



**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**In the Matter of:**

**ELECTRONIC EXAMINATION BY THE PUBLIC )  
SERVICE COMMISSION OF THE ENVIRONMENTAL )  
SURCHARGE MECHANISM OF BIG RIVERS )  
ELECTRIC CORPORATION FOR THE SIX-MONTH )  
BILLING PERIODS ENDING JANUARY 31, 2020, )  
JULY 31, 2020, JANUARY 31, 2021, JANUARY 31, 2022, )  
JULY 31, 2022, AND JANUARY 31, 2023, THE TWO- )  
YEAR EXPENSE PERIODS ENDING JULY 31, 2021, )  
AND JULY 31, 2023, AND THE PASS THROUGH )  
MECHANISM OF ITS THREE MEMBER )  
DISTRIBUTION COOPERATIVES )**

**Case No.  
2023-00373**

**Responses to Commission Staff's  
Second Request for Information  
dated March 18, 2024**

**FILED: March 27, 2024**

**BIG RIVERS ELECTRIC CORPORATION**

**ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION  
OF THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
JANUARY 31, 2022, JULY 31, 2022, AND JANUARY 31, 2023,  
THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373**

**VERIFICATION**

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



Christopher A. Warren

COMMONWEALTH OF KENTUCKY )  
COUNTY OF DAVIESS )

SUBSCRIBED AND SWORN TO before me by Christopher A. Warren on this  
the 25<sup>th</sup> day of March, 2024.



Notary Public, Kentucky State at Large

Notary ID KYNP16841

My Commission Expires

October 31, 2024

IN THE MATTER OF:  
ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF  
THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
JANUARY 31, 2022, JULY 31, 2022, AND JANUARY 31, 2023,  
THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION TO COMMISSION  
STAFF'S SECOND REQUEST FOR INFORMATION DATED MARCH 18, 2024

MARCH 27, 2024

**REQUEST NO. 2-1:** Refer to BREC's environmental surcharge (ES) filings for expense months November 2020 and December 2020, Form 2.10.

a. For the Wilson Dry Sorbent Injection (DSI) 2012 Plan, explain BREC's actions from November to December that resulted in the large increases in Gross Plant in Service and Accumulated Depreciation categories.

b. From November to December, explain the large increase in the Depreciation Expense category and why the large increase does not carry forward to subsequent months.

**RESPONSE:**

a.   


IN THE MATTER OF:  
ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF  
THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
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THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION TO COMMISSION  
STAFF'S SECOND REQUEST FOR INFORMATION DATED MARCH 18, 2024

MARCH 27, 2024

[REDACTED]

[REDACTED]

b. Subsequent filings only include 1 month of depreciation expense related to this settlement.

**Witness:** Christopher A. Warren

IN THE MATTER OF:  
ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF  
THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
JANUARY 31, 2022, JULY 31, 2022, AND JANUARY 31, 2023,  
THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION TO COMMISSION  
STAFF'S SECOND REQUEST FOR INFORMATION DATED MARCH 18, 2024

MARCH 27, 2024

**REQUEST NO. 2-2:** Refer to BREC's ES filings for the expense month  
May 2021, Form 2.10. for the Green DSI project (2012 Plan). Explain why there is no  
Net Plant in Service value for this expense month.

**RESPONSE:** The Net Plant in Service for the Green DSI project was  
omitted when the PDF was created. The amount would not change for May 2021 as  
the calculation includes the gross plant and accumulated depreciation (not the net  
plant amounts). The net amount should have been \$18,945,508 and is included to  
the attachment in this response.

