

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

**In the Matter of:**

<b>ELECTRONIC TARIFF FILING OF BIG RIVERS</b>	)	<b>Case No.</b>
<b>ELECTRIC CORPORATION AND KENERGY</b>	)	<b>2023-00312</b>
<b>CORP. TO REVISE THE LARGE INDUSTRIAL</b>	)	
<b>CUSTOMER STANDBY SERVICE TARIFF</b>	)	

**JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO DOMTAR PAPER COMPANY, LLC'S  
FIRST REQUEST FOR INFORMATION**

Big Rivers Electric Corporation (“Big Rivers”) and Kenergy Corp. (“Kenergy”), by counsel, file their joint responses to Domtar Paper Company, LLC’s First Request for Information, issued in the above-captioned case on October 13, 2023.

**FILED:        October 27, 2023**





IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-1:** *Please provide a copy of all discovery responses provided to the Staff and other parties.*

**RESPONSE:** Subject to its confidentiality agreements with Domtar and Kimberly-Clark, Big Rivers is providing Domtar an electronic copy of all discovery responses to the Staff and other parties in this matter.

**Witness: Nathaniel A. Berry (Big Rivers)**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-2: *Refer to Big Rivers' Rate Schedule LIC.***

- a. Please provide the class cost of service study in Excel, with formulas, developed by BREC in Case 2013-00199 that supports the current LIC demand and energy charge.*
- b. Please identify the base amount of fuel costs included in the LIC energy charge.*
- c. To the extent not provided in Part(a) above, please provide any functional cost study and unit cost of service study developed as part of the class cost of service study.*
- d. To the extent that BREC developed a compliance class cost of service study reflecting the Commission's Order in Case 2013-00199, please provide the information requested in Parts (a) and (c) above consistent with the compliance class cost of service study.*

**RESPONSE:**

- a. The study in electronic format is filed herewith.
- b. The base amount of fuel costs included in the LIC energy charge is not known, because in the last rate case, the Commission did not increase energy charges to the levels supported by the cost of service study.
- c. N/A
- d. The study in electronic format is filed herewith.

**Witness: John Wolfram**

Case No. 2023-00312  
Response to DPC 1-2  
Witness: John Wolfram  
Page 1 of 1

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-3:** *Please provide the most recent class cost of service study prepared by BREC. To the extent that such a study has been developed, please provide the study consistent with the information requested in the prior question, Parts (a) and (c).*

**RESPONSE:** This information was provided in response to Kimberly-Clark Corporation's Request No. 1-2 in Case No. 2021-00289, which has been incorporated into the record in the instant case. The most recent class cost of service studies prepared for Big Rivers were filed in Case No. 2021-00061. Two studies were prepared; the preferred study (using 12 CP allocation instead of Average & Excess for production demand) is filed herewith in electronic format, under seal and subject to a request for confidential treatment.

**Witness: John Wolfram**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S REQUEST FOR INFORMATION

**REQUEST NO. 1-4:** *Refer to BREC's proposed Large Industrial Customer Standby Service (LICSS) tariff filed September 1, 2023.*

- a. *Identify each of the individuals, including their titles, at BREC who developed Rate LICSS.*
- b. *Did BREC rely on any consultants or other outside individuals in its development of Rate LICSS. If so, provide the following:*
  - i. *The name of the individual, the individual's Company and the individual's resume, including testimony experience.*
  - ii. *Provide a copy of the retention agreement.*
  - iii. *Provide copies of all reports, analyses, memoranda or other writings provided by the outside individual to BREC.*
- c. *Provide copies of all internal memoranda, reports, analyses or other writings addressing Rate LICSS.*

**RESPONSE:**

a. The individuals at Big Rivers involved in the development of the original LICSS tariff and/or the revised LICSS tariff filed in this proceeding include:

Robert W. Berry, Chief Executive Officer and President

Paul A. Smith, Former Chief Financial Officer

Case No. 2023-00312  
Response to DPC 1-4  
Witness: Terry Wright, Jr.  
Page 1 of 3

