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

**In the Matter of:**

<b>ELECTRONIC APPLICATION OF BIG</b>	)	
<b>RIVERS ELECTRIC CORPORATION FOR</b>	)	<b>Case No.</b>
<b>APPROVAL OF AMENDMENT TO POWER</b>	)	<b>2022-00296</b>
<b>PURCHASE AGREEMENT</b>	)	

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**BRIEF OF BIG RIVERS ELECTRIC CORPORATION**

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Comes Big Rivers Electric Corporation (“*Big Rivers*”), and for its brief in response to the Kentucky Public Service Commission’s (“*Commission*”) March 31, 2023, Order in this matter, states as follows:

**Introduction**

On September 28, 2020, the Commission approved a Power Purchase Agreement (“*PPA*”) between Big Rivers and Unbridled Solar, LLC (“*Unbridled Solar*”).<sup>1,2</sup> Under the PPA, Big Rivers will receive the entire capacity value (MW), energy (MWh), ancillary services, and environmental attributes (*i.e.*, renewable energy certificates or carbon credits) of the 160 MW solar facility being

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<sup>1</sup> *In the Matter of: Electronic Application of Big Rivers Electric Corporation for Approval of Solar Power Contracts*, P.S.C. Case No. 2020-00183, Order (Sept. 28, 2020).

<sup>2</sup> Unbridled Solar was formerly Henderson Solar, LLC.



1 for the traditional interconnection process, and with Big Rivers  
2 consequently assuming the risk of any Network Upgrade Costs;  
3 4. increasing the credit support required from Unbridled Solar; and  
4 5. increasing the Contract Price from \$29.60/MWh to \$38.10/MWh.<sup>6</sup>

5 The Direct Testimony of Mark Eacret, attached as Exhibit 3 to Big Rivers’  
6 Application in this matter, fully describes the proposed Amendment No. 1.

7 **The Commission Should Approve Amendment No. 1**

8 Retaining the original PPA without any change is not a viable option.  
9 Unbridled Solar will not honor the original PPA. The alternatives are legal action  
10 against Unbridled Solar and finding another solar developer; keeping the credit  
11 support and finding another solar developer; or agreeing to the proposed  
12 amendment. The result of any legal action is uncertain as to timing and  
13 outcome.<sup>7</sup>

14 The proposed Amendment No. 1, on the other hand, provides value to Big  
15 Rivers and its Members that is known and that is several times what they would  
16 receive if Unbridled Solar simply abandoned the project and relinquished the  
17 credit support. In fact, the amended PPA provides nearly \$86 million in value to  
18 Big Rivers and its Members.<sup>8</sup>

19 While the price and certain other terms are not as favorable to Big Rivers  
20 as the original PPA, the Contract Price under Amendment No. 1 is still well below

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<sup>6</sup> *Id.* at pp. 6-7.

<sup>7</sup> *Id.* at p. 18.

<sup>8</sup> *Id.* at p. 16.

1 the prices Big Rivers could get from a substitute solar project. The amended PPA  
2 will still provide needed capacity to reduce a short-term capacity shortfall. The  
3 amended PPA can still be utilized to satisfy Big Rivers’ solar obligation to Nucor.  
4 The amended PPA will still help entice economic development candidates  
5 considering locating in the Big Rivers footprint who are interested in Big Rivers’  
6 generation resource mix and decarbonization efforts. And the amended PPA will  
7 still help diversify Big Rivers’ resource mix and satisfy the credit rating agencies’  
8 Environmental, Social, and Governance (“*ESG*”) criteria.<sup>9</sup>

9 For these reasons, the amended PPA remains a reasonable and cost-  
10 effective source of energy that is (1) for a lawful object within the corporate  
11 purposes of Big Rivers and necessary; (2) appropriate for, and consistent with, the  
12 proper performance by Big Rivers of its service to the public, and will not impair  
13 its ability to perform that service; (3) reasonably necessary and appropriate for  
14 such purpose; and (4) not a wasteful duplication of facilities.<sup>10</sup>

### 15 **Conclusion**

16 The proposed amendment makes the best of a bad situation. The  
17 amendment retains approximately two-thirds of the original contract value for  
18 Big Rivers’ Members, keeps the Nucor pricing structure intact, and allows Big  
19 Rivers to increase the diversity of its resources as encouraged by economic

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<sup>9</sup> See *id.* at pp. 7, 17.

<sup>10</sup> See KRS 278.300.

1 development candidates and credit rating agencies. For these reasons, the  
2 Commission should approve Amendment No. 1.

3 On this the 12<sup>th</sup> day of April, 2023.

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Respectfully submitted,

*/s/ Tyson Kamuf*

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