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March 10, 2009

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
21 1 Sower Boulevard, P.O. Box 615  
Frankfort, Kentucky 40602-0615

RECEIVED

MAR 10 2009

PUBLIC SERVICE  
COMMISSION

Re: Notice and Application of Big Rivers Electric Corporation  
for a General Adjustment in Rates, PSC Case No. 2009-00040

Dear Mr. Derouen:

Enclosed for filing are an original and ten copies of Big Rivers Electric Corporation's errata to the Notice, Application and Motions ("Application") filed in this matter on March 2, 2009. The attached errata pages should be substituted or inserted as follows:

- The attached chart entitled "Pro-Forma Revenue Requirements for the 12 months ended November 20, 2008," should be substituted for the attachment to Exhibit 25 filed with the Application. In the revised chart, the title is changed, and the footnote reference is corrected.
- The attached page labeled "Exhibit 26" should be substituted for the corresponding page filed with the Application. In the revised page, the reference in the text to Exhibit 27 is changed to Exhibit 25.
- The attached page labeled "Exhibit 37" should be substituted for the corresponding page filed with the Application. In the original page, the text in the answer was center-justified. The text is left-justified in the revised page.
- The attached document labeled at the bottom as "Exhibit Bailey-1," is Mr. Bailey's résumé, and it should be inserted as an attachment to Exhibit 45. This document was unintentionally omitted from the original filing.

I certify that a copy of this letter and all attachments have been served upon each of the persons identified on the attached service list by prepaid mail.

Sincerely,



Tyson Kamuf  
Counsel for Big Rivers Electric Corporation  
Enclosures

cc: Mark A. Bailey  
David A. Spainhoward

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SERVICE LIST  
BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040

Hon. Dennis Howard  
Assistant Attorney General  
Office of the Attorney General  
Utility & Rate Intervention Division  
1024 Capital Center Drive, Suite 200  
Frankfort, KY 40601-8204

## Big Rivers Electric Corporation

Pro-Forma Revenue Requirements for the 12 months ended November 30, 2008

Description	Net Adjusted Cash Requirements (1)
1 Other Power Supply	\$ 123,504,105
2 O&M	24,825,414
3 Taxes	1,042,460
4 Debt Service	
5 Interest	62,942,691
6 Principal	39,960,906
7 Capital Expenditures	22,396,083
8 Interest Income	(180,435)
9 Other Deductions	1,421
10 Other Interest Expense	8,826
11 Special Funds	(92,937)
12 Leveraged Lease Termination	0
13 Subtotal	274,408,532
14 Less: Patronage Capital	(1,406)
15 Gross Revenue Requirement	<u>\$ 274,407,126</u>
16 Revenue	249,505,415
17 <b>Revenue Deficiency</b>	<u><u>\$ 24,901,711</u></u>

Net Cash Provided by Operating Activities (FFO)	\$ 62,356,989
Debt Service	\$ 102,903,597
Capital Expenditures	\$ 22,396,083
DSC after Capital Expenditures	1.00

(1) See Direct Testimony of William Steven Seelye, Exhibit Seelye-2

**Big Rivers Electric Corporation  
Case No. 2009-00040  
Historical Test Period Filing Requirements**

**EXHIBIT 26**

**Filing Requirement  
807 KAR 5:001 Section 10(6)(i)  
Sponsoring Witness: C. William Blackburn**

**Description of Filing Requirement:**

*A reconciliation of the rate base and capital used to determine its revenue requirement.*

**Response:**

Attached is the reconciliation of rate base and capital for the historical period. However, as indicated in Exhibit 25, proforma revenue requirements are based on the cash-needs approach and not return on rate base or capitalization.

