COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

Big Rivers Electric Corporation ("Big Rivers") and Kenergy Corp. ("Kenergy"), by counsel, file their joint responses to Kimberly Clark Corporation's Second Request for Information, issued in the above-captioned case on November 13, 2023.

FILED: November 27, 2023

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND **REQUEST FOR INFORMATION**

I, John Wolfram., verify, state, and affirm that the information 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.

John Wolfram Principal Catalyst Consulting LLC

COMMONWEALTH OF KENTUCKY)

COUNTY OF JEFFERSON

SUBSCRIBED AND SWORN TO before me by John Wolfram on this the $\frac{2O}{2}$ day of November, 2023.

) ss:

)

Notary Public, Kentucky State at Large

Kentucky ID Number

YNY

My Commission Expires



ANNE L FOYE Notary Public - State at Large Kentucky My Commission Expires June 12, 2025 Notary ID KYNP29156

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

I, Terry Wright, Jr., verify, state, and affirm that the information 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.

right Jr.

Terry Wright, Jr. Vice President Energy Services Big Rivers Electric Corporation

COMMONWEALTH OF KENTUCKY)) ss: COUNTY OF DAVIESS)

SUBSCRIBED AND SWORN TO before me by Terry Wright, Jr on this the day of November, 2023.

Notary Public, Kentucky State at Large

Kentucky ID Number

Q Chiber 31, 2024

My Commission Expires

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

I, Christopher S. Bradley, verify, state, and affirm that the information 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.

Christopher S. Bradley Vice President System Operations Big Rivers Electric Corporation

COMMONWEALTH OF KENTUCKY)) ss: COUNTY OF DAVIESS)

SUBSCRIBED AND SWORN TO before me by Christopher S. Bradley on this the 20^{4} day of November, 2023.

Notary Public, Kentucky State at Large

Kentucky ID Number

My Commission Expires

KINP14841 Detabue 31, 2024

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-1: Please provide directly to counsel for Kimberly-Clark any unredacted, confidential documents provided to other parties in this proceeding that are not publicly available.

RESPONSE: A copy of all confidential documents that Big Rivers and Kenergy provided in this proceeding to the Commission Staff and counsel for Domtar Paper Company, LLC were also provided to counsel for Kimberly-Clark.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-1 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-2:</u> See Kimberly-Clark's Request No. 1-6 and the e-mail exchange provided in response. Please provide a copy of the "N-1 evaluation" and the "summer and winter peak study results" referenced in that e-mail chain.

RESPONSE: As the referenced email indicates, the N-1 evaluation was not documented in a study report. Beyond the referenced summer and winter peak study results, no other documentation was created or maintained.

Big Rivers objects to the request for the summer and winter peak study results as irrelevant and not reasonably calculated to lead to admissible evidence. Further, since these study results include the expected bulk-power system line loadings and voltages with various N-1 conditions, the information is considered Critical Energy/Electric Infrastructure Information ("CEII"). As CEII, Big Rivers objects to the disclosure of these study results, particularly when the information is not relevant to the proceeding.

Witness: Christopher S. Bradley (Big Rivers) For the Objection(s): Counsel

> Case No. 2023-00312 Response to KCC 2-2 Witness: Christopher S. Bradley Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-3:</u> See Kimberly-Clark's Request No. 1-8 and your response thereto referring us to your response to Domtar 1-3. Please provide a copy of both studies referenced in your response to Domtar 1-3, including the study provided to Domtar under seal but not provided to Kimberly-Clark.

RESPONSE: There was no study provided to Domtar under seal, but not provided to Kimberly-Clark. Attached to this response is a copy of the studies referenced in the response to Domtar 1-3.

Witness: John Wolfram

Case No. 2023-00312 Response to KCC 2-3 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

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CONFIDENTIAL

INFORMATION SUBMITTED WITH MOTION FOR CONFIDENTIAL TREATMENT

Attachment to Response to KCC 2-3 Electronic COSS and Work Papers

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-4:</u> See Kimberly-Clark's Request No.1-15 and your response thereto referring to a confidential electronic file. Please provide this confidential electronic file with KC 1-15 in the file name or otherwise clarify where and when it has already been provided to Kimberly-Clark.

RESPONSE: Please see the Joint Response to Request No. 2-3.

Copies of the studies were filed previously in Case No. 2021-00061. *See* Exhibits Wolfram-2 and Wolfram-3 to the Direct Testimony of John Wolfram, and Big Rivers' response to Request No. 1 of the Joint Initial Data Requests propounded by the Attorney General and Kentucky Industrial Utility Customers, Inc.