**Witness:** Christopher A. Warren

**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT  
Plant, CWIP, Depreciation, & Taxes and Insurance Expenses**

**For the Expense Month Ending: May 31, 2021**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Project No.	Description	Eligible Gross Plant in Service	Eligible Accumulated Depreciation	CWIP Amount	Eligible Net Plant (2) - (3) + (4)	Monthly Depreciation Expense	Monthly Taxes and Insurance Expense
<b>2012 Plan:</b>							
Project 9	Wilson-Dry Sorbent Injection	\$ 10,175,684	\$ 1,256,950	\$ -	\$ 8,918,734	\$ 20,606	\$ 260
Project 10	Green-Dry Sorbent Injection	\$ 21,592,353	\$ 2,646,845	\$ -	\$ 18,945,508	\$ 43,725	\$ 5,802
<b>2020 Plan:</b>							
Project 12	Wilson-FGD / WWT	\$ -	\$ -	\$ 14,657,863	\$ 14,657,863	\$ -	\$ -
Project 13-1	Green-Ash Pond / WMB Pond / WWT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project 14	Wilson-Phase 1 Landfill Cover	\$ -	\$ -	\$ 9,254,980	\$ 9,254,980	\$ -	\$ -
Project 15	Green-Landfill Drainage	\$ -	\$ -	\$ 2,413,702	\$ 2,413,702	\$ -	\$ -
	<b>Total</b>	<b>\$ 31,768,037</b>	<b>\$ 3,903,795</b>	<b>\$ 26,326,545</b>	<b>\$ 54,190,787</b>	<b>\$ 64,331</b>	<b>\$ 6,062</b>

IN THE MATTER OF:  
ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF  
THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
JANUARY 31, 2022, JULY 31, 2022, AND JANUARY 31, 2023,  
THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION TO COMMISSION  
STAFF'S SECOND REQUEST FOR INFORMATION DATED MARCH 18, 2024

MARCH 27, 2024

**REQUEST NO. 2-3:** The Commission has no record of having received BREC's ES filing for the expense month February 2022. Provide a copy of BREC's ES filings for expense month February 2022.

**RESPONSE:** See a copy of the ES filing originally filed on March 21, 2022, attached to this response.

**Witness:** Christopher A. Warren



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

March 21, 2022

Linda Bridwell, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

RE: Big Rivers Electric Corporation  
Environmental Surcharge

Dear Ms. Bridwell:

Enclosed is Big Rivers' Environmental Surcharge (ES) filing for the February 2022 expense month. The ES Factor calculated in this filing is based on Big Rivers' actual revenue and expense data for February 2022 and is to be applied to invoices for service delivered during March 2022, which will be billed early April 2022.

KRS 278.183(3) requires the monthly ES Factor be filed with the Commission ten (10) days before it is scheduled to go into effect. Accordingly, this filing is in compliance therewith.

Please contact me if you have any questions regarding this filing.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer Stone".

Jennifer Stone, CPA  
Manager of Finance, Big Rivers Electric Corporation

Enclosure

c: Paul G. Smith, Chief Financial Officer, Big Rivers Electric Corporation  
Greg Grissom, Jackson Purchase Energy Corporation  
Jeff Hohn, Kenergy Corp.  
Marty Littrel, Meade County Rural Electric Cooperative Corporation



**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT**

**Calculation of Monthly Billed Environmental Surcharge Factor - MESF  
For the Expense Month Ending: February 28, 2022**

MESF = CESF - BESF

Where:

- CESF = Current Environmental Surcharge Factor
- BESF = Base Environmental Surcharge Factor

Calculation of MESF:

CESF, from ES Form 1.10	=	5.359796%
BESF	=	0.000000%
MESF	=	5.359796%

Effective Date for Billing: April 1, 2022

Submitted by: Jeff Stone  
Title: Manager of Finance

Date Submitted: 3/21/22

**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT**

**Calculation of Total E(m) and  
Jurisdictional Surcharge Billing Factor**

**For the Expense Month Ending: February 28, 2022**

**Calculation of Total E(m)**

E(m) = OE - BAS + RORB, where	\$	2,351,710
OE = Pollution Control Operating Expenses	\$	1,916,239
BAS = Total Proceeds from By-Product and Allowance Sales	\$	25,374
RORB = [ (RB/12) x (RORORB) ]	\$	460,845