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S REQUEST FOR INFORMATION

Mark J. Eacret, Former Vice President of Energy Services

Ronald R. Repsher, Former Vice President of Energy Services

Tyson Kamuf, General Counsel

Michael T. Pullen, Former Chief Operating Officer

Michael W. Chambliss, Former Vice President Systems Operations

b. Yes.

i. Big Rivers utilized John Wolfram of Catalyst Consulting in the development of the original LICSS tariff. See the Direct Testimony of John Wolfram filed in *In the Matter of: Electronic Tariff Filing of Big Rivers Electric Corporation for Approval of Proposed Changes to Its Qualified Cogeneration and Small Power Production Facilities Tariffs*, PSC Case No. 2023-00102, including Exhibit Wolfram-1, for a detailed description of Mr. Wolfram's qualifications and testimony experience.

ii. A copy of the retention agreement is filed herewith.

iii. Please see Big Rivers' prior filings in the incorporated cases.

*(Response to Request No. 1-4 continued on following page)*



IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S REQUEST FOR INFORMATION

c. Big Rivers objects to this request to the extent it seeks documents or information protected from disclosure by the attorney-client privilege or work product doctrine. Subject to these objections, please see Big Rivers' prior filings in the incorporated cases for reports, analyses, or other writings addressing the LICSS tariff.

**Witness: Terry Wright, Jr. (Big Rivers)**

**AGREEMENT  
FOR  
CONSULTING SERVICES**

THIS AGREEMENT, made as of the 12th day of December, 2019, by and between Catalyst Consulting LLC ("Consultant") with offices located at 3308 Haddon Road, Louisville, Kentucky, 40241; phone (502) 599-1739, and Big Rivers Electric Corporation ("Client").

**WITNESSETH:**

WHEREAS, Client desires Consultant to perform certain consulting services ("Services") as hereinafter described, on matters related to the development and establishment of a wholesale electric rate for backup, maintenance, supplement and/or standby services ("Standby Service Schedule"), and Consultant desires to perform these services for the compensation and in accordance with the terms and conditions set forth herein,

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

**ARTICLE 1. SERVICES TO BE PERFORMED**

The Services to be performed by Consultant pursuant to the terms of this agreement include providing rate design services, expert witness services and testimony to assist Client and Client's Corporate Attorney. Consultant shall not share any communications or documents generated in the course of this engagement except with individuals (i) within the Client's company who have a need for the information, and (ii) with third parties only with the approval of Client's counsel. Any Communications between Client and Consultant will be, and will remain, privileged and confidential as attorney-work product and attorney-client communications. To ensure that Consultant's assistance to Client is fully protected, any materials Consultant may prepare are to be labeled "ATTORNEY WORK-PRODUCT / ATTORNEY-CLIENT COMMUNICATION / PRIVILEGED AND CONFIDENTIAL."

Consultant shall perform diligently and competently for Client the consulting services to which the parties agree. Consultant shall be an independent contractor, and not an agent of Client, in performing these services, and shall accordingly have sole discretion with respect to scheduling, staffing and all other matters incidental to Consultant's performance of these services. This Agreement shall not be deemed to be an agreement for the sale of goods. Any documentary report or other tangible item furnished under this Agreement will be furnished solely to communicate information relating to the services to be performed under this Agreement.

**ARTICLE 2. COMPENSATION**

For satisfactory performance of the services described in the scope of work, Client shall pay Consultant the compensation for services performed on the following basis:

- (a) Standard time rates for Consultant for the time actually engaged in the performance of the work plus travel, meals, and other necessary expenses as summarized in Table A.
- (b) The Consultant shall submit a statement to the client by the fifth day of each month detailing all compensation due hereunder for the preceding month. Client will pay all charges not in conflict on or about the 20th day of that month.

