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August 28, 2013

**Via FedEx Overnight Delivery**

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

RECEIVED  
AUG 28 2013  
PUBLIC SERVICE COMMISSION  
KENTUCKY

*In the Matter of:*

**Application of Big Rivers Electric Corporation for a  
General Adjustment in Rates – Case No. 2013-00199**

Dear Mr. Derouen:

Enclosed for filing on behalf of Big Rivers Electric Corporation ("Big Rivers") are an original and ten (10) copies of its Revised response to page 1 of 3 of the attachment accompanying Tab 50 of its Application, which was filed on June 28, 2013.

Please confirm the Commission's receipt of this information by having the Commission's date stamp placed on the enclosed additional copy and returning to Big Rivers in the self-addressed, postage paid envelope provided.

I certify that on this date, a copy of this letter and a copy of the revised response were served by first class mail on the persons listed on the attached service list.

Should you have any questions about this matter, please contact me.

Sincerely yours,

T. Kamuf

Tyson Kamuf  
Counsel for Big Rivers Electric Corporation

cc: Service List  
Billie J. Richert

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**BIG RIVERS ELECTRIC CORPORATION**

**APPLICATION OF BIG RIVERS ELECTRIC CORPORATION  
FOR A GENERAL ADJUSTMENT IN RATES  
CASE NO. 2013-00199**

**VERIFICATION**

I, Billie J. Richert, verify, state, and affirm that I prepared or supervised the preparation of the revised application exhibit filed with this Verification, and that that exhibit is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.



Billie J. Richert

COMMONWEALTH OF KENTUCKY )  
COUNTY OF HENDERSON )


SUBSCRIBED AND SWORN TO before me by Billie J. Richert on this  
the 27<sup>th</sup> day of August, 2013.



Notary Public, Ky. State at Large  
My Commission Expires 1-12-17

**ORIGINAL**



Your Touchstone Energy® Cooperative 

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**In the Matter of:**

APPLICATION OF BIG RIVERS )  
ELECTRIC CORPORATION FOR A ) Case No. 2013-00199  
GENERAL ADJUST IN RATES )

**Revised Response to the Big Rivers' Application  
Tab 50 originally filed June 30, 2013**

**FILED: August 29, 2013**

**ORIGINAL**

**Big Rivers Electric Corporation**  
**Case No. 2013-00199**  
**Forecasted Test Period Filing Requirements**  
*(Forecast Test Year 12ME 01/31/2015; Base Period 12ME 09/30/2013)*

1                   **Tab No. 50- July 12, 2013**  
2                   **Revised Tab No. 50 – August 29, 2013**  
3                   **Filing Requirement**  
4                   **807 KAR 5:001 Section 16(13)(g)**  
5                   **Sponsoring Witness: Billie J. Richert**  
6

7    **Description of Filing Requirement:**

8                   *An analysis of payroll costs including schedules for wages and salaries,*  
9                   *employee benefits, payroll taxes, straight time and overtime hours, and*  
10                  *executive compensation by title.*

11   **Response:**

12                  Big Rivers' *revised* page 1 of 3 from the previously filed schedule of  
13                  salaries and wages, employee benefits, payroll taxes, straight time and  
14                  overtime hours, and executive compensation by title is included as an  
15                  attachment to this response.<sup>1,2</sup> In reviewing the schedule filed with its  
16                  application on June 30, 2013, Big Rivers discovered that it  
17                  inadvertently had excluded Paid Time Off (PTO) time in Straight-time  
18                  Salaries and Wages, and FAS 12 Costs in Medical Insurance from page  
19                  1 of 3. The attached *revised* schedule for page 1 of 3 corrects these  
20                  omissions.

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<sup>1</sup> Big Rivers' forecast assumes each employee will have 2,080 hours of straight time and paid time off per year. Big Rivers does not forecast overtime hours; instead Big Rivers forecasts overtime dollars by applying a factor to straight time.

<sup>2</sup> Big Rivers' straight time dollars and hours include straight time worked and paid time off benefits for vacation, holiday, sick and personal time.

**Big Rivers Electric Corporation**  
**Case No. 2013-00199**  
Revised Analysis of Payroll Costs

Description of Expenditure	Historical Base Period Oct-12 to Mar-13	Forecasted Base Period Apr-13 to Sept-13	Base Period Total Oct-12 to Sept-13	Forecasted Test Period Feb-14 to Jan-15
<b>Wages and Salaries -</b>				
Straight-time	\$20,914,498	\$22,306,589	\$43,221,087	\$34,602,082
Overtime	\$3,141,766	\$2,799,886	\$5,941,652	\$3,892,208
<b>Total Wages and Salaries</b>	<u><u>\$24,056,264</u></u>	<u><u>\$25,106,475</u></u>	<u><u>\$49,162,739</u></u>	<u><u>\$38,494,290</u></u>
<b>Employer Payroll Taxes -</b>				
F.I.C.A.	\$1,780,582	\$1,909,687	\$3,690,269	\$2,899,468
Federal & State Unemployment Taxes	\$29,755	\$64,237	\$93,992	\$96,896
<b>Total Payroll Taxes</b>	<u><u>\$1,810,337</u></u>	<u><u>\$1,973,924</u></u>	<u><u>\$3,784,261</u></u>	<u><u>\$2,996,364</u></u>
<b>Employee Benefits (Employer portion)</b>				
401k Plan	\$576,594	\$778,087	\$1,354,681	\$1,188,120
Dental Insurance	\$207,068	\$220,002	\$427,070	\$335,939
Group Life Insurance	\$131,837	\$138,077	\$269,914	\$210,842
Long Term Disability Insurance	\$170,743	\$214,757	\$385,500	\$247,170
Medical Insurance	\$3,703,638	\$4,436,190	\$8,139,828	\$6,774,007
Post Retirement Medical	\$564,563	\$733,999	\$1,298,562	\$1,107,106
Pension	\$4,024,566	\$4,041,755	\$8,066,321	\$4,172,459
Workers Compensation	\$331,922	\$373,830	\$705,752	\$567,750
<b>Total Employee Benefits</b>	<u><u>\$9,710,931</u></u>	<u><u>\$10,936,697</u></u>	<u><u>\$20,647,628</u></u>	<u><u>\$14,603,393</u></u>
<b>Grand Total</b>	<u><u>\$35,577,532</u></u>	<u><u>\$38,017,096</u></u>	<u><u>\$73,594,628</u></u>	<u><u>\$56,094,047</u></u>
<hr/>				
<b>Straight Time Hours</b>	617,737	651,382	1,269,119	965,825
<b>Overtime Hours</b>	64,671		64,671	

Case No. 2013-00199

Revised Tab 50 - 807 KAR 5:001 Section 16(13)(g)

Sponsoring Witness: Billie J. Richert

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