of the facilities, with Seller timely reimbursing Customer the difference if the actual cost is less than the prepayment, and Customer making a timely true-up payment if the actual cost is more than the prepayment.

The rates applicable to power provided after commercial operation will be the rates in this Memorandum of Understanding. In addition, Seller will make commercially reasonable efforts to furnish or cause to be furnished, a permanently installed oil filled pad mount 1,500 kVA Delta Primary / Y Secondary transformer by March 1, 2022. This pad mount transformer will be fed at the supplier's standard distribution level with a secondary at 480V "Y" 277V level. This transformer will be utilized for temporary power periods when the Seller's substation service is not available and when the Seller's service is interrupted. The rates applicable to this backup power provided from Seller's transformer will be under Seller's Rate Schedule 5, a copy of which is attached hereto as Exhibit C, with no Economic Develop Rate Credit being applied.

In addition to the above, Customer shall pay Seller a facilities cost per [REDACTED], in addition to charges under Seller's Rate Schedule 5 or 7.

- d. Customer shall furnish, operate, and maintain (or cause to be furnished, operated, and maintained) such facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the Delivery Point.
- e. Customer shall provide or cause to be provided, without cost to Seller or Big Rivers, the following facilities which are or may be necessary for Seller to construct the Seller-provided substation, supply the electric consuming facilities of Customer with retail electric service, and for Big Rivers to supply Seller with the corresponding wholesale electric service:
  - i. Adequate sites for the construction and erection of such new substations and other facilities and future alterations to such new facilities as may from time to time be necessary to serve Customer, at such locations and of such dimensions as mutually agreed upon with fee simple title thereto in form and substance reasonably acceptable to Seller, rough graded to Seller's or Big Rivers' requirements, as may be from time to time required by Seller or Big Rivers;
  - ii. Easements for rights-of-way upon Customer's property, at such locations and of such dimensions as determined by Seller and which are necessary for the construction of facilities which Seller or Big Rivers must furnish to provide electric service under the Retail Agreement. If Customer wishes to move any such facilities in the future, Seller will cooperate in

identifying alternate satisfactory locations so long as any relocation is at Customer's expense;

- iii. An easement for ingress and egress for the exercise by Seller or Big Rivers of Seller's rights under the Retail Agreement; and
- iv. Facilities for Big Rivers' metering equipment

**6. Other Provisions**

- (a) Customer must maintain a power factor of 90%.
- (b) Seller shall undertake, or cause Big Rivers to undertake, at Customer's expense appropriate action to cure, correct or suppress any System Disturbances caused by Customer.
- (c) Except as provided in Paragraphs 6(b) and (f), neither Seller nor Big Rivers shall have any responsibility for damage to any property, or to any equipment or devices connected to Customer's electrical system on Customer's side of the Delivery Point and Customer shall have no responsibility for damage to any property, or to any equipment or devices connected to Customer's electrical system on Seller's or Big Rivers' side of the Delivery Point.
- (d) Seller does not guarantee uninterrupted service from maintenance and similar temporary outages or a Force Majeure Event (to be defined in the Retail Agreement), and neither Seller nor Big Rivers shall be responsible for damages to Customer occasioned by maintenance and similar temporary outages or a Force Majeure Event. For scheduled maintenance that requires power interruption, Seller shall make commercially reasonable efforts to provide notice to Customer so as to minimize disruption and impact upon Customer operations.
- (e) **LIMITATION OF DAMAGES. EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN THE RETAIL AGREEMENT, UNDER NO CIRCUMSTANCES WILL CUSTOMER OR SELLER (OR BIG RIVERS), OR THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, MEMBERS, MANAGERS, EMPLOYEES OR AGENTS BE LIABLE HEREUNDER, WHETHER IN TORT, CONTRACT, OR OTHERWISE, FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS. CUSTOMER'S OR SELLER'S LIABILITY (AND THE LIABILITY OF BIG RIVERS) HEREUNDER SHALL BE**



LIMITED TO DIRECT, ACTUAL DAMAGES. THE EXCLUSION OF ALL OTHER DAMAGES SPECIFIED IN THIS SECTION IS WITHOUT REGARD TO THE CAUSE OR CAUSES RELATING THERETO. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THE RETAIL AGREEMENT.