(1) Rate Base (RB) (Form 2.00)	=	\$	102,599,917
(2) Rate Base / 12	=	\$	8,549,993
(3) Rate of Return on Environmental Compliance Rate Base (RORORB)	=		5.39%
(4) Return on Rate Base (RORB)	(2) x (3)	=	\$ 460,845
(5) Operating Expenses (Form 2.00)	=	\$	1,916,239
(6) By-Product and Emission Allowance Sales (BAS) (Form 2.00)	=	\$	25,374
(7) Sub-Total E(m)	(4) + (5) - (6)	=	\$ 2,351,710

**Calculation of Jurisdictional Environmental Surcharge Billing Factor**

(8) Member System Allocation Ratio for the Month (Form 3.00)	=		67.217515%
(9) Subtotal E(m) = Subtotal E(m) x Member System Allocation Ratio	(7) x (8)	=	\$ 1,580,761
(10) Adjustment for (Over)/Under Recovery, as applicable (Form 2.00)	=	\$	(587,540)
(10a) Prior Period Adjustment	=	\$	-
(11) E(m) = Subtotal E(m) plus (Over)/Under Recovery plus Prior Period Adjustment	(9) + (10) + (10a)	=	\$ 993,221
(12) R(m) = Average Monthly Member System Revenue for the 12 Months Ending with the Current Expense Month (Form 3.00)	=	\$	18,530,949
(13) CESF: E(m) / R(m); as a % of Revenue	(11) ÷ (12)	=	5.359796%

**BIG RIVERS ELECTRIC CORPORATION**  
**ENVIRONMENTAL SURCHARGE REPORT**  
**Revenue Requirements of Environmental Compliance Costs**

**For the Expense Month Ending: February 28, 2022**

**RB****Determination of Environmental Compliance Rate Base**

Eligible Pollution Control Plant (Gross Plant) (Form 2.10)	\$ 31,770,125
Eligible Pollution Control CWIP (Form 2.10)	\$ 73,861,014
Subtotal	\$ 105,631,139
<i>Additions:</i>	
Inventory - Spare Parts (Form 2.20)	\$ 122,269
Inventory - Limestone (Form 2.20)	\$ 417,335
Inventory - Emission Allowances (Forms 2.31, 2.32, 2.33, and 2.34)	\$ 401,277
Cash Working Capital Allowance (Form 2.40)	\$ 510,707
Subtotal	\$ 1,451,588
<i>Deductions:</i>	
Accumulated Depreciation on Eligible Pollution Control Plant (Form 2.10)	\$ 4,482,810
Subtotal	\$ 4,482,810
<b>Environmental Compliance Rate Base</b>	<b>\$ 102,599,917</b>

**OE****Determination of Pollution Control Operating Expenses:**

Monthly Operation & Maintenance Expense (Form 2.50)	\$ 1,838,314
Monthly Depreciation and Amortization Expense (Form 2.10)	\$ 64,335
Monthly Taxes Other Than Income Taxes (Form 2.10)	\$ 5,376
Monthly Insurance Expense <sup>(1)</sup>	\$ -
Monthly Emission Allowance Expense (Forms 2.31, 2.32, 2.33, and 2.34)	\$ 175
Amortization of Regulatory Asset	\$ 8,039
<b>Total Pollution Control Operation Expense</b>	<b>\$ 1,916,239</b>

**BAS****Proceeds From By-Product and Allowance Sales:**

Allowance Sales	\$ -
Scrubber By-Products Sales	\$ 25,374
<b>Total Proceeds from Sales</b>	<b>\$ 25,374</b>

**True-up Adjustment: Over/(Under) Recovery of Monthly Surcharge**

B. Net Jurisdictional E(m) for December 2021 Expense Month	\$ 1,583,413
D. E(m) recovered from January 2022 Sales (Billed in February 2022)	\$ 2,170,953
E. Over/(Under) Recovery	\$ 587,540
Over recovery will be deducted from Jurisdictional E(m); (Under) recovery will be added to Jurisdictional E(m)	

<sup>(1)</sup> Monthly Insurance Expense is included with the Monthly Taxes Other Than Income Taxes amount above.

