

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF BIG RIVERS)	
ELECTRIC CORPORATION OF A RETAIL)	CASE NO.
ELECTRIC SERVICE AGREEMENT WITH)	2026-00115
JUSTIFIED DATAPOWER LLC, A SUBSIDIARY)	
OF TERAWULF INC.)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO BIG RIVERS ELECTRIC CORPORATION

Big Rivers Electric Corporation (BREC), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on June 11, 2026. The Commission directs BREC to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

BREC shall make timely amendment to any prior response if BREC obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which BREC fails or refuses to furnish all or part of the requested information, BREC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, BREC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the BREC Corporate Contract Filing, specifically the Agreement for Electric Service Contract (Agreement), Exhibit A, Sections A, paragraphs 5 and 6 regarding the 482 MW transmission reservation and payment obligation.

- a. Explain in detail how BREC determined that a minimum 482 MW reservation for six years is necessary.

b. Explain whether BREC is obligated to reserve the full 482 MW transmission capability with Midcontinent Independent System Operator (MISO) regardless of actual customer usage.

c. Explain whether BREC incurs transmission or capacity costs if customer usage is materially below 482 MW.

d. Explain how the escalating Wholesale Demand Adder structure mitigates stranded cost risk associated with reductions in customer load.

e. Explain whether any portion of transmission or capacity costs associated with the Agreement could be borne by native load customers under any scenario in which the customer reduces load, terminates service, defaults, or otherwise fails to satisfy the obligations of the Agreement. If yes, give a detailed explanation identifying the circumstances that could cause, or the risks that could lead, to existing customers having higher transmission or capacity costs resulting from, directly or indirectly, this agreement.

2. Refer to the Agreement, Sections 3.04(a) and Exhibit A regarding capacity obligations.

a. Explain in detail how BREC intends to procure capacity for the Justified DataPower LLC, a subsidiary of TeraWulf Inc. (TeraWulf) load through the MISO Planning Resource Auction (PRA).

b. Explain how BREC anticipates procuring the required capacity and energy, whether entirely through the PRA, bilateral agreements, or a combination of the two.

c. Explain whether BREC has conducted sensitivity analyses regarding potential future MISO Zone 6 capacity prices.

d. Provide all analyses, models, forecasts, presentations, or studies evaluating potential capacity cost exposure associated with serving TeraWulf.

e. Explain whether any MISO market rule changes could materially impact the economics or risk allocation under the Agreement.

f. Explain whether BREC and/or any of its members may face penalties associated with purchasing more capacity and/or energy through the PRA than BREC has bid into the auction. If yes, explain the mechanism, identify all relevant line items, and provide an estimate of how much the penalty would cost expressed as \$/MWh and \$/MW.

3. Refer to the Agreement, Section 3.03(b) regarding Emergency Billing provisions.

a. Explain the circumstances under which daily invoicing could occur.

b. Provide examples of historical MISO market events that could trigger the Emergency Billing provisions.

c. Explain how BREC determined that credit support equal to two times the estimated highest monthly bill is sufficient. As part of the response explain whether the two times estimated highest monthly bill would have been sufficient if TeraWulf required the entirety of its 482 MW capacity demand if BREC had to purchase that capacity and energy during MISO's most expensive 48 hour period in winter 2025-2026.

d. Explain whether BREC evaluated potential MISO market price spike scenarios when determining the sufficiency of the collateral requirements and Emergency Billing provisions under Sections 3.03(b) and 3.04(b).

e. Identify and describe any analyses, modeling, or assumptions BREC relied upon regarding winter storm exposure, uplift exposure, or extreme real-time pricing exposure in establishing the collateral requirements or Emergency Billing provisions under Sections 3.03(b) and 3.04(b).

4. Refer to the Agreement, Section 2.12 regarding curtailment rights.

a. Explain in detail how curtailment of the TeraWulf load would occur operationally during an energy emergency alert (EEA) Level 3 event.

b. Explain what communication would occur with TeraWulf during an energy emergency and provide any relevant procedures.

c. Provide BREC's current procedure during an EEA Level 3 event.

d. Explain whether BREC anticipates that TeraWulf's load could be curtailed independently of other large industrial loads.

e. Explain whether any additional equipment, relays, communications systems, or operational infrastructure are required to implement curtailment capabilities.

f. Explain whether the TeraWulf facility is expected to participate in MISO demand response programs, and if yes, identify which programs would be available to TeraWulf and whether participation in these programs reduces BREC's PRA obligations.

5. State whether BREC conducted studies regarding potential impacts of serving the TeraWulf load on transmission system reliability, generation reserve margins,

native load customers, fuel procurement, maintenance scheduling, system dispatch, and future resource adequacy obligations. If yes, provide a copy of all such studies.