ARTICLE 3. TERMINATION

This Agreement may be terminated at any time by either party by thirty (30) days written notice to the other party. In the event of termination by Consultant, any assignment which has been accepted by Consultant will be completed if desired by Client. In the event of termination by Client, the work shall be discontinued as provided in the termination instruction, and Client shall pay as provided herein for all work done in accordance with the termination instruction.

ARTICLE 4. INSURANCE

Consultant will provide and maintain at least the minimum insurance liability or equivalent self-insurance of:

- a) \$1,000,000 per occurrence and aggregate combined single limits for bodily injury and property damage for general liability,
- b) \$1,000,000 per occurrence combined single limit for bodily injury and property damage for automobile liability,
- c) the statutory benefits of the applicable Workman's Compensation Law.

ARTICLE 5. LIMITATION OF LIABILITY AND HOLD HARMLESS

A. Limitation of Liability

The total cumulative liability of Consultant to Client with respect to services performed or to be performed pursuant to this Agreement, whether in contract, indemnity, contribution, tort (including negligence, whether active, passive, or any other kind) or otherwise, shall not exceed the gross compensation received by Consultant under this Agreement.

B. Re-Performance of Services

If Consultant negligently performs its services and notice is timely given, Consultant shall correct such negligently performed services. Consultant's charges for doing so shall be counted toward the total cumulative liability of Consultant to Client set forth in Article 5-A above.

C. Hold Harmless

Consultant and Client agree to hold each other harmless from all loss, damage, liability, claims or suits (including related expenses, costs, and attorney's fees) resulting from injury to any person or damage to any property connected with the performance under this Agreement due to the negligence, active or passive, or willfulness of each party, acting through its agents, employees or representatives.

D. Survival

The provisions of this Article shall survive the termination or cancellation of this Agreement or the completion of services performed hereunder.

ARTICLE 6. ASSIGNMENT

This Agreement shall not be assigned by either party without prior written approval of the other party.

ARTICLE 7. APPLICABLE LAW

Throughout the course of the Agreement, the parties will comply with all applicable laws, ordinances and regulations relating to the Agreement and its performance. The Agreement shall be interpreted under and governed by the laws of the Commonwealth of Kentucky.

ARTICLE 8. REPORTS

All reports developed by the Consultant under this Agreement shall become the property of Client to be used only in connection with the project, study or service specified in the applicable Request for Services or Proposal. All such reports shall, at Client's request, be delivered to Client upon completion or termination of such services, but the Consultant may retain and use copies thereof.

ARTICLE 9. NOTICES

Any notice provided for or required hereunder shall be given in writing to the following:

TO CLIENT:

Mike Chambliss  
Big Rivers Electric Corporation  
201 Third Street  
Henderson, KY 42420

TO CONSULTANT:

John Wolfram

Catalyst Consulting LLC  
3308 Haddon Road  
Louisville, Kentucky 40241  
(502) 599-1739

ARTICLE 10. SEVERABILITY

If any provision of this Agreement is held to be unenforceable, no other provision shall be affected by that holding, and the remainder of the Agreement shall be interpreted as if it did not contain the unenforceable provision.

ARTICLE 11. CONFIDENTIALITY

A. As used in this Agreement, "Confidential Information" shall mean

- (i) any and all non-public information (whether written, digital or in any other form) contained in or relating to the Services,
- (ii) oral disclosures of non-public information or data relating to the Services, or
- (iii) non-public information or data obtained as a result of visual access to such information during site visits to Client premises.

The Consultant shall only use the Confidential Information for the purpose of providing the Services or receiving the Services pursuant to the Agreement.

B. In order to preserve the confidentiality of the Confidential Information, the Consultant shall:

- i) protect and preserve the confidential and proprietary nature of all Confidential Information and use the same care and discretion to avoid disclosure of Confidential Information as the Consultant uses with respect to its own confidential information;
- ii) hold the Confidential Information in the strictest confidence and not disclose any Confidential Information to any persons other than the Consultant's employees or representatives of the Consultant who need to know the Confidential Information for the purposes described in the Agreement;
- iii) notify the Client immediately of any loss or misplacement of Confidential Information, in whatever form.