- (f) Customer, Seller, and Big Rivers shall each indemnify and hold the other Parties harmless from and against any and all claims, demands, damages, judgments, losses or expenses, including attorney fees, asserted against another Party arising out of, related to or concerning damage to Seller's distribution facilities, Big Rivers' generation or transmission facilities, or the transmission facilities of any other entity resulting from the indemnifying Party's operations, activities, or usage of electric power and energy hereunder, unless said claim, demand, damage, judgments, losses or expenses arise out of the sole negligence or intentional misconduct of the indemnified Party. Additionally, Customer and Seller each assume all responsibility for the electric service at and from that Party's side of the Delivery Point of electricity and for the wires and equipment used in connection therewith, and will indemnify and hold the other Parties harmless from any and all claims for injury or damage to persons or property occurring at and from the indemnifying Party's side of the Delivery Point of electricity, occasioned by such electricity or said wires and equipment, except to the extent said injury or damage is occasioned by the negligence or intentional misconduct of the indemnified Party. Big Rivers will indemnify and hold the other Parties harmless from any and all claims for injury or damage to persons or property occurring at and from Seller's side of the Delivery Point of electricity for power is served from Big Rivers' transmission system, occasioned by such electricity or said wires and equipment, except to the extent said injury or damage is occasioned by the negligence or intentional misconduct of the indemnified Party.
- (g) Customer shall not sell electric power and energy purchased under the Retail Agreement.
- (h) Big Rivers shall be entitled to the benefit of each covenant undertaken by Customer in the Retail Agreement, and Big Rivers may enforce any such covenant by action in its own name or may require Seller to enforce such covenant for and on behalf of Big Rivers.



**B. TRANSMISSION FACILITIES CONSTRUCTION COST REIMBURSEMENT AGREEMENT**

Big Rivers has evaluated the anticipated timeline to construct the transmission facilities required to serve Customer, and has concluded that certain long lead-time activities must be started very soon to enable Big Rivers to complete the transmission system improvements prior to Customer's desired commencement date of electric service. However, for Big Rivers to be willing to spend the funds necessary to begin the purchase of materials or the other steps required for the construction of the required transmission facilities, Big Rivers requires that (i) until a surety bond is in place as provided in this Section B, Customer agrees to reimburse Big Rivers for these expenditures in the event the Retail and Wholesale Agreements do not become effective (meaning the agreements are properly executed, all required approvals of the agreements are received, and all other contingencies to the effectiveness of the Retail and Wholesale Agreements have been satisfied or waived) prior to the expiration or termination of this MOU; and (ii) Customer provides a surety bond as soon as practicable after the execution of this Memorandum of Understanding, which bond will reimburse Big Rivers for its actual cost incurred or committed for the transmission facilities required to serve Customer in the event the Retail and Wholesale Agreements do not become effective. [REDACTED]

[REDACTED] The surety bond shall be in a form acceptable to Big Rivers and in the amount of Big Rivers' actual cost of the transmission facilities required to serve Customer, which is estimated to be approximately \$20.2 million.

By executing this Memorandum of Understanding, Customer agrees to the cost reimbursement and surety bond terms in this Section B, and authorizes Big Rivers to proceed immediately.

Big Rivers' schedule of activities related to the transmission facilities improvements are attached hereto under Exhibit D.

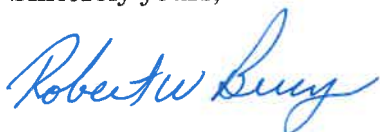
**C. OTHER PROVISIONS**

**This Memorandum of Understanding shall terminate, with no further obligations by any Party, if the Parties have not executed the Retail and Wholesale Agreements on or before December 1, 2021; provided, however, that the Parties' rights and obligations in Section B, above, with respect to the reimbursement agreement and surety bond shall survive any such termination.**

Gary Byrd  
Jeff Hohn  
August 5, 2021  
Page 11

If Customer and Kenergy accept the terms of this Memorandum of Understanding, please indicate that acceptance by signing in the space provided and returning a signed counterpart to me.


Sincerely yours,



Robert W. Berry  
President and CEO  
Big Rivers Electric Corporation

ACCEPTED:

PRATT PAPER (KY), LLC

Signature:  \_\_\_\_\_  
Printed Name: Stephen Ward  
Title: Chief Financial Officer  
Date: 8/19/2021

KENERGY CORP.