**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT  
Plant, CWIP, Depreciation, & Taxes and Insurance Expenses**

**For the Expense Month Ending: February 28, 2022**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Project No.	Description	Eligible Gross Plant in Service	Eligible Accumulated Depreciation	CWIP Amount	Eligible Net Plant (2) - (3) + (4)	Monthly Depreciation Expense	Monthly Taxes and Insurance Expense
<b>2012 Plan:</b>							
Project 9	Wilson-Dry Sorbent Injection	\$ 10,177,772	\$ 1,442,444	\$ -	\$ 8,735,328	\$ 20,610	\$ 1,023
Project 10	Green-Dry Sorbent Injection	\$ 21,592,353	\$ 3,040,366	\$ -	\$ 18,551,987	\$ 43,725	\$ 4,353
<b>2020 Plan:</b>							
Project 12	Wilson-FGD / WWT	\$ -	\$ -	\$ 58,628,747	\$ 58,628,747	\$ -	\$ -
Project 13-1	Green-Ash Pond / WMB Pond / WWT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project 14	Wilson-Phase 1 Landfill Cover	\$ -	\$ -	\$ 10,697,982	\$ 10,697,982	\$ -	\$ -
Project 15	Green-Landfill Drainage	\$ -	\$ -	\$ 4,534,285	\$ 4,534,285	\$ -	\$ -
	<b>Total</b>	\$ 31,770,125	\$ 4,482,810	\$ 73,861,014	\$ 101,148,329	\$ 64,335	\$ 5,376

**BIG RIVERS ELECTRIC CORPORATION**  
**ENVIRONMENTAL SURCHARGE REPORT**  
**Inventories of Spare Parts and Limestone**

**For the Expense Month Ending: February 28, 2022**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Description	Beginning Inventory	Purchases	Other Adjustments	Utilized	Ending Inventory (2)+(3)+(4)-(5)	Reason(s) for Adjustment
<u>Spare Parts:</u>						
Wilson - 2012 Plan Project 9 Spare Parts	\$ 31,079	\$ -	\$ -	\$ -	\$ 31,079	
Green - 2012 Plan Project 10 Spare Parts	\$ 91,646	\$ -	\$ -	\$ 456	\$ 91,190	
Sub-total (Spare Parts)	\$ 122,725	\$ -	\$ -	\$ 456	\$ 122,269	
<u>Limestone:</u>						
Wilson - Limestone Inventory	\$ 401,175	\$ 258,558	\$ -	\$ 242,398	\$ 417,335	
Sub-total (Limestone)	\$ 401,175	\$ 258,558	\$ -	\$ 242,398	\$ 417,335	
Total	\$ 523,900	\$ 258,558	\$ -	\$ 242,854	\$ 539,604	

## BIG RIVERS ELECTRIC CORPORATION ENVIRONMENTAL SURCHARGE REPORT

### Inventory and Expense of Emission Allowances

For the Expense Month Ending: February 28, 2022

Vintage Year	Number of Allowances				Total Dollar Value Of Vintage Year					Comments and Explanations
	SO <sub>2</sub> ARP	NOx Ozone Season CSAPR	NOx Annual CSAPR	SO <sub>2</sub> CSAPR	SO <sub>2</sub> ARP	NOx Ozone Season CSAPR	NOx Annual CSAPR	SO <sub>2</sub> CSAPR		
2014	11,527	-	-	-	\$ 2,367.51	\$ -	\$ -	\$ -	The emission allowances reported on this form represent Big Rivers' remaining emission allowances under the Environmental Protection Agency's (EPA) Cross State Air Pollution Rule (CSAPR) and Acid Rain Program (ARP).	
2015	40,616	-	-	-	\$ 8,342.00	\$ -	\$ -	\$ -		
2016	40,862	-	-	-	\$ 8,392.52	\$ -	\$ -	\$ -		
2017	40,862	-	-	-	\$ 8,392.52	\$ -	\$ -	\$ -		
2018	40,862	-	6,836	6,055	\$ 8,392.52	\$ -	\$ -	\$ -		
2019	40,862	-	8,282	11,103	\$ 8,392.52	\$ -	\$ -	\$ -		
2020	40,862	-	5,701	7,577	\$ 8,392.52	\$ -				
2021	40,862	723	5,541	7,358	\$ 8,392.52	\$ 118,296.58				
2022	40,862	1,305	5,541	7,358	\$ 8,392.52	\$ 213,522.88				
2023	40,862									
2024	40,862									
2025	40,862									
2026	40,862									
2027	40,862									
2028	40,862									
2029	40,862									
2030	40,862									
2031	40,862									
2032	40,862									
2033	40,862									
2034	40,862									
2035	40,862									
2036	40,862									
2037	40,862									
2038	40,862									
2039	40,862									
2040	40,862									