6. Refer to the discussion of the BREC and Kenergy adders.
 - a. Explain in detail how the Wholesale Demand Adder was calculated.
 - b. Explain in detail how the Distribution Demand Adder was calculated.
 - c. Explain whether the adders were based upon cost-of-service principles, risk allocation, negotiated market factors, or anticipated margin contributions, or any other principle.
 - d. Explain whether BREC modeled or analyzed expected annual revenues associated with the Agreement under low-utilization, expected-utilization, and maximum-utilization scenarios. If so, provide all such analyses, assumptions, modeling inputs, and projected revenue estimates.
7. Explain whether the TeraWulf load has been incorporated into BREC's load forecast, resource planning models, or Integrated Resource Plan (IRP) assumptions. If yes, explain how. If no, explain why not. As part of the response, provide BREC's most recent load forecast.
8. Refer to the Agreement, Section 2.14 regarding Behind-the-Meter Generation.
 - a. Explain what types of behind-the-meter generation BREC anticipates may be utilized by TeraWulf.
 - b. Explain whether behind-the-meter generation could reduce BREC's transmission reservation or capacity obligations.

c. Explain whether customer-owned generation could participate in MISO markets independently of BREC.

d. Explain whether BREC anticipates any operational or reliability concerns associated with behind-the-meter generation at the TeraWulf facility.

9. Refer to page 4 of the cover letter attached to the BREC Corporate Contract Filing regarding economic development estimates.

a. State whether BREC independently verified the projected capital investment, construction jobs, permanent jobs, school tax impacts, and sales tax impacts.

b. Identify all information supplied by TeraWulf upon which BREC relied.

c. Explain whether the Agreement remains economically beneficial if customer load materially underperforms projections.

10. Refer to the Agreement, Section 13.01 regarding the Existing Century Agreements.

a. Identify all existing transmission, substation, metering, relay, and related facilities expected to be reused to serve TeraWulf.

b. Explain whether any upgrades are required, the estimated costs of such upgrades, and who bears the responsibility of those upgrade costs.

11. Refer to the Agreement, Exhibit A at Page 2. Explain the basis for the [REDACTED] applicable to the Wholesale Demand Adder.

12. Refer to the Agreement, Exhibit A at Page 3. Explain the basis for the [REDACTED] applicable to the Distribution Demand Adder.

13. Refer to the Agreement, Exhibit A at Page 3. Explain how the Distribution Customer Charge was determined.

14. Refer to the Agreement, Exhibit A at Page 5. Explain how the demand response services percentage was determined.

15. Refer to BREC's Tariff, Ky PSC No. 27 Tariff Sheet No. 30.03, "[t]he Special Contract Rate shall provide a net benefit to the existing load served by the Member Cooperatives, and may consist of one or more of the following: (1) the Standard Rate – LIC – Large Industrial Customer rate, (2) market-based rates, (3) fixed rates, (4) time-of-use rates, or (5) other negotiated rate."

a. Provide the "net benefit" quantitatively for this special contract.

b. Explain which of the listed items were included in the special contract rate calculation as well as the numeric values, if available, for each item included in the special contract rate.

16. Refer to the Agreement, Section 3.03 Billing.

a. Provide, based on the daily maximum demand set forth in the contract, the amount due and owing for the ten days of written notice prior to disconnect based on current market prices.

b. Confirm that at any given time, BREC will have already purchased the energy required pursuant to the contract. If not confirmed, explain the response.

17. Refer to the Agreement, Section 3.04. Explain why written notice is required to draw on the credit support for a delinquent bill. Include in that response whether the contract intends service of the notice or not.

18. Refer to the Agreement, Section 2.08. Explain what is meant by the time period “will promptly pay” and “to promptly refund”.

19. Refer to the Agreement, Section 2.08. Explain what is included in “estimated cost of the New Facilities”. Include in the response whether it includes engineering, contracting and procurement expenses and who will make the final decision as to what it includes.

20. Refer to the Agreement, Article Thirteen, Section 13.01. Provide all agreements referenced in this section, including any draft, proposed, current, executed, or finalized versions. Consider this request an ongoing request.

21. Explain how this contract will impact the Environmental Surcharge and the Fule Adjustment Clause calculations for the member cooperatives. Included in the response, any billing line items including penalties, passed from MISO to BREC.

22. Refer to Tariff Sheet No. 30.03-30.06.

a. Explain in detail how the agreement with TeraWulf provides a “net benefit to the existing load served by Member Cooperatives[.]” Consistent with the tariff, explain which of the following rates are applicable to the TeraWulf agreement and how they will function: (1) the Standard Rate – LIC – Large Industrial Customer rate, (2) market-based rates, (3) fixed rates, (4) time-of-use rates, or (5) other negotiated rate.

b. Identify all line-item MISO expenses and costs that impact the agreement with TeraWulf.

c. Explain how Expansion Demand rates and/or Expansion Energy rates apply to the Agreement with Terawulf, including what the expected associated costs are.

23. Confirm that the Open Access Transmission Tariff (OATT) costs associated with satisfying the agreement with TeraWulf will be passed through directly, and entirely to TeraWulf. If not confirmed, explain the response.

24. Refer to Tariff Sheet No. 30.03-30.04. For the Expansion Energy rate, Expansion Demand rate, ancillary services associated with Expansion Demand rates and Expansion Energy rates, and the OATT, explain the unbundling mechanism utilized to unbundle those rates.

25. Explain why the Agreement does not contain penalties for early termination.

26. Refer to Agreement, Section 3.01. Explain whether BREC anticipates creating a tariff specific to data centers or large loads at a future point.



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DATED **MAY 27 2026**

cc: Parties of Record

Case No. 2026-00115

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