Signature: \_\_\_\_\_  
Jeff Hohn  
President and CEO  
Date: \_\_\_\_\_

Gary Byrd  
Jeff Hohn  
August 5, 2021  
Page 11


If Customer and Kenergy accept the terms of this Memorandum of Understanding, please indicate that acceptance by signing in the space provided and returning a signed counterpart to me.

Sincerely yours,

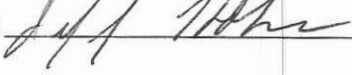
Robert W. Berry  
President and CEO  
Big Rivers Electric Corporation

ACCEPTED:

PRATT PAPER (KY), LLC

Signature:   
Printed Name: Stephen Ward  
Title: Chief Financial Officer  
Date: 8/19/2021

KENERGY CORP.

Signature:   
Jeff Hohn  
President and CEO  
Date: 8/10/2021



201 Third Street  
P.O. Box 24  
Henderson, KY 42419-0024  
270-827-2561  
[www.bigrivers.com](http://www.bigrivers.com)

**EXHIBIT A**  
**Kenergy's Rate Schedule 34**



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Ninth Revised SHEET NO. 34
CANCELLING PSC NO. 2
Eight Revised SHEET NO. 34

CLASSIFICATION OF SERVICE
Schedule 34 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) – (Class B)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing members, Aleris and Kimberly Clark, and new members executing special contracts approved by the Kentucky Public Service Commission for load requirements exceeding 30,000 KW billing demand.

RATE:

Customer Charge.....\$1,028 per month
Plus Demand Charge of:
per KW of Billing Demand in Month.....\$10.715
Plus Energy Charge of:
per KWH.....\$0.038216

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Member Rate Stability Mechanism Rider, Price Curtailable Service Rider, and Non-FAC Purchased Power Adjustment Rider.

AGREEMENT

An "agreement for purchase of power" shall be signed by any new member prior to service under the rate.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105

DATE OF ISSUE November 23, 2016
DATE EFFECTIVE January 1, 2017
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. DATED

KENTUCKY PUBLIC SERVICE COMMISSION
Talina R. Mathews EXECUTIVE DIRECTOR
EFFECTIVE 1/1/2017
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
Case No. 2022-00012





Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Eight Revised SHEET NO. 34A
CANCELLING PSC NO. 2
Seventh Revised SHEET NO. 34A

CLASSIFICATION OF SERVICE
Schedule 34 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) – Class B With Self-Generation

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
To existing member Domtar, and new members executing special contracts approved by the Kentucky Public Service Commission for load requirements exceeding 30,000 KW billing demand including KWH consumed at site.

RATE: Rates
Customer Charge.....\$1,028 per month
Plus:
Demand Charge of:
per KW of Firm Billing Demand in Month..... \$10.715
Plus:
Energy Charge of:
per KWH.....\$0.038216

NOTE: Charges for backup and replacement power are billed per contract, which includes a \$0.000166 retail adder per KWH Consumed At Site.

ADJUSTMENT CLAUSES:
The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No.
Renewable Resource Energy Service Rider (23-23D)
Fuel Adjustment Rider (24-24A)
Environmental Surcharge Rider (25-25A)
Member Rate Stability Mechanism Rider (28-28A)
Price Curtailable Service Rider (42-42C)
Non-FAC Purchased Power Adjustment Rider (30-30A)

DATE OF ISSUE November 23, 2016
Month / Date / Year
DATE EFFECTIVE January 1, 2017
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. DATED

KENTUCKY PUBLIC SERVICE COMMISSION
Talina R. Mathews EXECUTIVE DIRECTOR
[Signature]
EFFECTIVE 1/1/2017
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
Case No. 2022-00012



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Third Revised SHEET NO. 34B

CANCELLING PSC NO. 2

Second Revised SHEET NO. 34B

CLASSIFICATION OF SERVICE

Schedule 34 – Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) – Class B With Self-Generation

AGREEMENT

An “agreement for purchase of power” shall be signed by any new customer prior to service under the rate.