**Big Rivers Electric Corporation**  
**Case No. 2009-00040**  
**Historical Test Period Filing Requirements**

**EXHIBIT 37**

**Filing Requirement**  
**807 KAR 5:001 Section 10(6)(t)**  
**Sponsoring Witness: C. William Blackburn**

**Description of Filing Requirement:**

*If the utility had any amounts charged or allocated to it by an affiliate or general or home office or paid any monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years, the utility shall file:*

- 1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each charge allocation or payment;*
- 2. An explanation of how the allocator for the test period was determined; and*
- 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during the test period was reasonable;*

**Response:**

Big Rivers has one affiliate – Big Rivers Leasing Corp – which was established in connection with the leveraged lease agreements which have now been terminated. Big Rivers intends to dissolve this subsidiary in 2009 subsequent to receiving an order in the Unwind proceeding. Big Rivers is charged a small amount of direct expenses from this subsidiary and is not subject to any further allocation of costs. In 2008, Big Rivers was charged \$8,500 in direct expenses (telephone, labor, office supplies, etc.) by Big Rivers Leasing Corp.

## MARK ALAN BAILEY

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Henderson, Kentucky 42420  
270-827-9046

Work: P.O. Box 24 – 201 Third Street  
Henderson, Kentucky 42419  
270-827-2561

Big Rivers Electric Corp. **President & CEO**  
Henderson, Kentucky  
Oct. 2008 - present

Big Rivers Electric Corp. **Executive Vice President & COO**  
Henderson, Kentucky  
June 2007 – Oct. 2008

Kenergy Corp. **President & CEO**  
Henderson, Kentucky  
May 2004 – May 2007

- Responsible to an elected 11 member board for all facets of operations of a distribution electric cooperative serving approximately 54,000 members including 19 large industrial customers in portions of 14 counties in western Kentucky with ~ 160 employees, a peak demand of approximately 1,300 MW, annual kwh sales in excess of 9.4 billion, \$300 million in annual revenue, and \$210 million in assets

American Electric Power **Vice President Transmission Asset Management**  
Service Corporation  
Columbus, Ohio  
June 2000 – April 2004

- Managed AEP's \$2.5B transmission and substation assets located in eleven states, including \$100M annual O&M and \$250M capital expenditure decisions, as well as engineering and maintenance standards, annual maintenance and capital plans, development of strategic, business and incentive plans, system planning and interconnection agreements, regulatory and legislative policy formation and testimony, and all transmission related contracts

American Electric Power **Managing Director, Energy Delivery and Customer Relations**  
Service Corporation  
Columbus, Ohio  
Jan. 1998 – May 2000

- Responsible for administration of the Energy Delivery and Customer Relations business group consisting of the Transmission, Distribution, Marketing, System Operations, Public Relations, Regulatory functions and the state Presidents' offices including development of strategic, business and incentive plans, operational metrics, performance targets and monitoring systems
- Managed Transmission and Distribution Materials Management organization.
- Testified before 4 state Commissions in support of AEP's merger w/ CSW

American Electric Power **Director – Regions**  
Service Corporation  
Columbus, Ohio  
Jan. 1996 – Dec. 1997

- Directed the reorganized AEP's six southern distribution regions serving nearly 1,300,000 customers in portions of 5 states with 2,700 company and 2,500 contractor employees
- Oversaw the Transmission and Distribution Materials Management organization

Indiana Michigan **Vice President, Administration**  
Power  
Fort Wayne,  
Indiana  
Oct. 1994 - Dec. 1995

- Oversaw Marketing, Customer Services, Accounting, Rates, and Purchasing and Materials Management Departments as well as the Budgeting Section
- Chaired the company's Political Action Disbursements Committee
- Coordinated operating company administrative support for the company's three coal fired and one nuclear generating stations (6,200MW)