Witness: John Wolfram

Case No. 2023-00312 Response to KCC 2-4 Witness: John Wolfram Page **1** of **1**

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-5:</u> See Kimberly-Clark's Request No. 1-16 and your response thereto

referring to a confidential electronic file. Please provide this confidential electronic file with KC

1-16 in the file name or otherwise clarify where and when it has already been provided to

Kimberly-Clark.

<u>RESPONSE</u>: Please see the response to Request No. 2-3.

Witness: John Wolfram

Case No. 2023-00312 Response to KCC 2-5 Witness: John Wolfram Page **1** of **1**

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-6: See Kimberly-Clark's Request No. 1-22 and all subparts thereto. The referenced responses to the Commission's questions are not responsive to Kimberly Clark's inquiries. Please answer each of the subparts to Kimberly-Clark's question in 1-22 individually, avoiding broad references to other responses whenever possible and necessary to answer Kimberly-Clark's questions.

RESPONSE: Please see the Joint Response to Kimberly-Clark Corporation's Request No. 1-22. Big Rivers does not believe further response is warranted or necessary at this time.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-6 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-7: Please confirm that neither Big Rivers nor Kenergy has had any discussions with MISO since January 1, 2020, regarding any capacity accreditation for Kimberly Clark's behind-the-meter generation ("BTMG").

<u>RESPONSE</u>: No current employee at Big Rivers or Kenergy has had conversations with

MISO regarding capacity accreditation for Kimberly-Clark's BTMG.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-7 Witness: Terry Wright, Jr. Page **1** of **1**

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-8:</u> Please provide a copy of the contract between Big Rivers and the

Southeastern Power Administration ("SEPA") that is referenced in BREC/Kenergy response to

Kimberly-Clark Request No. 1-10.

RESPONSE: Please see a copy of the Amended and Restated Contract between the Southeastern Power Administration and Big Rivers dated March 22, 2019, provided with this response.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-8 Witness: Terry Wright, Jr. Page **1** of **1**

Contract No. 89-00-1501-1141 3/7/2019

AMENDED and RESTATED CONTRACT

executed by

THE UNITED STATES OF AMERICA

acting by and through the

SOUTHEASTERN POWER ADMINISTRATION

and

BIG RIVERS ELECTRIC CORPORATION

0.1 THIS CONTRACT executed as of <u>March 22</u>, 2019, by and between the UNITED STATES OF AMERICA (hereinafter called the Government), Department of Energy, acting by and through the Southeastern Power Administrator (hereinafter called the Administrator), and BIG RIVERS ELECTRIC CORPORATION (hereinafter called the Purchaser), a cooperative corporation organized and existing under the laws of the Commonwealth of Kentucky;

WITNESSETH: That,

0.2 WHEREAS the Secretary of Energy is authorized by Section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s) to transmit and dispose of electric power and energy generated at reservoir projects under the control of the Department of the Army, and the Secretary of Energy by Interim Management Directive No. 0204 dated October 3, 1977, as extended, has delegated to the Administrator his authority under said Section 5 with respect to projects then or thereafter constructed in the States of West Virginia, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, and Kentucky; and

0.3 WHEREAS the Department of the Army has constructed reservoir projects in the Cumberland River Basin known as the Dale Hollow, Center Hill, Wolf Creek, Old Hickory, Cheatham, Barkley, J. Percy Priest, and Cordell Hull Projects (hereinafter collectively called the Cumberland Projects), together with generating facilities whose output not required in the operation of the projects shall be disposed of by the Administrator; and

0.4 WHEREAS on August 5, 1993, 58 F.R. 41762, the Administrator issued a written power marketing policy for the Cumberland Basin System of Projects which, among other things, designates the marketing area and specifies the allocation of power within and without the Tennessee Valley Authority (hereinafter referred to as TVA) area; and

0.5 WHEREAS said Section 5 of the Flood Control Act of 1944 directs that preference in the sale of such power and energy be given to public bodies and cooperatives; and

0.6 WHEREAS the Purchaser is a generation and transmission cooperative responsible for the power supply for the cooperatives of Green River Electric Corporation, Henderson-Union Electric Cooperative, Jackson Purchase Energy Corporation, and Meade County Rural Electric Cooperative Corporation, each of which is eligible for an allocation of Cumberland power pursuant to the aforesaid written power marketing policy, is engaged primarily in the business of selling electric power, and owns generating plants and transmission facilities, in the Commonwealth of Kentucky, which are part of the service area operated by the Midcontinent Independent System Operator, Inc. (hereinafter called MISO) and such service area is interconnected with TVA; and

0.7 WHEREAS the Administrator has entered into an agreement executed October 1, 1997, Contract No. 89-00-1501-1129 (hereinafter called Government-TVA Contract), whereby the Cumberland Projects will be operated and TVA transmission facilities will be utilized to

> Case No. 2023-00312 Attachment to Response to KCC 2-8

implement the aforesaid written power marketing policy, including delivery of the Purchaser's allocation to interconnection points between the MISO service area and TVA; and

0.8 WHEREAS the parties hereto have agreed to sell and purchase power on the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto mutually covenant and agree as follows:

Section 1. Effective Date and Term of Contract.