TAXES AND FEES

School Taxes added if applicable. Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE May 14, 2014

Month / Date / Year

DATE EFFECTIVE February 1, 2014

Month / Date / Year

ISSUED BY Steve Thompson

(Signature of Officer)

TITLE Vice President - Finance

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00385 DATED April 25, 2014

KENTUCKY PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN EXECUTIVE DIRECTOR

TARIFF BRANCH

Brent Kirtley

EFFECTIVE

2/1/2014

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Case No. 2022-00012

**EXHIBIT B**  
**Kenergy's Rate Schedule 5**





Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Eighth Revised SHEET NO. 5

CANCELLING PSC NO. 2

Seventh Revised SHEET NO. 5

CLASSIFICATION OF SERVICE
Schedule 5 - Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 - 1,000 KW)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase customers (non-residential) with a metered demand 0 - 1,000 KW for all uses served from non-dedicated delivery points.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

AGREEMENT

An "Agreement for Purchase of Power" may be required of the customer for service under this schedule, in accordance with investment to serve and as mutually agreed to by both parties. For any type of service that is not considered permanent, see tariff Sheet No. 138.

RATE

R Customer Charge per Delivery Point..... \$45.52 per month

Plus:

Demand Charge of:

R Per KW of billing demand in the month..... \$ 5.78

Plus:

Energy Charges of:

R First 200 KWH per KW, per KWH..... \$0.08749

R Next 200 KWH per KW, per KWH..... \$0.06710

R All Over 400 KWH per KW, per KWH..... \$0.05940

DATE OF ISSUE May 14, 2014
DATE EFFECTIVE February 1, 2014
ISSUED BY Steve Thompson
TITLE Vice President - Finance
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED April 25, 2014

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
Brent Kirtley
EFFECTIVE 2/1/2014
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
Case No. 2022-00012



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Fifth Revised SHEET NO. 5A

CANCELLING PSC NO. 2

Fourth Revised SHEET NO. 5A

CLASSIFICATION OF SERVICE
Schedule 5 - Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 - 1,000 KW)

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Member Rate Stability Mechanism Rider, Rural Economic Reserve Adjustment Rider, Non-FAC Purchased Power Adjustment Rider, and 2017 Billing Gap Recovery Plan Rider.

T N

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt load used by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

DATE OF ISSUE November 23, 2016
DATE EFFECTIVE January 1, 2017
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO DATED

KENTUCKY PUBLIC SERVICE COMMISSION
Talina R. Mathews EXECUTIVE DIRECTOR
EFFECTIVE 1/1/2017
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
Case No. 2022-00012



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Fourth Revised SHEET NO. 5B

CANCELLING PSC NO. 2

Third Revised SHEET NO. 5B

CLASSIFICATION OF SERVICE

Schedule 5 – Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 – 1,000 KW)

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

Max. Measured KW x 90%
Power Factor (%)

The power factor shall be measured at time of maximum load.

PRIMARY SERVICE DISCOUNT

R If service is furnished at primary distribution voltage, a discount of \$.65 per KW of Billing Demand will be applied to the monthly bill. Kenergy shall have the option of metering at primary or secondary voltage.

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

DATE OF ISSUE May 14, 2014

Month / Date / Year

DATE EFFECTIVE February 1, 2014

Month / Date / Year

ISSUED BY Steve Thompson

(Signature of Officer)

TITLE Vice President - Finance

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2013-00385 DATED April 25, 2014

KENTUCKY PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN EXECUTIVE DIRECTOR

TARIFF BRANCH

Brent Kirtley

EFFECTIVE

2/1/2014

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Case No. 2022-00012

Exhibit C  
Kenergy's Rate Schedule 7





Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Ninth Revised SHEET NO. 7

CANCELLING PSC NO. 2

Eight Revised SHEET NO. 7

CLASSIFICATION OF SERVICE
Schedule 7 - Three-Phase Demand - 1,001 KW and Over
(Non-Dedicated Delivery Points)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all three-phase customers with a metered or contract demand 1,001 KW & Over served from a non-dedicated delivery point.