C. In the event the Consultant is required by subpoena, court order, government agency, or other similar process to disclose Confidential Information, it shall (unless prohibited from doing so by law or by court order) provide the Client with immediate written notice and

documentation thereof, so that the Client may seek a protective order or other appropriate remedy.

- D. In no event, however, shall the Consultant disclose Confidential Information at any time which is deemed confidential by operation of law, rule, regulation or other governmental order.
- E. The Consultant shall not make any public announcements relating to this Agreement without the prior written approval of the Client, except for (i) and announcement intended solely for internal distribution within the Consultant's entity, or (ii) any disclosure required by law, regulation, or government agency request.
- F. The obligations of the Consultant under this Article shall remain in effect as long as the Consultant is in possession of Confidential Information and this Article shall survive termination or expiry of this Agreement.

#### ARTICLE 12. MISCELLANEOUS

This Agreement constitutes the entire Agreement between the parties with respect to the terms and conditions under which the Consultant will perform its services. No waiver, alteration, consent or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the party to be bound.

**TABLE A**  
**COMPENSATION**

For all activities on this project, Catalyst Consulting will charge for services at the following hourly rates:

Member	John Wolfram	\$200 per hour
--------	--------------	----------------

The hourly rates quoted are effective through December 31, 2020 or through the closure of the corresponding docket before the Kentucky Public Service Commission (if applicable), whichever comes later.

For all travel, Catalyst Consulting will bill the actual reasonable cost of transportation, meals, lodging, and incidentals. Mileage reimbursement will be in accordance with rates allowed by the IRS. Catalyst Consulting may also bill for other ad hoc expenses, including printing, shipping, etc., if incurred. Reasonable efforts will be made to minimize expenses and obtain advantageous pricing.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives, as of the date herein above first written.

CATALYST CONSULTING LLC

By: 

Title: Member

BIG RIVERS ELECTRIC CORPORATION

By:  Tyson Kankut

Title: Corporate Attorney



IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUESTNO.1-5:** *Please identify any utilities that BREC is aware of that has a standby and maintenance power tariff similar to BREC's proposed Rate LICSS. Include the name of the utility, the title of the rate or tariff and, if available to BREC, a copy of the rate or tariff.*

**RESPONSE:** Big Rivers is not aware of other utilities that have standby schedules similar to the proposed LICSS.

**Witness: John Wolfram**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-6:** *In its development of Rate LICSS, did BREC review standby and maintenance power rates of other utilities? If so, identify each such utility and the name or title of the tariff.*

**RESPONSE:** As part of the effort to develop the LICSS rate schedule, Big Rivers reviewed tariffs of other utilities, including but not limited to standby and maintenance power rates. In 2019, these included an AEP backup and maintenance tariff from 2015 in West Virginia, as well as a standby schedule for Southern Company / Alabama Power. Big Rivers also researched standby schedules or contract offerings of the Ohio Power Company, Duke Energy (Ohio and North Carolina), Alliant, Vectren, and other parties. In early 2020, Big Rivers reviewed Commission-approved standby rates for Duke Energy Kentucky (Rider GSS) and Kentucky Utilities (Rider SS, which was canceled approximately 2016). Big Rivers also examined rate offerings by East Kentucky Power, KU, LG&E, and Kentucky Power related to self-supply pricing for non-industrial rate classes.

**Witness: John Wolfram**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-7:** *As part of its development of Rate LICSS, did BREC develop any other alternative standby and maintenance power rate schedules? If so, please provide copies of all such schedules. If BREC no longer has these alternative rate schedules, please provide a narrative explaining how each such alternative rate schedule differed from the final version of Rate LICSS.*

**RESPONSE:** Big Rivers reviewed and considered alternative approaches in its effort to develop the proposed LICSS tariff. Upon determining its approach, Big Rivers developed the filed rate schedule. No alternative schedules were developed.