Other than the assignment of allowances by EPA, inventory adjustments include, but are not limited to, purchases, allowances acquired as part of other purchases, and the sale of allowances.











**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT  
O&M Expenses and Determination of Cash Working Capital Allowance**

**For the Expense Month Ending: February 28, 2022**

Eligible O&M Expenses	
Mar-21	\$ 77,229
Apr-21	\$ 327,914
May-21	\$ 313,137
Jun-21	\$ 299,230
Jul-21	\$ 548,541
Aug-21	\$ 409,287
Sep-21	\$ 305,256
Oct-21	\$ 324,300
Nov-21	\$ 505,977
Dec-21	\$ 389,310
Jan-22	\$ 378,522
Feb-22	\$ 206,951
<b>Total 12 Month O&amp;M</b>	<b>\$ 4,085,654</b>
<b>Average Monthly O&amp;M</b>	<b>\$ 340,471</b>

Determination of Working Capital Allowance	
12 Months O&M Expense	\$ 4,085,654
One-Eighth (1/8) of 12 Month O&M Expenses	\$ 510,707

**BIG RIVERS ELECTRIC CORPORATION**  
**ENVIRONMENTAL SURCHARGE REPORT**  
**Pollution Control - Operations & Maintenance Expenses**

**For the Expense Month Ending: February 28, 2022**

O&M Expense Account	COLEMAN Station	GREEN Station	HMPL SII Station	WILSON Station	REID Station	TOTAL All Stations
<b>2007 Plan:</b>						
<b>NOx Plan</b>						
Anhydrous Ammonia	\$ -	\$ -	\$ -	\$ 110,266		\$ 110,266
Emulsified Sulphur for NOx	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Individual Expense Account Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Individual Expense Account Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total NOx Plan O&M Expenses	\$ -	\$ -	\$ -	\$ 110,266	\$ -	\$ 110,266
<b>SO2 Plan</b>						
Disposal-Bottom Ash	\$ -	\$ -	\$ -	\$ 1,216	\$ -	\$ 1,216
Disposal-Fly Ash	\$ -	\$ 18,360	\$ -	\$ 137,274	\$ -	\$ 155,634
Off Spec Gypsum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fixation Lime	\$ -	\$ 107,010	\$ -	\$ -	\$ -	\$ 107,010
Disposal-Flyash/Bottom Ash/Sludge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reagent-Calcium Oxide (landfill stab.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reagent-Limestone	\$ -	\$ -	\$ -	\$ 242,398	\$ -	\$ 242,398
Reagent-Lime	\$ -	\$ 310,523	\$ -	\$ -	\$ -	\$ 310,523
Emulsified Sulphur for SO2	\$ -	\$ -	\$ -	\$ 5,676	\$ -	\$ 5,676
Reagent-DiBasic Acid	\$ -	\$ -	\$ -	\$ 129,264	\$ -	\$ 129,264
Reagent-Sodium BiSulfite for SO2	\$ -	\$ 230,691	\$ -	\$ 59,447	\$ -	\$ 290,138
Reagent-Hydroxy Basic Acid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total SO2 Plan O&M Expenses	\$ -	\$ 666,584	\$ -	\$ 575,275	\$ -	\$ 1,241,859
<b>SO3 Plan</b>						
Hydrated Lime for SO3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Activated Carbon	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Individual Expense Account Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total SO3 Plan O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT  
Pollution Control - Operations & Maintenance Expenses**