Any service provided under this tariff shall be for a minimum of twelve (12) consecutive months, whereby the customer will be billed a minimum of 1,001 KW for next twelve (12) months.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

RATE

Option A - High Load Factor (above 50%):

Customer Charge per Delivery Point 975.27 per month

Plus:

Demand Charge of:

I Per KW of Billing Demand \$12.70

Plus:

Energy Charges of:

I First 200 KWH per KW, per KWH \$0.054069

I Next 200 KWH per KW, per KWH \$0.049666

I All Over 400 KWH per KW, per KWH \$0.047013

Primary Service Discount \$0.65 per KW

Option B - Low Load Factor (below 50%):

Customer Charge per Delivery Point 975.27 per month

Plus:

Demand Charge of:

I Per KW of Billing Demand \$7.15

DATE OF ISSUE November 23, 2016
Month / Date / Year

DATE EFFECTIVE May 20, 2016
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2015-00312 DATED September 15, 2016

KENTUCKY PUBLIC SERVICE COMMISSION
Talina R. Mathews EXECUTIVE DIRECTOR
EFFECTIVE 5/20/2016 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
Case No. 2022-00012



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Twelfth Revised SHEET NO. 7A

CANCELLING PSC NO. 2

Eleventh Revised SHEET NO. 7A

CLASSIFICATION OF SERVICE

Schedule 7 – Three-Phase Demand – 1,001 KW and Over (Non-Dedicated Delivery Points)

Plus:

Energy Charges of:

Table with 2 columns: Description and Amount. Includes 'First 150 KWH per KW, per KWH' at \$0.074913, 'Over 150 KWH per KW, per KWH' at \$0.065609, and 'Primary Service Discount' at \$.65 per KW.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table listing riders and their corresponding sheet numbers: Renewable Resource Energy Service Rider (23-23D), Fuel Adjustment Rider (24-24A), Environmental Surcharge Rider (25-25A), Member Rate Stability Mechanism Rider (28-28A), Rural Economic Reserve Adjustment Rider (29), Price Curtailable Service Rider (42), Non-FAC Purchased Power Adjustment Rider (30-30A), 2017 Billing Gap Recovery Plan Rider (31).

TAXES AND FEES

School Taxes added if applicable. Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

AGREEMENT

An Agreement for Purchase of Power shall be executed by the member for service under this schedule. Existing members before January 1, 2017 will be grandfathered and may not have an agreement. The monthly facilities charge shall be in accordance with the investment to serve and cover cost of service. For any type of service that is not considered permanent, see tariff Sheet No. 138.



DATE OF ISSUE November 23, 2016 Month / Date / Year

DATE EFFECTIVE January 1, 2017 Month / Date / Year

ISSUED BY [Signature] (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. DATED

Red-bordered box containing: KENTUCKY PUBLIC SERVICE COMMISSION, Talina R. Mathews EXECUTIVE DIRECTOR, [Signature], EFFECTIVE 1/1/2017 PURSUANT TO 807 KAR 5:011 SECTION 9 (1), Case No. 2022-00012



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Fourth Revised SHEET NO. 7B
CANCELLING PSC NO. 2
Third Revised SHEET NO. 7B

CLASSIFICATION OF SERVICE
Schedule 7 - Three-Phase Demand - 1,001 KW and Over
(Non-Dedicated Delivery Points)

OPTION A OR B RATE SELECTION

The option chosen by the customer will remain in effect for a minimum of twelve months. Thereafter, the customer may, upon request, transfer from one option to the other after twelve months of service under the option previously chosen.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the greater of the actual maximum kilowatt demand used by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter or the minimum contract demand, which must equal or exceed 1,001 KW.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus which shall result, during normal operation, in a power factor not lower than 90%.

At Kenergy's option, in lieu of the customers providing the above corrective equipment, when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

Max. Measured KW x 90%
Power Factor (%)

The power factor shall be measured at time of maximum load.

PRIMARY SERVICE DISCOUNT

R If service is furnished at primary distribution voltage, a discount of \$.65 per KW of Billing Demand will be applied to the monthly bill. Kenergy shall have the option of metering at primary or secondary voltage.

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

DATE OF ISSUE May 14, 2014
Month / Date / Year
DATE EFFECTIVE February 1, 2014
Month / Date / Year
ISSUED BY Steve Thompson
(Signature of Officer)
TITLE Vice President - Finance
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2013-00385 DATED April 25, 2014

