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Angie Hatton
Chair

Mary Pat Regan
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John Will Stacy
Commissioner

December 6, 2024

PARTIES OF RECORD

Re: Case No. 2024-00149

Notice is given to all parties that the attached Big Rivers Electric Corporation Informal Conference Memorandum and attendance list has been filed into the record of this proceeding.

If you have any comments you would like to make regarding the contents of the document, please do so within five days of receipt of this letter. If you have any questions, please contact Michael Crum, Staff Attorney, at Michael.Crum@ky.gov.

Sincerely,

A handwritten signature in blue ink that reads "Linda C. Bridwell".

Linda C. Bridwell, PE
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2024-00149

FROM: Michael Crum, PSC Staff Attorney

DATE: November 12, 2024

RE: Informal Conference (IC) of November 12, 2024

Pursuant to an Order issued on November 1, 2024, an in-person informal conference (IC) was conducted on Tuesday, November 12, 2024, at the Kentucky Public Service Commission (PSC), 211 Sower Boulevard, Frankfort, Kentucky 40602. Attached is a copy of the attendance roster.

Big Rivers Electric Corporation (BREC) requested an IC with Commission Staff by motion filed on October 28, 2024, for the purpose of clarifying issues within the proceeding.

Christian Everly, PSC Utilities Rates and Tariffs Manager, opened the meeting by introducing PSC Staff present at the meeting and opened the floor for BREC to discuss any issues it felt were pertinent to the proceeding. After BREC introduced its members that were present for the IC, Don Gulley, BREC's President and CEO, began the meeting by discussing previously unknown issues he found upon beginning his new position with BREC. Mr. Gulley also discussed some of the particulars of the NUCOR Steel utility contract and the benefits the NUCOR deal brought to the area as it relates to creating new jobs and immediately increasing BREC's Credit Rating, allowing BREC to borrow money at lower interest rates.

Mr. Gulley then discussed some of the issues BREC faced during and after the COVID outbreak in 2020 such as supply chain difficulties in sourcing reliable fuel at reasonable prices. Mr. Gulley continued by discussing the financial outlook for BREC, how revenues are split with its member-owners, and BREC's current revenue forecast. Mr. Gulley mentioned BREC will be updating its Integrated Resource Plan (IRP) in the near future.

Per the NUCOR contract, NUCOR is charged no surcharges, including the FAC surcharge, until 2031 when NUCOR is subject to a "regular" utility tariff. BREC includes the costs of providing service to NUCOR, but excludes the sales to NUCOR when calculating the monthly FAC surcharge. BREC's largest concern, and the reason for the meeting, was related to the PSC potentially disallowing FAC costs (which would force BREC into an immediate rate case) and/or attempting to change the BREC-NUCOR contract.

PSC Staff inquired into how BREC calculated its FAC rate for NUCOR and its other members and gained some insight from BREC's team into how those rates are calculated.

PSC Staff then said it had nothing to add at this time and did not have any questions.

There being no further discussion, the IC was then adjourned.

cc: Parties of Record

PSC INFORMAL CONFERENCE SIGN IN SHEET

CASE NUMBER: 2024-00149 IC - Big Rivers Electric Corporation

LOCATION: Conference Room 1 (RM131)

DATE: November 12, 2024 12:00pm – 2:00pm EST

NAME	COMPANY
Christian Everly	PSC-Financial Analysis
John Rogness	PSC-Financial Analysis
J.E.B Pinney	PSC-Legal
Moriah Tussey	PSC-Legal
Michael Crum	PSC-Legal
Katie Cheatham	Big Rivers Electric Corporation
Senthia Santana	Big Rivers Electric Corporation
Tyson Kamuf	Big Rivers Electric Corporation
Don Gulley	Big Rivers Electric Corporation
Talina Mathews	Big Rivers Electric Corporation
Chris Warren	Big Rivers Electric Corporation

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