This Amended and Restated contract shall become effective and all obligations of the parties hereto with respect to the delivery of power hereunder and payment therefor shall commence at midnight, March 31, 2019, and shall continue in effect until terminated on June 30 of any year by the Purchaser upon written notice given to the Administrator not less than thirty-seven (37) months in advance of the date of termination specified therein or by the Administrator upon written notice given to the Purchaser of not less than thirty-six (36) months in advance of the date of termination specified, that no such termination shall be effective prior to midnight, June 30, 2017. This contract shall be contingent upon the Government securing alternate arrangements for the necessary services in the event of termination or cancellation of the Government-TVA Contract.

Section 2. Capacity To Be Made Available.

The Administrator will make available to the Purchaser and the Purchaser will accept delivery of 178,000 kilowatts of dependable capacity for the purposes specified in this contract. Capacity deliveries shall be scheduled on a monthly basis in accordance with the provisions of Section 3. Section 3. Energy To Be Made Available.

3.1 The Administrator shall make available each contract year to the Purchaser from the Cumberland Projects through interconnection points between MISO and TVA and the Purchaser will schedule and accept an allocation of 1500 kilowatt-hours of energy delivered at the TVA border for each kilowatt of contract demand. For the purposes of this contract, a contract year is defined as the twelve (12) months beginning July 1 and ending at midnight June 30 of the following calendar year. The energy made available for a contract year shall be scheduled monthly such that the maximum amount scheduled in any month shall not exceed 240 hours per kilowatt of the Purchaser's contract demand and the minimum amount scheduled in any month shall not be less than 60 hours per kilowatt of the Purchaser's contract demand. The Purchaser may request and the Administrator may approve energy scheduled for a month greater than 240 hours per kilowatt of the Purchaser's contract demand; provided, that the combined schedule of all of the Administrator's Other Customers (customers located outside the TVA area receiving Cumberland power) does not exceed 240 hours per kilowatt of the total contract demands of these customers; provided further, that, if at the beginning of any month hydrological conditions have caused the water elevation at Wolf Creek, Dale Hollow, or Center Hill to be less than two (2) feet above its bottom operating curve, the maximum amount available during the month shall not exceed 220 hours per kilowatt of total Other Customers contract demand. Schedules showing monthly quantities of allocated energy for the contract year shall be furnished to the Administrator's designated operating representative ten (10) days prior to the beginning of each contract year. Schedules showing monthly quantities of allocated energy for the contract year may be revised by the Purchaser at any time and schedules and revisions thereof shall become effective upon reasonable advance notice; provided, that such revised schedules shall reflect a

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contract year total allocation of 1500 kilowatt-hours for each kilowatt of contract demand. Revised schedules shall be furnished to the Administrator's designated operating representative.

3.2 In addition, schedules showing a breakdown of each monthly quantity into weeks shall be furnished to the Administrator's designated operating representative ten (10) days prior to the beginning of each month. Under this contract, the seven-day week shall commence at the beginning of Sunday and extend to the end of Saturday.

3.3 Weekly schedules showing hourly quantities of energy to be delivered the following week shall be furnished by the Purchaser on Wednesday prior to the beginning of the week to the Administrator's designated operating representative, and energy shall be taken by the Purchaser in accordance with such hourly schedules, subject to change only if unforeseen circumstances arise which necessitate such change.

3.4 In the event interruptions in the interconnections with TVA prevent or reduce the delivery of scheduled power, such power will be appropriately rescheduled.

3.5 Notwithstanding other provisions of this contract, the Purchaser will accept delivery and pay for during a contract year 1500 kilowatt-hours of energy delivered at the TVA border for each kilowatt of contract demand, except for provisions cited in subsection 3.4.

Section 4. Points of Delivery and Characteristics of Capacity and Energy.

Electric capacity and energy supplied hereunder will be three-phase alternating current at a nominal frequency of sixty hertz and will be delivered at the Barkley Project switchyard, a delivery point in the vicinity of the Paradise steam plant, and such points of delivery as may be hereafter agreed upon by the Administrator and TVA. The Purchaser will be responsible for the transmission of its power from the TVA point of delivery to its points of delivery in the MISO service area.

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Section 5. Measurement of Capacity and Energy.

Electric capacity and energy delivered hereunder to the Purchaser will be accounted for at or as of the points of delivery specified in Section 4.

Section 6. Capacity and Energy Accounting.