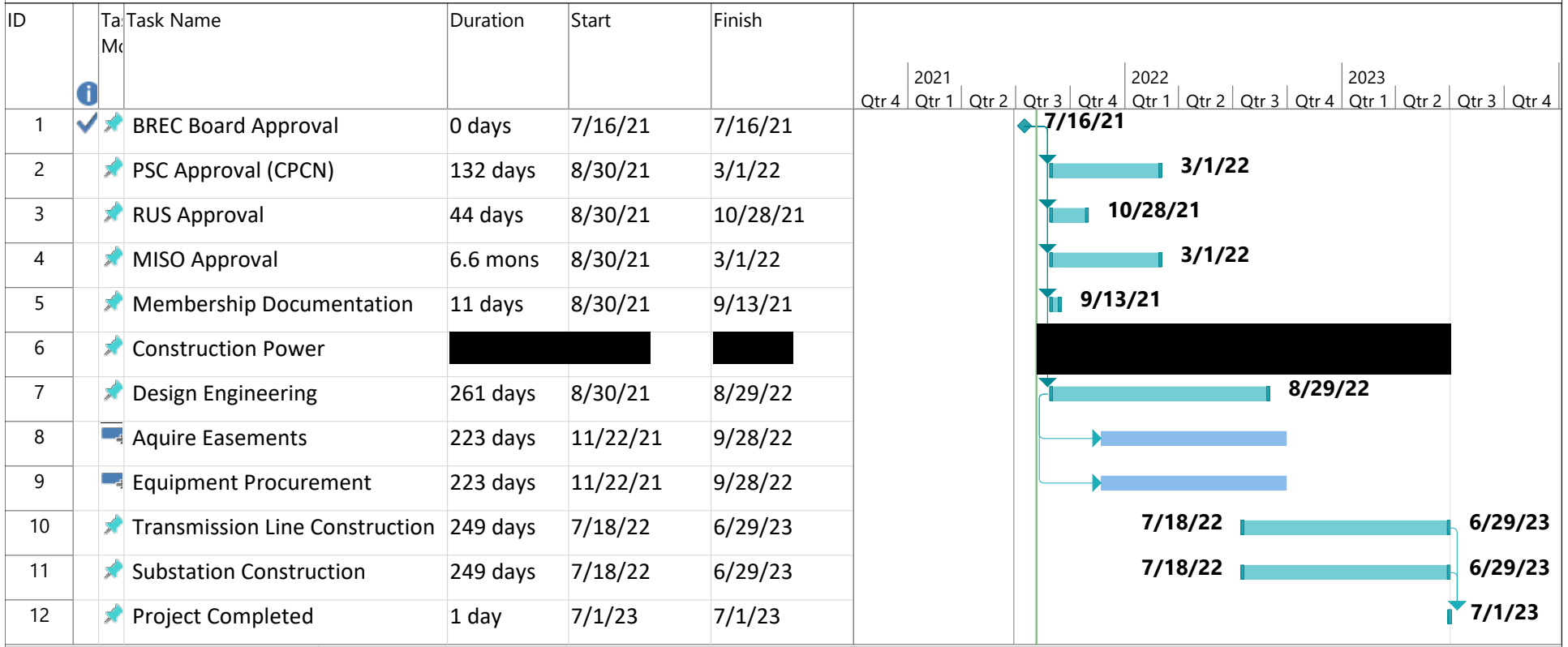
KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
Brent Kirtley
EFFECTIVE 2/1/2014
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
Case No. 2022-00012

Exhibit D



Pratt Paper Timeline  
Big Rivers Electric Corporation  
This projected timeline is an estimate only.

August 5, 2021



Project: Project Mantra Timeline Date: 8/5/21	Task		Inactive Summary		External Tasks	
	Split		Manual Task		External Milestone	
	Milestone		Duration-only		Deadline	
	Summary		Manual Summary Rollup		Progress	
	Project Summary		Manual Summary		Manual Progress	
	Inactive Task		Start-only			
	Inactive Milestone		Finish-only			

Actual dates depend on a number of factors outside of our control, such as regulatory approvals, weather, and the availability of materials. Big Rivers is not responsible for any loss or damage incurred by any person or entity relying on this estimate.

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 **Item 4)**      *Refer to BREC's response to Staff's First Request, Item 13b.*

2            a.      *Clarify what is meant by "a field review of the proposed route"*

3 *and explain what is entailed in conducting a field review.*

4            b.      *Provide the field review report or any documents prepared for*

5 *BREC's internal review subsequent to the field review.*

6            c.      *Confirm that the field review included a sub-terrain analysis.*

7

8 **Response)**

9            a.      Big Rivers' personnel along with representatives from both Patterson  
10 and Dewar Engineers (Big Rivers' Transmission Line and Substation engineering  
11 consultant) and Team Spatial (Big Rivers' Route Study consultant) completed a  
12 field review of the project route study area including the proposed transmission line  
13 route and substation and switching station sites. The field review included a visual,  
14 in person review of the area to determine if obstructions were present that were not  
15 visible in publicly available geospatial data.

