

1 COMMONWEALTH OF KENTUCKY  
2 BEFORE THE PUBLIC SERVICE COMMISSION  
3

4 In the Matter of:  
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ELECTRONIC APPLICATION OF BIG )  
RIVERS ELECTRIC CORPORATION ) Case No.  
FOR ANNUAL REVIEW OF ITS MRSM ) 2024-000031  
CHARGE FOR CALENDAR YEAR 2023 )

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10 **BIG RIVERS ELECTRIC CORPORATION’S WITHDRAWAL OF REQUEST**  
11 **TO INCREASE MINIMUM REGULATORY LIABILITY BALANCE**  
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13 1. In the June 25, 2020, Order in Case No. 2020-00064, the Kentucky  
14 Public Service Commission (“*Commission*”) authorized Big Rivers Electric  
15 Corporation (“*Big Rivers*”) to defer in a regulatory liability account 60% of Big  
16 Rivers’ margins in excess of the margins to achieve a 1.30 TIER. The Commission  
17 also established a minimum balance of \$9 million for the regulatory liability  
18 account “to ensure that an adequate balance is maintained to allow BREC to  
19 achieve a TIER of 1.30.” The Commission further noted that Big Rivers could  
20 request changes in the minimum balance as its interest expense changed.

21 2. In its Application in this case, Big Rivers initially requested  
22 authority to revise the minimum regulatory liability account balance from \$11.3  
23 million to \$12.4 million starting in 2024. Upon further analysis, Big Rivers  
24 believes the current \$11.3 million minimum balance is sufficient and hereby  
25 withdraws its request to increase the minimum balance.

1           3.      Big Rivers notes that the Commission increased the minimum  
2 regulatory liability balance from \$9.0 million to \$11.3 million at Big Rivers'  
3 request last year to account for changes in Big Rivers' annual interest expense.  
4 Big Rivers believes the current \$11.3 million minimum balance is sufficient  
5 presently to ensure Big Rivers will achieve a 1.30 TIER without putting undue  
6 restrictions on Big Rivers' financial flexibility, such as in years with major  
7 outages, and Big Rivers therefore requests that the \$11.3 million minimum be  
8 maintained for the time being. Big Rivers will again analyze the required  
9 minimum balance when it files its annual MRSM review case in February 2025.

10           WHEREFORE, Big Rivers respectfully requests that the Commission  
11 maintain the minimum \$11.3 million minimum balance for the regulatory  
12 liability account.

13           On this the 27<sup>th</sup> day of August, 2024.

14   Respectfully submitted,  
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16   */s/ Tyson Kamuf*  
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