**Witness: John Wolfram**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-8:** *Refer to Rate LICSS. Is it BREC's position that a standby load should pay for transmission service based on 100% of the cost of transmission service based on the maximum contract standby load? In other words, does Rate LICSS charge a standby customer for the cost of transmission service irrespective of the customer's self-supply capacity?*

**RESPONSE:** When a utility builds a transmission line to serve a standby customer, it must build the line based on the maximum load that it may be required to serve at the end of the line. If a customer requests back-up service for its own generator, Big Rivers does not and cannot decrease line size or maintenance efforts based on that customer's self-supply capability because Big Rivers knows that the standby customer's generator will be offline part of the time. It is akin to Big Rivers' purchase of firm capacity on a natural gas pipeline—Big Rivers would pay for service based on the Maximum Nomination it could schedule on a daily basis and it does not matter that the gas is to be used by a peaking resource that may only need the capacity a handful of days a year.

Big Rivers believes the customer should pay its fair share of Big Rivers' fixed costs based on the capacity that customer expects Big Rivers to provide. For example, if a customer with a sixty (60) MW load installed a 60 MW generator, Big Rivers must build and/or maintain the facilities necessary to provide 60 MW of power to that customer at a moment's notice; the

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

customer should pay the costs incurred in connection with establishing and maintaining the ability to provide that amount of power. If a customer does not pay its fair share, the other retail customers of Big Rivers' Members would be forced to subsidize costs that are incurred only to provide service to the non-paying customer.

The standard LIC rate is a bundled rate, including generation and transmission costs. For Supplemental Power, the LICSS customer pays the LIC demand charge based on their billing demand for a month less the Backup Power demand. For Backup Power, the LICSS customer pays the LIC demand charge based on the amount of Backup Power capacity the customer demands that Big Rivers/Kenergy provide each month (which is equivalent to the customer's Self-Supply Capacity), less a credit equal to the MISO PRA ACP times the Self-Supply Capacity.

**Witness: John Wolfram**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-9:** *Please provide a narrative explaining how BREC is charged for transmission service under the MISO OATT. Include the current charge for Network Integrated Transmission Service ("NITS") that BREC pays under the MISO OATT. Also include the basis for the determination of BREC's billing determinants used to calculate BREC's charges for NITS under the OATT.*

**RESPONSE:** NITS Transmission service is charged to MISO customers under published OATT rates by Transmission Owner zone, plus a MISO administration fee. The revenue received by MISO is distributed to those Transmission Owners. Big Rivers is both a Transmission Owner and a Transmission Customer in the same zone. Therefore, the same NITS transmission service charged to Big Rivers' member load would also be distributed back to Big Rivers as Transmission revenue. To manage cash flow, Big Rivers is invoiced only the MISO administration fees.

**Witness: Terry Wright, Jr. (Big Rivers)**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-10:** *Please provide the MISO Planning Resource Auction ("PRA")*

*Auction Clearing Price applicable to BREC for the current year and each of the prior 5 years.*

**RESPONSE:**

<b>Planning Year</b>	<b>Zone 6 Clearing Price</b>
<b>PY2018-2019</b>	<b>\$10/MW-Day</b>
<b>PY2019-2020</b>	<b>\$2.99/MW-Day</b>
<b>PY2020-2021</b>	<b>\$5/MW-Day</b>
<b>PY2021-2022</b>	<b>\$5/MW-Day</b>
<b>PY2022-2023</b>	<b>\$236.66/MW-Day</b>
<b>Summer 2023</b>	<b>\$10/MW-Day</b>
<b>Fall 2023</b>	<b>\$15/MW-Day</b>
<b>Winter 2023-2024</b>	<b>\$2/MW-Day</b>
<b>Spring 2024</b>	<b>\$10/MW-Day</b>

**Witness: Terry Wright, Jr. (Big Rivers)**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-11:** *For the past 12 months (or the most recent 12-month period  
for which data is available), please provide the following information regarding Rate Schedule*