**For the Expense Month Ending: February 28, 2022**

O&M Expense Account	COLEMAN Station	GREEN Station	HMPL SII Station	WILSON Station	REID Station	TOTAL All Stations
<b>2012 Plan:</b>						
Project 9 - Wilson Hg						
Total Project 9 O&M Expenses	\$ -	\$ -	\$ -	\$ 62,377	\$ -	\$ 62,377
	\$ -	\$ -	\$ -	\$ 62,377	\$ -	\$ 62,377
Project 10 - Green Hg						
Total Project 10 O&M Expenses	\$ -	\$ 144,574	\$ -	\$ -	\$ -	\$ 144,574
	\$ -	\$ 144,574	\$ -	\$ -	\$ -	\$ 144,574
Project 11 - HMPL SII Hg						
Total Project 11 O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>2020 Plan:</b>						
Project 12 - Wilson FGD / WWT						
Total Project 12 O&M Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project 13 - Ash Pond Closures						
13-1 Green Ash Pond Closure - Reg Asset Amort	\$ -	\$ 4,499	\$ -	\$ -	\$ -	\$ 4,499
13-1 Green Ash Pond Closure - O&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13-1 Green Ash Pond Closure - WMB / WWT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13-2 Coleman Ash Pond Closure - Reg Asset Amort	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13-2 Coleman Ash Pond Closure - O&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13-3 Station Two Ash Pond Closure - Reg Asset Amort	\$ -	\$ -	\$ 1,273	\$ -	\$ -	\$ 1,273
13-3 Station Two Ash Pond Closure - O&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project 13 O&M Expenses	\$ -	\$ 4,499	\$ 1,273	\$ -	\$ -	\$ 5,772
	\$ -	\$ 4,499	\$ 1,273	\$ -	\$ -	\$ 5,772
Project 14 - Wilson Phase 1 Landfill Cover						
Total Project 14 O&M Expenses	\$ -	\$ -	\$ -	\$ 30,152	\$ -	\$ 30,152
	\$ -	\$ -	\$ -	\$ 30,152	\$ -	\$ 30,152

**BIG RIVERS ELECTRIC CORPORATION**  
**ENVIRONMENTAL SURCHARGE REPORT**  
**Pollution Control - Operations & Maintenance Expenses**

**For the Expense Month Ending: February 28, 2022**

O&M Expense Account	COLEMAN Station	GREEN Station	HMPL SII Station	WILSON Station	REID Station	TOTAL All Stations
<b>Project 15 - Green Landfill Drainage</b>						
Green Allocation	\$ -	\$ 112,792	\$ -	\$ -	\$ -	\$ 112,792
Station Two Allocation	\$ -	\$ -	\$ 2,612	\$ -	\$ -	\$ 2,612
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Project 15 O&amp;M Expenses</b>	\$ -	\$ 112,792	\$ 2,612	\$ -	\$ -	\$ 115,404
<b>Project 16 - CCR Environmental Compliance</b>						
Green CCR Regulatory Asset Amortization	\$ -	\$ 28,178	\$ -	\$ -	\$ -	\$ 28,178
Station Two CCR Regulatory Asset Amortization	\$ -	\$ -	\$ 10,832	\$ -	\$ -	\$ 10,832
Wilson CCR Regulatory Asset Amortization	\$ -	\$ -	\$ -	\$ 88,900	\$ -	\$ 88,900
Reid CCR Regulatory Asset Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Project 16 O&amp;M Expenses</b>	\$ -	\$ 28,178	\$ 10,832	\$ 88,900	\$ -	\$ 127,910
<b>Current Month O&amp;M Expense for All Plans</b>						
	\$ -	\$ 956,627	\$ 14,717	\$ 866,970	\$ -	\$ 1,838,314

**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT**

Monthly Average Revenue Computation of R(m)