Capacity and energy from the Cumberland Projects under this contract shall be accounted for on the basis of capacity made available pursuant to Section 2 and energy scheduled pursuant to Section 3. Energy scheduled for any week which falls within two (2) months shall be divided between the months on the basis of the schedules furnished by the Purchaser.

Section 7. Rates for Capacity and Energy Made Available to Purchaser.

7.1 The Purchaser will pay the Government each billing month for capacity and energy made available and delivered by the Government in accordance with the wholesale power rate schedule CBR-1-C, a copy of which is attached hereto.

7.2 The rates specified in this Section 7 are subject to interim confirmation and approval by the Deputy Secretary of the Department of Energy or the Under Secretary of the Department of Energy, and subject to final confirmation and approval by the Federal Energy Regulatory Commission.

7.3 The rates and charges for the sale of capacity and energy under this contract shall be subject to adjustment on October 1 of any year, provided that any adjusted rates or charges shall not become effective unless and until confirmed and approved on an interim basis by the Deputy Secretary of the Department of Energy or the Under Secretary of the Department of Energy, and subject to final confirmation and approval by the Federal Energy Regulatory Commission; provided further, that the Government may extend any rate adjustment date up to one (1) year. The Government shall notify the Purchaser in writing at least three (3) months prior to the effective date of any proposed adjustment in rates and charges, including the amount of such proposed adjustment and the reasons therefor. The Government shall also notify the Purchaser promptly in writing of any adjustments in rates and charges when confirmed and approved by the Federal Energy Regulatory Commission. If such adjusted rates and charges result in increased costs to the Purchaser, it may cancel this contract, upon giving the Government written notice of cancellation within thirty (30) days after receipt of notice from the Government advising of such adjusted rates and charges, such cancellation shall become effective at a time specified by the Purchaser not less than one (1) year nor more than three (3) years from the effective date of the adjusted rates and charges; provided, however, that the Purchaser shall pay the adjusted rates and charges from the date they become effective until the effective date of cancellation.

Section 8. Billing and Payments.

8.1 The billing month under this Contract shall end at 2400 hours C.D.T. or C.S.T., whichever is currently effective on the last day of each calendar month.

8.2 Bills for each month's service furnished by the Administrator under this Contract shall be mailed as soon as practicable after the end of the billing month and shall be paid on or before the twentieth day following the date of mailing.

Section 9. Nonpayment of Bills.

If the Purchaser fails to pay any amount due under this Contract within twenty (20) days from the date of mailing of applicable bills, such amount shall be considered overdue and an interest charge or charges will be added equal to the sum of (1) \$150.00 and (2) an amount calculated in the following manner: the current or other appropriate value of funds as determined by the U. S. Department of Treasury pursuant to the Treasury Fiscal Requirements Manual is to be applied on a daily basis to the unpaid portion of the bill for each day of the period from and after the due date to and including the date of payment in full.

Section 10. Service Interruptions.

10.1 No credit shall be allowed the Purchaser for any interruption or curtailment of scheduled capacity and energy delivery to the Purchaser's system for the account of the Administrator resulting from conditions on the Purchaser's power system, or for any interruption or curtailment of capacity and energy which has been planned and agreed to in advance by the operating representatives of the parties. All such agreements shall be confirmed in writing.

10.2 When capacity and energy delivery to the Purchaser's system for the account of the Administrator is reduced or interrupted and such reduction is not due to conditions on the Purchaser's system, or has not been planned and agreed to in advance, the monthly demand charge for capacity made available under Section 2 shall be reduced as to the kilowatts of such scheduled capacity which have been interrupted or reduced for each day in accordance with the following formula:

Number of kilowattsunavailable for at leastX12 hours in any calendar day

Monthly Capacity Charge Per kW Number of days in billing month

Section 11. Uncontrollable Forces.

Neither party hereto shall be considered to be in default in respect of any obligation hereunder, if prevented from fulfilling such obligation by reason of uncontrollable forces, including but not limited to failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, war, riot, civil disturbance, labor disturbance, materials or equipment shortages, fuel curtailment or shortage, or restraint by court or public authority which by exercise of reasonable diligence and foresight could not have been avoided, but excluding drought. Either party rendered unable to fulfill any obligation by reason of an uncontrollable force shall remove such inability with all reasonable dispatch.

Section 12. Provisions Relative to Employment.

During the performance of this Contract, the Purchaser agrees as follows:

(a) The Purchaser will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Purchaser will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Purchaser agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(b) The Purchaser will, in all solicitations or advertisements for employees placed by or on behalf of the Purchaser, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(c) The Purchaser will send to each labor union or representative of workers with which they have a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the Purchaser's commitment under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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(d) The Purchaser will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

(e) The Purchaser will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to their books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Purchaser's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Purchaser may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies involved as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Purchaser will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Purchaser will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the Purchaser becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the

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Case No. 2023-00312 Attachment to Response to KCC 2-8 Purchaser may request the United States to enter into such litigation to protect the interest of the United States.