*LIC:*

- a. Total number of customers on the rate schedule.*
- b. Total revenues for the rate schedule, broken down by:*
  - i. Base revenues*
  - ii. Revenues produced by each adjustment clause rider or surcharge applicable to  
Rate LIC, separately stated for each such adjustment clause, rider or  
surcharge.*
- c. Billing determinates (kW, kWh) by month.*

**RESPONSE:** Please see the attachment to this response.

**Witness: Nathaniel A. Berry (Big Rivers)**



Big Rivers Electric Corporation  
 CN 2023-00312  
 Attachment for DPC 1-11

Total LIC Sales	kW	kWh	Base Demand	Base Energy	Total Base Demand & Energy	Power Factor Penalty	EDR & Other Billing Adjustments	FAC	ES	Non-FAC PPA	MRSMS Credit	Total Revenue (Net of MRSMS)	
October 2022	186,121	74,238,920	\$ 1,994,287	\$ 2,824,791	\$ 4,819,077	\$ 889	\$ (52,096)	\$ 2,143,575	\$ 306,029	\$ 446,844	\$ (298,738)	\$ 7,365,581	17
November 2022	154,248	64,504,921	\$ 1,652,767	\$ 2,454,412	\$ 4,107,180	\$ 1,125	\$ (51,963)	\$ 1,515,866	\$ 196,524	\$ 388,255	\$ (298,738)	\$ 5,858,249	17
December 2022	151,228	71,441,213	\$ 1,620,408	\$ 2,718,338	\$ 4,338,746	\$ 793	\$ (51,749)	\$ 1,431,039	\$ 250,172	\$ 430,005	\$ (298,738)	\$ 6,100,268	16
January 2023	151,402	73,072,709	\$ 1,622,272	\$ 2,780,417	\$ 4,402,689	\$ 54	\$ (52,154)	\$ 1,058,531	\$ 621,744	\$ 439,825	\$ (209,184)	\$ 6,261,504	16
February 2023	152,587	61,747,119	\$ 1,634,970	\$ 2,349,478	\$ 3,984,448	\$ 257	\$ (52,285)	\$ 483,603	\$ 240,552	\$ 371,656	\$ (209,184)	\$ 4,819,047	16
March 2023	151,965	70,378,027	\$ 1,628,305	\$ 2,677,884	\$ 4,306,189	\$ 32	\$ (52,374)	\$ 93,321	\$ 223,088	\$ 423,605	\$ (209,184)	\$ 4,784,677	16
April 2023	153,824	67,226,073	\$ 1,648,224	\$ 2,557,952	\$ 4,206,176	\$ 1,372	\$ (52,097)	\$ 267,022	\$ 313,135	\$ 404,634	\$ (209,184)	\$ 4,931,058	16
May 2023	153,576	69,690,039	\$ 1,592,367	\$ 2,651,706	\$ 4,244,073	\$ 321	\$ (52,081)	\$ 353,189	\$ 312,609	\$ 419,464	\$ (209,184)	\$ 5,068,392	16
June 2023	153,877	71,090,108	\$ 1,595,212	\$ 2,704,979	\$ 4,300,191	\$ 2,047	\$ (50,842)	\$ 316,855	\$ 397,957	\$ 408,446	\$ (209,184)	\$ 5,165,469	16
July 2023	155,212	71,821,306	\$ 1,609,517	\$ 2,732,801	\$ 4,342,317	\$ 289	\$ (49,391)	\$ 647,541	\$ 400,465	\$ 432,292	\$ (209,184)	\$ 5,564,330	14
August 2023	157,573	72,366,690	\$ 1,634,815	\$ 2,753,553	\$ 4,388,367	\$ -	\$ (52,111)	\$ 551,651	\$ 402,679	\$ 435,575	\$ (209,184)	\$ 5,516,977	15
September 2023	157,287	71,685,120	\$ 1,628,330	\$ 2,727,619	\$ 4,355,949	\$ 204	\$ (52,807)	\$ 675,776	\$ 359,686	\$ 481,796	\$ (209,184)	\$ 5,611,419	15