For the Expense Month Ending: February 28, 2022

Revenues from Member Systems							Total Company Revenues		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Month	Base Rate Revenues	Fuel Clause Revenues	Non-FAC PPA Revenues	Environmental Surcharge Revenues	Total (2)+(3)+(4)+(5)	Total Excluding Environmental Surcharge (6)-(5)	Off-System Sales	Total (6)+(8)	Total Excluding Environmental Surcharge (9)-(5)
Mar-21	\$ 15,877,115	\$ (1,566,705)	\$ 381,835	\$ 1,276,847	\$ 15,969,092	\$ 14,692,245	\$ 6,240,762	\$ 22,209,854	\$ 20,933,007
Apr-21	\$ 14,828,172	\$ (225,159)	\$ 351,784	\$ 691,651	\$ 15,646,448	\$ 14,954,797	\$ 12,811,954	\$ 28,458,402	\$ 27,766,751
May-21	\$ 16,083,859	\$ (465,262)	\$ 369,130	\$ 1,476,699	\$ 17,464,426	\$ 15,987,727	\$ 13,061,671	\$ 30,526,097	\$ 29,049,398
Jun-21	\$ 19,265,160	\$ (812,967)	\$ 446,679	\$ 2,097,879	\$ 20,996,751	\$ 18,898,872	\$ 13,544,537	\$ 34,541,288	\$ 32,443,409
Jul-21	\$ 20,069,768	\$ (118,146)	\$ 473,147	\$ 1,814,594	\$ 22,239,363	\$ 20,424,769	\$ 13,431,112	\$ 35,670,475	\$ 33,855,881
Aug-21	\$ 20,508,037	\$ (171,247)	\$ 485,393	\$ 1,842,884	\$ 22,665,067	\$ 20,822,183	\$ 13,161,719	\$ 35,826,786	\$ 33,983,902
Sep-21	\$ 17,236,891	\$ (215,435)	\$ 591,498	\$ 1,863,565	\$ 19,476,519	\$ 17,612,954	\$ 14,501,508	\$ 33,978,027	\$ 32,114,462
Oct-21	\$ 15,226,429	\$ (136,554)	\$ 538,654	\$ 917,612	\$ 16,546,141	\$ 15,628,529	\$ 15,614,468	\$ 32,160,609	\$ 31,242,997
Nov-21	\$ 16,611,256	\$ 1,507,435	\$ 584,363	\$ 1,546,490	\$ 20,249,544	\$ 18,703,054	\$ 17,340,360	\$ 37,589,904	\$ 36,043,414
Dec-21	\$ 16,442,654	\$ 1,445,563	\$ 589,722	\$ 1,851,032	\$ 20,328,971	\$ 18,477,939	\$ 10,831,881	\$ 31,160,852	\$ 29,309,820
Jan-22	\$ 21,115,698	\$ 2,911,771	\$ 760,906	\$ 2,170,953	\$ 26,959,328	\$ 24,788,375	\$ 14,107,062	\$ 41,066,390	\$ 38,895,437
Feb-22	\$ 17,812,706	\$ 2,937,100	\$ 630,137	\$ 2,300,507	\$ 23,680,450	\$ 21,379,943	\$ 10,427,158	\$ 34,107,608	\$ 31,807,101
Totals	\$ 211,077,745	\$ 5,090,394	\$ 6,203,248	\$ 19,850,713	\$ 242,222,100	\$ 222,371,387	\$ 155,074,192	\$ 397,296,292	\$ 377,445,579
Average Monthly Member System Revenues, Excluding Environmental Surcharge, for 12 Months Ending Current Expense Month.						\$ 18,530,949			
Member System Allocation Percentage for Current Month (Environmental Surcharge excluded from Calculations): Column (7) / Column (10) =									67.217515%

**BIG RIVERS ELECTRIC CORPORATION  
ENVIRONMENTAL SURCHARGE REPORT  
Monthly Revenue Detail for Average Revenue Computation of R(m)**