Section 13. Notices.

Except as otherwise specified herein, any notice required or authorized by this Contract shall be deemed properly given on behalf of the Purchaser if mailed, postage prepaid, to the Administrator at the address shown on the signature page hereof, and on behalf of the Administrator if mailed, postage prepaid, to the official representative of the Purchaser at the address shown on the signature page hereof. The designation of the person to represent either party for such purposes or the address of such person may be changed at any time by similar notice.

Section 14. Officials Not to Benefit.

No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this Contract or to any benefit that may arise herefrom, but this restriction shall not be construed to extend to this Contract if made with a corporation or company for its general benefit.

Section 15. Waivers.

Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this Contract shall not be deemed to be a waiver with respect to any subsequent default or matter.

Section 16. Transfer of Interest in Contract.

No voluntary transfer of this Contract or of the rights of the Purchaser hereunder shall be made without the written approval of the Secretary of Energy; provided, that any successor to or assignee of the rights of the Purchaser, whether by voluntary transfer, legislatively authorized sale, judicial sale, foreclosure sale, or otherwise, shall be subject to all the provisions and conditions of this Contract to the same extent as though such successor or assignee were the original contractor hereunder; provided further, that the execution of a mortgage or trust deed, or judicial or foreclosure sale made thereunder, shall not be deemed voluntary transfers within the meaning of this Section 16.

Section 17. Termination of Existing Contract.

This Amended and Restated Contract shall supersede the existing Contract between the Government and the Purchaser executed June 30, 1998, as amended, (designated as Contract No. 89-00-1501-1141) as of the effective date specified in Section 1, provided that all liabilities accrued as of the date of this amendment shall be preserved.

Section 18. Energy and Economic Efficiency Measures.

Each customer that purchases the Government's power is encouraged to participate in an integrated resource plan that considers both supply and demand side alternatives. It is recognized that some Government customers are members of a power supply organization that does resource planning for its customers (i.e., power supply cooperatives and joint action agencies). Where a customer, or a power supply organization that does resource planning for a Government customer, is responsible to a regulatory body or another governmental agency for an integrated resource plan, the customer will make a copy of such integrated resource plan available to the Administrator. All Government customers shall agree to encourage the efficient use of energy by ultimate consumers.

Section 19. Contingent Upon Appropriations.

This Contract is made contingent upon Congress making available the necessary funds to enable the Administrator to carry out the provisions of this Contract. In the event such appropriation or other provision for payment is not made, this Contract shall be subject to termination or renegotiation.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as of the day and year first above.

UNITED STATES OF AMERICA Department of Energy B Administrator Southeastern Power Administration

1166 Athens Tech Road Elberton, Georgia 30635

BIG RIVERS ELECTRIC CORPORATION

By 2 112

President P. O. Box 24, 201 Third Street Henderson, Kentucky 42420

(SEAL) ATTEST:

aula mitchell Secretary

United States Department of Energy Southeastern Power Administration

Wholesale Power Rate Schedule CBR-1-I

Availability:

This rate schedule shall be available to Big Rivers Electric Corporation and the City of Henderson, Kentucky (hereinafter called the Customer).

Applicability:

This rate schedule shall be applicable to electric capacity and energy available from the Dale Hollow, Center Hill, Wolf Creek, Cheatham, Old Hickory, Barkley, J. Percy Priest, and Cordell Hull Projects (all of such projects being hereinafter called collectively the "Cumberland Projects") and sold in wholesale quantities.

Character of Service:

The electric capacity and energy supplied hereunder will be three-phase alternating current at a nominal frequency of 60 hertz. The power shall be delivered at nominal voltages of 13,800 volts and 161,000 volts to the transmission system of Big Rivers Electric Corporation.

Points of Delivery:

Capacity and energy delivered to the Customer will be delivered at points of interconnection of the Customer at the Barkley Project Switchyard, at a delivery point in the vicinity of the Paradise steam plant and at such other points of delivery as may hereafter be agreed upon by the Government and Tennessee Valley Authority (TVA).

Billing Month:

The billing month for power sold under this schedule shall end at 2400 hours CDT or CST, whichever is currently effective, on the last day of each calendar month.

Conditions of Service:

The Customer shall at its own expense provide, install, and maintain on its side of each delivery point the equipment necessary to protect and control its own system. In so doing, the installation, adjustment, and setting of all such control and protective equipment at or near the point of delivery shall be coordinated with that which is installed by and at the expense of

TVA on its side of the delivery point.