<p>Indiana Michigan Power Fort Wayne, Indiana 1989 – Sept. 1994</p>	<p><b>Vice President, Operations</b></p> <ul style="list-style-type: none"> <li>•Directed four operating divisions serving nearly 520,000 customers in 28 counties in Indiana and Michigan and a total of ~ 1,300 employees</li> <li>•Oversaw Transmission and Distribution, Purchasing and Materials Management, System Operations, General Services and Land Management Departments at corporate headquarters</li> <li>•Coordinated operating company administrative support for the company's three coal fired, one nuclear and five hydro power plants (6,200MW)</li> </ul>
<p>Ohio Power Columbus, Ohio 1988 – 1989</p>	<p><b>Executive Assistant to the President</b></p> <ul style="list-style-type: none"> <li>•Assisted the AEP Executive Vice President – Operations performing studies and analyses such as ramifications of merging Ohio Power and Columbus Southern Power operating companies and design of a management incentive compensation system</li> <li>•Lobbied on behalf of Ohio Power with the Ohio General Assembly</li> </ul>
<p>Ohio Power Cambridge, MA 1987 – 1988</p>	<p><b>Division Manager</b></p> <ul style="list-style-type: none"> <li>•Completed course work leading to attainment of a Masters Degree in Management as a Sloan Fellow at the Massachusetts Institute of Technology</li> </ul>
<p>Ohio Power Tiffin, Ohio 1985 – 1987</p>	<p><b>Division Manager</b></p> <ul style="list-style-type: none"> <li>•Managed all aspects of providing electrical service to 58,000 customers through five operating units consisting of 210 employees</li> </ul>
<p>Ohio Power Canton, Ohio 1983 – 1985</p>	<p><b>Administrative Assistant to the President</b></p> <ul style="list-style-type: none"> <li>•Coordinated operating company administrative support for the company's five fossil fired power plants (8,120 MW)</li> <li>•Oversaw operation and maintenance of the company's two unit, 48 MW hydro plant</li> <li>•Assisted the President with various studies and assignments</li> </ul>
<p>Cardinal Operating Co. Cardinal Plant Brilliant, Ohio 1981 - 1983</p>	<p><b>Performance Superintendent</b></p> <ul style="list-style-type: none"> <li>•Directed department of 65 employees responsible for installation and maintenance of the plant's instruments and controls, engineering and thermal performance, and laboratory operations at the three unit, coal fired 1,860 MW plant</li> <li>•Directly supervised start-up &amp; shut-downs of the 600 MW supercritical units</li> </ul>
<p>Ohio Power Muskingum River Plant Beverly, Ohio 1979 - 1981</p>	<p><b>Production Superintendent</b></p> <ul style="list-style-type: none"> <li>•Directed department responsible for operations of a five unit, coal fired 1,460 MW plant</li> <li>•Directly supervised start-ups &amp; shut-downs of the plant's 600 MW supercritical unit, wrote plant operating procedures and trained operators following major modifications of the 600 MW Unit 5 steam generator &amp; precipitator addition</li> </ul>
<p>Ohio Power Gavin Plant Cheshire, Ohio 1975 - 1979</p>	<p><b>Performance Engineer</b></p> <ul style="list-style-type: none"> <li>•Various engineering positions of increasing responsibility at the two unit, 2,600 MW coal fired plant. Major areas of involvement included analyzing thermal performance, instrument and control installation and maintenance</li> <li>•Wrote plant operating procedures for all the AEP system's 1,300 MW supercritical units</li> </ul>
<p>Ohio Power Portsmouth, Ohio 1974 – 1975</p>	<p><b>Electrical Engineer</b></p> <ul style="list-style-type: none"> <li>•Designed, laid out and specified material for construction of distribution facilities to serve retail customers in the Portsmouth division</li> </ul>

- Education:**
- The Massachusetts Institute of Technology, Cambridge, Massachusetts  
Masters of Science in Management, 1988
  - The Ohio Northern University, Ada, Ohio  
Bachelor of Science in Electrical Engineering with Distinction, 1974

- Honors and Activities:**
- Board member – ACES Power Marketing
  - Member of Tau Beta Pi National Engineering Honorary
  - Member - Order of Kentucky Colonels
  - President of the Board - Henderson Habitat for Humanity
  - Board member – Kentucky Association of Electric Cooperatives
  - Board member - Methodist Hospital, Henderson, Kentucky
  - Board member – Methodist Hospital Foundation
  - Board member - Leadership Kentucky
  - Board member – National Renewables Cooperative Organization
  - Board member – Kentucky Community & Technical College Foundation
  - Member- Henderson Rotary Club

March 2009