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1           b.       The field review was completed as part of the route study process. The  
2 route study is attached as Exhibit D to Big Rivers' Application in this case.

3           c.       The field review did include a general review of the sub-surface  
4 conditions typical to the project area. The field review did not include a full  
5 geotechnical study. A full geotechnical study of the proposed route and proposed  
6 substation and switching station sites is currently underway.

7

8

9 **Witness)**   Christopher S. Bradley

10

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 **Item 5)**      *Refer to BREC's response to Commission Staff's Second Request*  
2 *for Information, Item 2,*

3            *a.      Confirm that Henderson Municipal Power and Light (HMPL)*  
4 *agreed to relocate their 161 kV line that is in proximity to the project, and to*  
5 *re-terminate it at the proposed South Henderson Switching Station. If so,*  
6 *provide the agreement between BREC and HMPL.*

7            *b.      Provide the estimated cost to relocate and re-terminate the*  
8 *HMP&L 161 kV line and confirm that BREC is responsible for that cost.*

9

10 **Response)**

11            a.      Big Rivers has provided details of the project to Henderson Municipal  
12 Power and Light (HMPL) including the re-termination of HMPL's line into the  
13 planned switching station. HMPL was informed of the project from Big Rivers'  
14 Regional Transmission Operator (RTO), Midcontinent Independent System  
15 Operator (MISO) during MISO's expedited project review process. During this  
16 process MISO informs all impacted utilities of the project and allows time for each

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 utility to review the project plans and each utility has the ability to submit  
2 questions or concerns regarding the project. During the expedited review process,  
3 HMPL did not object to the plans being submitted.

4       Additionally, Big Rivers met virtually with HMPL to review the details of the  
5 project plans from the point of re-termination of their line at the switching station  
6 throughout the entire line route, including discussing details for crossing HMPL  
7 owned lines along the route. Included in the meeting were HMPL's general  
8 manager and director of transmission and distribution, a HMPL substation  
9 technician, and representatives from three different engineering consulting firms  
10 hired by HMPL. During the call, HMPL provided verbal agreement of the plans to  
11 re-terminate into the switching station and our plans for line crossings. Big Rivers  
12 does not have a written agreement with HMPL for the project.

13       b.       The estimated cost to relocate the HMPL 161 kV line into the proposed  
14 switching station is \$300,000. Big Rivers will be responsible for this cost.

15

16

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1

2 **Witness)** Christopher S. Bradley

3

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 **Item 6)**      *The Application page 6 of 10, lines 12-16 states that BREC is*  
2 *financing with cash reserves and seeking funding. According to BREC's*  
3 *response to Staff's First Request, Item 1, BREC is obtaining private*  
4 *financing.*

5      *a. Confirm that BREC will be using cash reserves initially and provide*  
6 *the total amount of cash reserves anticipated to be expended.*

7      *b. Explain why BREC chose to not seek funding through the United*  
8 *States Department of Agriculture's Rural Utilities Service and to*  
9 *seek private funding instead.*

10      *c. Explain whether the full amount of the project expense will be*  
11 *funded ultimately with debt through the private funding source. If*  
12 *not, explain approximately how much of BREC's general cash*  
13 *reserves will ultimately be used and how much debt will be used for*  
14 *financing.*

15

16

**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**  
**TO CONSTRUCT A 161 KV TRANSMISSION LINE**  
**IN HENDERSON COUNTY, KENTUCKY**  
**CASE NO. 2022-00012**

**Response to Commission Staff's**  
**Third Request for Information**  
**dated May 9, 2022**

**May 17, 2022**

1 **Response)**

2       a.   Big Rivers will initially utilize cash reserves (including line of credit  
3           utilization) for the \$20,200,000 in estimated project costs.

4       b.   Due to the time sensitivity of the proposed project, and the RUS'  
5           environmental review requirements before construction can begin, Big  
6           Rivers determined that private funding would be the best option.

7       c.   Big Rivers continues to investigate the best source of financing for the  
8           construction costs.

9

10

11

12 **Witness)**   Christopher S. Bradley

13