Rate Alternatives:

Southeastern Power Administration (Southeastern) is including three rate alternatives. All of the rate alternatives have an initial base annual revenue requirement of \$63,500,000, including transmission and non-power revenue. The initial base annual revenue requirement from the sale of capacity and energy is \$50,235,000. The initial base revenue requirements will be subject to annual true-up adjustment described below.

Rate Scenario 1-Revised Interim Operating Plan

The final marketing policy for the Cumberland System was published in the *Federal Register* August 5, 1993 (58 FR 41762). The marketing policy for the Cumberland System of Projects provides peaking capacity, along with 1500 hours of energy annually with each kilowatt of capacity, to customers outside the TVA transmission system. Due to restrictions on the operation of the Center Hill Project imposed by the U. S. Army Corps of Engineers (Corps) as a precaution to prevent failure of the dam, Southeastern is not able to provide the full allocation of peaking capacity to these customers. Southeastern implemented a Revised Interim Operating Plan for the Cumberland System to provide these customers with a reduced amount of energy and a reduced amount of capacity. The rates under this Scenario 1 will remain in effect for the duration of the Revised Interim Operating Plan. The initial base rates for capacity and energy will be subject to annual true-up adjustment described below.

Monthly Rate:

The initial monthly base rate for capacity and energy sold under this rate schedule shall be:

Initial Base Demand charge:

\$1.902 per kilowatt per month

Initial Base Energy Charge:

12.35 mills per kilowatt-hour

True-up Adjustment:

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The Base Capacity Charge and Base Energy Charge will be subject to annual adjustment on April 1 of each year based on transfers of specific power investment to plant-in-service for the preceding Fiscal Year. Under this scenario the adjustment will be for each increase of \$1,000,000 to specific power plant-in-service an increase of

\$0.001 per kilowatt per month added to the base capacity charge and 0.02 mills per kilowatt-hour added to the base energy rate.

Southeastern will give written notice to the Customer of the amount of the trueup by February 1 of each year.

Transmission:

The Customer will pay a ratable percent listed below of the credit the Administrator of Southeastern Power Administration (Administrator) provides to the TVA as consideration for delivering capacity and energy for the account of the Administrator to points of delivery of customers outside the TVA System or interconnection points of delivery with other electric systems for the benefit of customers outside the TVA System, as agreed by contract between the Administrator and TVA.

Big Rivers Electric Corporation	32.660 %
City of Henderson, Kentucky	2.202 %

Rate Scenario 2-Modified Revised Interim Operating Plan

This rate alternative will be implemented if a portion of the Cumberland Capacity can be scheduled, though not all the capacity in the published marketing policy can be scheduled. The initial base annual revenue requirement under this alternative is \$63,500,000, including transmission and non-power revenue, the same as the annual revenue requirement in Scenarios 1 and 3. The annual revenue requirement from the sale of capacity and energy is \$50,235,000. This Rate Scenario 2 will receive revenues from capacity that can be scheduled and the remainder from energy, at charges that will be determined at the time. Under Scenario 2, the cost of the TVA transmission credit will be passed to customers outside the TVA System. This rate alternative will be in effect if Southeastern chooses to modify the Revised Interim Operating Plan.

The annual revenue requirement and rates under this scenario 2 will be subject to annual adjustment on April 1 of each year based on transfers of specific power investment to plant-in-service for the preceding Fiscal Year. Under this scenario 2, the adjustment is an increase of \$53,000 per year to the annual revenue requirement for each increase of \$1,000,000 to specific power plant-in-service. Southeastern will give written notice to the Customer of the amount of the true-up by February 1 of each year.

Rate Scenario 3-Original Cumberland Marketing Policy

The third rate alternative will go into effect once the Corps lifts all restrictions on the operation of the Center Hill Dam and Southeastern returns to operations that support the published marketing policy. The initial base rates for capacity, energy, and additional energy will be subject to annual true-up adjustment described below.

Monthly Rate:

The initial monthly base rate for capacity and energy sold under this rate schedule shall be:

Initial Base Demand charge (includes 1500 hours of energy annually):

\$3.115 per kilowatt/month of total contract demand

Initial Base Energy Charge:

None

Initial Base Additional Energy Charge:

11.612 mills per kilowatt-hour

True-up Adjustment:

The base demand charge and base additional energy charge under this scenario will be subject to annual adjustment on April 1 of each year based on transfers to specific power plant-in-service. Under this scenario 3, the adjustment is for each increase of \$1,000,000 to specific power plant-in-service an increase of \$ 0.003 per kilowatt per month added to the base Capacity rate and an increase of 0.012 mills per kilowatt-hour added to the additional energy rate.

