

**ORIGINAL**



**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF</b>	)	
<b>BIG RIVERS ELECTRIC CORPORATION</b>	)	<b>Case No.</b>
<b>FOR ANNUAL REVIEW OF ITS MRSM</b>	)	<b>2022-00028</b>
<b>CHARGE FOR CALENDAR YEAR 2021</b>	)	

**Big Rivers Electric Corporation's  
Response to the Initial Data Requests of the Attorney General  
dated March 14, 2022**

**FILED: March 31, 2022**

**ORIGINAL**

**BIG RIVERS ELECTRIC CORPORATION**

**ELECTRONIC APPLICATION OF  
BIG RIVERS ELECTRIC CORPORATION  
FOR ANNUAL REVIEW OF ITS MRSM  
CHARGE FOR CALENDAR YEAR 2021  
CASE NO. 2022-00028**

**VERIFICATION**

I, Paul G. Smith, verify, state, and affirm that the data request responses 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 Smith*

\_\_\_\_\_  
Paul G. Smith

COMMONWEALTH OF KENTUCKY )  
COUNTY OF HENDERSON )

31<sup>st</sup> SUBSCRIBED AND SWORN TO before me by Paul G. Smith on this the  
day of March, 2022.

*Kathleen Polley*

\_\_\_\_\_  
Notary Public, Kentucky State at Large

Kentucky ID Number

K11NPI6841

My Commission Expires

October 31, 2024



**BIG RIVERS ELECTRIC CORPORATION**  
**ELECTRONIC APPLICATION OF**  
**BIG RIVERS ELECTRIC CORPORATION**  
**FOR ANNUAL REVIEW OF ITS MRSM CHARGE**  
**FOR CALENDAR YEAR 2021**  
**CASE NO. 2022-00028**

**Response to the Office of the Attorney General's**  
**Initial Data Requests**  
**dated March 14, 2022**

**March 31, 2022**

1 **Item 1)**      *Discuss whether automatic usage of regulatory liability funds in*  
2 *excess of the \$9 million minimum to reduce the SLM regulatory asset will*  
3 *have an impact on the MRSM bill credit in this year and in future years.*

4

5 **Response)** No, the automatic usage of the regulatory liability funds in excess of the  
6 \$9 million minimum balance will not have an impact on the MRSM bill credit. Only  
7 the 60% of the surplus net margins specifically targeted to reduce the regulatory asset  
8 balance are recorded to the regulatory liability account, thus the proposed automatic  
9 usage will not impact the MRSM bill credit.

10

11

12 **Witness)**      Paul G. Smith

**BIG RIVERS ELECTRIC CORPORATION**  
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1 **Item 2)**      *Refer to Direct Testimony of Paul Smith at 9. Regarding the \$14.2*  
2 *million to be credited to rural customers, provide a calculation for the bill*  
3 *impact for the flow through of that amount for a residential customer of*  
4 *average usage on a monthly and annual basis.*

5

6 **Response)** The bill impact in 2022, for all rural customers, including residential,  
7 will depend on the actual usage each month. Assuming the 2022 rural sales volume  
8 is the same as 2021 (2,219,103 MWhs), the average residential customer bill credit  
9 will be approximately \$6.40 per MWh (\$14.2 million / 2.2 million MWhs), or  
10 approximately \$86.78 for the year 2022 (assuming 2020 average residential usage of  
11 1,130 kWh per month).

12

13

14 **Witness)**      Paul G. Smith