**For the Expense Month Ending: February 28, 2022**

Class	Revenue							Total
	Demand	Energy	Base Rates	FAC	Non-FAC PPA	ES		
Rural	\$ 5,639,232	\$ 8,881,437	\$ 14,520,669	\$ 2,293,384	\$ 492,032	\$ 1,862,155	\$ 19,168,240	
Large Industrial	\$ 1,184,171	\$ 2,107,866	\$ 3,292,037	\$ 643,716	\$ 138,105	\$ 438,352	\$ 4,512,210	
Subtotal	\$ 6,823,403	\$ 10,989,303	\$ 17,812,706	\$ 2,937,100	\$ 630,137	\$ 2,300,507	\$ 23,680,450	

Smelter	Base Monthly Energy (KWH)	Premium (\$0.00025 / kWh)	Base Monthly Energy	Revenue				Total
				Base Monthly Energy Less Premium	FAC	Non-FAC PPA	ES	
Alcan	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Century	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

<b>Total</b>				\$ 17,812,706	\$ 2,937,100	\$ 630,137	\$ 2,300,507	\$ 23,680,450
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IN THE MATTER OF:  
ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF  
THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
JANUARY 31, 2022, JULY 31, 2022, AND JANUARY 31, 2023,  
THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION TO COMMISSION  
STAFF'S SECOND REQUEST FOR INFORMATION DATED MARCH 18, 2024

MARCH 27, 2024

**REQUEST NO. 2-4:** Refer to BREC's ES filings for expense months  
November 2022 and December 2022, Form 1.10. Explain the why the Rate of Return  
on Environmental Compliance Rate Base (RORORB) increases significantly from  
November to December.

**RESPONSE:** The increase is due to an increase in interest expense of \$3.6 million in  
November 2022 to \$10.5 million in December 2022. The increase in interest expense was related  
to the accrued imputed interest expense for prepayment of the RUS Series B loan.

**Witness:** Christopher A. Warren

IN THE MATTER OF:  
ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF  
THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
JANUARY 31, 2022, JULY 31, 2022, AND JANUARY 31, 2023,  
THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION TO COMMISSION  
STAFF'S SECOND REQUEST FOR INFORMATION DATED MARCH 18, 2024

MARCH 27, 2024

**REQUEST NO. 2-5:** Refer to BREC's ES filings for expense months  
August 2021 and September 2021, Form 2.00.

a. For the Determination of Environmental Compliance Rate Base (RB),  
explain the reasons for the significant increase of Inventory-Emission Allowances  
from August to September.

b. For the Determination of Pollution Control Operating Expenses (OE),  
explain the reasons for the significant increase of Monthly Emission Allowance  
Expense.

**RESPONSE:**

a. Inventory-emission allowances increased from \$71k to \$158k from  
August 2021 to September 2021. This increase is a result of Big Rivers purchasing  
additional NO<sub>x</sub> Ozone Season allowances from Dynegy Marketing & Trade LLC for  
\$140k. This purchase is offset by the monthly unit emission usage for September.

IN THE MATTER OF:  
ELECTRONIC EXAMINATION BY THE PUBLIC SERVICE COMMISSION OF  
THE ENVIRONMENTAL SURCHARGE MECHANISM OF BIG RIVERS  
ELECTRIC CORPORATION FOR THE SIX-MONTH EXPENSE PERIODS  
ENDING JANUARY 31, 2020, JULY 31, 2020, JANUARY 31, 2021,  
JANUARY 31, 2022, JULY 31, 2022, AND JANUARY 31, 2023,  
THE TWO-YEAR EXPENSE PERIODS ENDING JULY 31, 2021, AND  
JULY 31, 2023, AND THE PASS THROUGH MECHANISM OF ITS THREE  
MEMBER DISTRIBUTION COOPERATIVES  
CASE NO. 2023-00373

RESPONSE OF BIG RIVERS ELECTRIC CORPORATION TO COMMISSION  
STAFF'S SECOND REQUEST FOR INFORMATION DATED MARCH 18, 2024

MARCH 27, 2024

**Witness:** Christopher A. Warren