Southeastern will give written notice to the Customer of the amount of the trueup by February 1 of each year.

Transmission Charge:

Monthly TVA Transmission Charge divided by 545,000.

Energy to be Furnished by the Government:

The Government shall make available each contract year to the Customer from the Projects through the Customer's interconnections with TVA and the Customer will schedule and accept an allocation of 1500 kilowatt-hours of energy delivered at the TVA border for each kilowatt of contract demand. A contract year is defined as the 12 months beginning July 1 and ending at midnight June 30 of the following calendar year. The energy made available for a contract year shall be scheduled monthly such that the maximum amount scheduled in any

month shall not exceed 240 hours per kilowatt of the Customer's contract demand and the minimum amount scheduled in any month shall not be less than 60 hours per kilowatt of the customer's contract demand. The Customer may request and the Government may approve energy scheduled for a month greater than 240 hours per kilowatt of the Customer's contract demand; provided, that the combined schedule of all Southeastern customers outside TVA and served by TVA does not exceed 240 hours per kilowatt of the total contract demands of these customers.

Service Interruption:

When delivery of capacity is interrupted or reduced due to conditions on the Administrator's system beyond his control, the Administrator will continue to make available the portion of his declaration of energy that can be generated with the capacity available.

For such interruption or reduction due to conditions on the Administrator's system which have not been arranged for and agreed to in advance, the demand charge for capacity made available will be reduced as to the kilowatts of such capacity which have been interrupted or reduced in accordance with the following formula:

 $\begin{pmatrix} \text{Number of kilowatts unavailable} \\ \text{for at least 12 hours in any calendar day} \end{pmatrix} \times \begin{pmatrix} \frac{\text{MonthlyCapacity Charge}}{\text{Number of Daysin}} \\ \frac{\text{Billing Month}}{\text{Billing Month}} \end{pmatrix}$

October 1, 2015

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-9: Please provide a full response to Kimberly-Clark's Request No. 1-12 to show all capacity purchases made by Big Rivers since January 1, 2021, the source of the capacity, the MW quantities that were purchased, and the price that Big Rivers paid.

<u>RESPONSE</u>: Big Rivers objects to this request as overly broad and unduly burdensome.

Big Rivers further objects because this request seeks irrelevant or inappropriate information, as well as proprietary information of third parties that are not parties to this proceeding.

Subject to the foregoing, please see the Joint Response to Kimberly-Clark's Request No.

1-12.

Witness: Terry Wright, Jr. (Big Rivers)

For the Objection(s): Counsel

Case No. 2023-00312 Response to KCC 2-9 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-10: Please provide a full response to Kimberly-Clark's Request No. 1-13 to show all capacity sales made by Big Rivers outside its system since January 1, 2021, the source of the capacity, the MW quantities of capacity that were sold with each transaction, and the prices paid to Big Rivers for each capacity transaction.

RESPONSE: Big Rivers objects to this request as overly broad and unduly burdensome. Big Rivers further objects because this request seeks irrelevant or inappropriate information, as well as proprietary information of third parties that are not parties to this proceeding.

Subject to the foregoing, please see the Joint Response to Kimberly-Clark's Request No. 1-13.

Witness: Terry Wright, Jr. (Big Rivers)

For the Objection(s): Counsel

Case No. 2023-00312 Response to KCC 2-10 Witness: Terry Wright, Jr. Page **1** of **1**

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-11: Please provide all testimony of Mr. John Wolfram that has been

filed in Kentucky Public Service Commission proceedings over the past five years.

RESPONSE: Big Rivers objects to this request as unduly burdensome. Big Rivers further objects to the extent this request seeks information that is readily accessible to Kimberly-Clark from other sources.

Subject to the foregoing, Mr. Wolfram's professional summary, which provides a list of the proceedings in which Mr. Wolfram has provided testimony, and which is attached to the Joint Response to Request No. 6 of Domtar Paper Company, LLC's Second Request for Information.

Witness: John Wolfram

For the Objection(s): Counsel

Case No. 2023-00312 Response to KCC 2-11 Witness: John Wolfram Page **1** of **1**

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-12: Please provide all testimony of Mr. John Wolfram, filed in Kentucky and/or in other states, regarding standby, maintenance, and/or back-up rates.

RESPONSE: Big Rivers objects to this request as unduly burdensome. Big Rivers further objects to the extent this request seeks information that is readily accessible to Kimberly-Clark from other sources.

Subject to the foregoing, please see Mr. Wolfram's testimony provided in Case No. 2021-00289, *In the Matter of: Electronic Tariff Filing of Big Rivers Electric Corporation and Kenergy Corp. to Implement a New Standby Service Tariff.* Also, a copy of Mr. Wolfram's professional summary which provides a list of the proceedings in which Mr. Wolfram has provided testimony is attached to the Joint Response to Item No. 6 of Domtar Paper Company, LLC's Second Request for Information in this proceeding.