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-12:** *Refer to the Rate LIC kW demand charge. Please provide a breakdown of the generation and transmission components of the current LIC kW charge of \$10.1750/kW (i.e., how much of the \$10.175 charge is associated with generation/production demand and how much is associated with transmission demand). To the extent that the \$10.175/kW charge includes a cost component for something other than generation/production and transmission, please identify such component(s) and state the amount of the \$10.175/kW charge associated with such component/cost.*

**RESPONSE:** Please note that the LIC demand charge is \$10.7150/kW per month. Because the current LIC demand charge was established by the Commission in a rate case without the Commission basing that charge entirely on the cost of service, the breakdown of generation and transmission components of the current charge is not precisely known. (The components are known within the cost of service studies, but those do not correspond exactly to the current rates.) Please also see the joint response of Big Rivers and Kenergy to Request Nos. 1-2 & 1-3 from Domtar Paper Company and Request Nos. 1-15 and 1-16 from Kimberly-Clark Corporation.

**Witness: John Wolfram**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-13:** *Refer to the Rate LIC energy charge of \$0.03805/kWh. Please state whether this energy charge includes the recovery of fixed generation/production and/or fixed transmission costs. If so, please identify the amount (in \$/kWh) of fixed generation/production, fixed transmission costs that are being recovered in this energy charge.*

**RESPONSE:** Please see the joint response of Big Rivers and Kenergy to Domtar Paper Company's Request No. 1-12.

**Witness: John Wolfram**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-14: Refer to proposed Rate LICSS.**

a. *With regard to Sheet No. 69.04 "2. Energy Charges," please provide a list of the "plus any transmission charges, MISO fees, or other costs" that are referred to in this section. For each such charge, fee or other cost, please list and describe the charge, fee or other cost and provide the current amount of the charge.*

b. *With regard to Sheet No. 69.04 "2. Energy Charges," please explain why BREC believes that it is appropriate and consistent with cost-based rate making to charge for Backup Power energy usage at the higher of the energy charge associated with Rate LIC or LMP. Also, please state whether the LMP used is Day-Ahead or Real-Time and identify the node at which its based.*

**RESPONSE:**

a. Please see the provided files "MISO Charges List as of 10.17.23.xlsx" and "MISO Charges List included in the LISCSS Tariff Market Rate Calc.xlsx" for a break-down of MISO Charges along with what is currently included in the LICSS Tariff Rate. This list is subject to change as MISO adds charges, rewrites the formulas for existing charges, or imposes existing charges in a new or unexpected manner.

b. Big Rivers believes it is appropriate to charge Backup Power usage at the higher of

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

the energy charge associated with Rate LIC or LMP. On a typical load customer, Big Rivers charges the LIC Tariff Rate, but the presence of the customer's generator introduces significant complexities, as the load served by Big Rivers can shift significantly depending on whether a customer's generator is operational. On a typical load, for example, if the weather forecast is inaccurate by a few degrees, Big Rivers' load may shift by a handful of MWs due to temperature variation. However, if a load has a generator behind it, Big Rivers' load could jump significantly if the generator goes on Outage as Big Rivers would then have to serve the Load that had been displaced by the generator. This issue could be exacerbated by the fact that Big Rivers does not operate or maintain the customer's generator, and poor maintenance could result in more downtime and at inopportune times. For example, if Domtar's 50 MW generator goes down during a storm like Winter Storm Uri or a Winter Storm Elliot, it could add significant costs to Big Rivers' portfolio. Big Rivers does not believe that it should be exposed to the performance of a generator that it does not own, maintain, or control.