Witness: John Wolfram

For the Objection(s): Counsel

Case No. 2023-00312 Response to KCC 2-12 Witness: John Wolfram Page **1** of **1**

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-13: Please reconcile the fact that Big Rivers has MPRMs for Kimberly-Clark, but Big Rivers' responses to KC's Request Nos. 1-23.6 through 1-23.9 indicate that Big Rivers does not calculate MPRM on a customer level.

<u>RESPONSE:</u> Big Rivers calculates MISO Planning Reserve Margin for Kimberly-Clark

as it is required under the existing LICSS Tariff. However, Big Rivers does not calculate it for other customers as Kimberly-Clark is the only one currently on LICSS rates.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-13 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-14: With respect to the Big Rivers response to Kimberly-Clark Request No. 1-27, please explain what, if any, incentives Big Rivers or Kenergy has to minimize the "actual costs associated with the Standby Customer's self-generation."

RESPONSE: Under the proposed Tariff, the actual costs associated with the Standby Customer's self-generation are intended to be borne by the customer, the cost-causer. The "pass-through" approach of the proposed tariff is designed to minimize cross-subsidization, both of and by the Standby Customer. Big Rivers is obligated to offer reasonable rates while maintaining a reliable electric system, which the proposed tariff achieves.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-14 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-15:</u> With respect to the Big Rivers response to Kimberly-Clark Request No. 1-27, please explain how Kimberly-Clark or other LICSS customers may minimize these costs.

RESPONSE: Under the proposed tariff, the actual costs associated with a LICSS customer's self-generation ("such as the actual costs of services from ACES Power Marketing") are intended to be borne by the customer, the cost-causer. As third parties, such as ACES Power Marketing, are the source of costs that are passed through by Big Rivers under the proposed tariff, Kimberly-Clark or other LICSS customers may seek to minimize their costs (and thus maximize their profit margins) through efforts in connection with those third parties. For example, to minimize ACES Power Marketing administrative charges, a LICSS customer should accurately and timely respond to data requests from MISO and ACES (in order to ensure that the resource is registered in the correct manner), as well as provide ACES with status updates on the generator so that ACES can appropriately communicate with MISO.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-15 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

REQUEST NO. 2-16: Is Big Rivers intending to interface with MISO to ensure that

eligible LICSS customers "meet and maintain eligibility as a MISO capacity resource"?

RESPONSE: As is reflected in the proposed tariff, Big Rivers and ACES—relying on timely and accurate information from the LICSS customer—would likely serve as the direct interface with MISO in connection with meeting and maintaining a LICSS customer's eligibility as a MISO capacity resource.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-16 Witness: Terry Wright, Jr. Page **1** of **1**

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-17:</u> Has Big Rivers, under the current LICSS tariff provisions, undertaken any efforts for Kimberly-Clark's BTMG to "meet and maintain eligibility as a MISO capacity resource"?

RESPONSE: The current LICSS tariff does not require that the Kimberly-Clark unit receive MISO capacity accreditation. Big Rivers has not undertaken the described efforts for Kimberly-Clark's BTMG. However, Big Rivers presently believes that Kimberly-Clark's generator is capable of meeting the current MISO requirements as a BTMG Facility.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-17 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-18:</u> Under the proposed LICSS Tariff, does Big Rivers intend for LICSS customers to interact directly with MISO in any way? If yes, please explain.

RESPONSE: Under the proposed LICSS tariff, Big Rivers and ACES would serve as the direct interface with MISO, relaying any requirements and data requests to the customer and responding on the customer's behalf. This does not mean that the customer would never interact with MISO, as there could be instances where it may directly provide data to MISO or otherwise interact with MISO, with or without the involvement of Big Rivers or ACES.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-18 Witness: Terry Wright, Jr. Page 1 of 1

JOINT RESPONSE OF BIG RIVERS ELECTRIC CORPORATION AND KENERGY CORP. TO KIMBERLY-CLARK CORPORATION'S SECOND REQUEST FOR INFORMATION

<u>REQUEST NO. 2-19:</u> Has Big Rivers undertaken any efforts to register Kimberly-

Clark's BTMG as an "LMR-BTMG"? If yes, please explain and provide all supporting

documentation.

RESPONSE: Big Rivers has not taken any steps to register Kimberly-Clark's BTMG as

an LMR-BTMG and does not expect to unless and until the proposed tariff is approved.

Witness: Terry Wright, Jr. (Big Rivers)

Case No. 2023-00312 Response to KCC 2-19 Witness: Terry Wright, Jr. Page **1** of **1**