With respect to the second part of this request, Big Rivers states that the node would be dependent upon how the unit is registered, but it most likely would be registered as either BREC.BREC or BREC.SKILLMAN. Day-Ahead or Real-Time exposure would depend on when Big Rivers learns the status of the generator and whether that status changes after we have submitted our Demand Bids to MISO. The Day-Ahead Market in MISO closes every day at 9:30

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

AM Central or the following day. In order for Big Rivers to have enough time to complete its day-ahead submissions, it would need to know about any anticipated changes by no later than 8:30 AM CPT. If we are aware of the Generator Status and Expected Output by 8:30 AM, we could put it in the Day-Ahead Market. After 8:30 AM, any changes to the Day-Ahead Schedule would automatically go into the RT Market. For example, if Domtar were to inform Big Rivers that Domtar's generator is going to run tomorrow and produce 50 MWs all day tomorrow, then Big Rivers would not purchase those 50 MWs in the Day-Ahead Market because Domtar (as the generator) would be expected to produce that volume. If, in this scenario, the Domtar generator suffers an outage after 8:30 AM and is not able to run for the next day, then Big Rivers would need to purchase those 50 MWs from the RT Market for Domtar's benefit. Big Rivers would, of course, nevertheless utilize commercially reasonable efforts to limit RT Exposure to the extent that any Outages/De-Rates are properly communicated to the appropriate Big Rivers personnel by the applicable deadlines.

**Witness: Terry Wright, Jr. (Big Rivers)**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-15:** *Refer to proposed Rate LICSS. With regard to Sheet No. 69.04, paragraph No. 5, please provide a list of the "MISO charges, fees, penalties, or other cost associated with Standby Customer's generation, outages of Standby Customer's generation or Backup Power service." For each such charge, fee or other cost, please list and describe the charge, fee or other cost and provide the current amount of the charge.*

**RESPONSE:** Please see Big Rivers' response to Request No. 1-14 of this Request for Information, which includes a list of MISO charges that apply to a LICSS Standby Customer. A detailed description and calculation is available via MISO's Business Practice Manual (BPM) 005 – Market Settlements. These charges fluctuate on a daily basis, based on market conditions, shortfalls/excesses, market prices, and other factors; therefore, it is not feasible to provide a "current amount" of each charge, particularly as applicable to a particular portfolio.

**Witness: Terry Wright, Jr. (Big Rivers)**

IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

**REQUEST NO. 1-16:** *Assuming that the Company's proposed Rate LICSS is approved, please provide BREC's projection of the annual cost to Domtar for a) Backup Power Service; b) Maintenance Power Service; and c) the total annual cost to Domtar including Backup Power Service, Maintenance Power Service and standard service under Rate LIC. Please provide all supporting workpapers, in Excel, including assumed market prices, billing determinants, etc. Such information should be treated as confidential as it is proprietary to Domtar.*

**RESPONSE:** Big Rivers objects to this request as unduly burdensome. Big Rivers further objects to the extent this request seeks information, or requires Big Rivers to create information, that is readily or more accessible to Domtar Paper Company, LLC from itself or other sources. Subject to the foregoing, Big Rivers states that an accurate projection requires information (including third-party cost information) not available to Big Rivers, including information that is not regularly maintained, compiled, or prepared by Big Rivers. The tariff proposed by Big Rivers includes the bases for charges to customers thereunder. Certain future charges—including those passed through from third parties—are not known to or knowable by Big Rivers, due in part to new and oft-changing requirements and frameworks employed by MISO, particularly as those impact customer-owned generation resources. The Company welcomes the opportunity to work cooperatively with customers and prospective customers in connection with



IN THE MATTER OF:  
ELECTRONIC TARIFF FILING OF BIG RIVERS ELECTRIC CORPORATION  
AND KENERGY CORP. TO REVISE THE  
LARGE INDUSTRIAL CUSTOMER STANDBY SERVICE TARIFF  
CASE NO. 2023-00312

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP.  
TO DOMTAR PAPER COMPANY, LLC'S FIRST REQUEST FOR INFORMATION

billing and related issues; however, it is neither reasonable nor effective for Big Rivers to undertake the speculative analysis required by this request.

**Witness: Terry Wright, Jr. (Big Rivers)**

**For the Objection(s): Counsel**