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July 8, 2014

Federal Express

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

RECEIVED

JUL 09 2014

PUBLIC SERVICE
COMMISSION

Re: 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 Big Rivers' rate refund report pursuant to ordering paragraph number 12 of the Public Service Commission's April 25, 2014, order in the above-referenced matter. I certify that on this date, a copy of this letter and a copy of the report were served on each of the persons listed on the attached service list by first-class mail.

Sincerely,



Tyson Kamuf

TAK/lm
Enclosure

c. Billie Richert
DeAnna Speed
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PSC Case No. 2013-00199

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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 ADJUSTMENT IN RATES)

**Report Pursuant to Ordering Paragraph No. 12
of the
Commission's Order dated April 25, 2014**

FILED: July 9, 2014

ORIGINAL

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

Response to Commission Order dated April 25, 2014
Ordering Paragraph 12

July 9, 2014

1 **Ordering Paragraph 12)** *Within 75 days from the date of this Order,*
2 *Big Rivers shall submit a written report to the Commission in which it*
3 *describes its efforts to refund all monies collected in excess of the rates*
4 *that are set forth in the appendix to this Order.*

5
6 **Response)** Based on the rates per the Appendix of the Commission's Order
7 dated April 25, 2014 (the "April 25 Order"), Big Rivers calculated and refunded all
8 monies it collected in excess of such rates as specified per Ordering Paragraph No.
9 12, page 52. The amount refunded to the Economic Reserve fund equals the
10 difference calculated using the rates in Big Rivers' tariff, filed subject to refund
11 and issued on February 7, 2014, versus rates approved by the Commission on
12 April 25, 2014. The refund was made on May 2, 2014, as follows:

- 13
14 a. Determined the demand and energy rate differentials (the
15 difference between the rates originally proposed by Big Rivers and
16 the rates set forth in the appendix of the April 25 Order). See
17 Exhibit 1, attached.
- 18 b. Calculated the over-collection by multiplying such rate
19 differentials by the actual demand and energy billing units for
20 service rendered from February 1, 2014, through and including
21 March 31, 2014. See Exhibit 2, attached. Service rendered
22 during April 2014 was billed after the date of the April 25 Order
23 at the approved rates.

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

Response to Commission Order dated April 25, 2014
Ordering Paragraph 12

July 9, 2014

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c. On May 2, 2014, Big Rivers refunded all excess amounts it collected for service rendered from and including February 1, 2014, through and including March 31, 2014, as required by Ordering Paragraph No. 11, page 51, of the April 25 Order. The total amount refunded by Big Rivers, via refund to the Economic Reserve, was \$8,238,876.38, as detailed per Exhibit 2, attached.

Respondent) Billie J. Richert

**Big Rivers Electric Corporation
PSC Order Case No. 2013-00199
Demand and Energy Rate Differential
February 1, 2014 through March 31, 2014
Exhibit 1**

<u>Rural</u>	Demand - \$/kW	Energy - \$/kWh
Originally Proposed	24.7420	0.035000
PSC Order	13.8050	0.045000
Excess	10.9370	-0.010000
<u>Large Industrials</u>		
Originally Proposed	17.9790	0.035000
PSC Order	10.7150	0.038050
Excess	7.2640	-0.003050

Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2

RURAL kW and kWh Rate Differential Exhibit 1	-10.9370	0.010000
INDUSTRIAL kW and kWh Rate Differential Exhibit 1	-7.2640	0.003050

	<u>Feb kW</u>	<u>kW Rate Variance</u>	<u>Feb kWh</u>	<u>kWh Rate Variance</u>
JACKSON PURCHASE RURALS	143,644	\$ (1,571,034.43)	63,540,310	\$ 635,403.10
KENERGY RURALS	274,393	\$ (3,001,036.24)	117,913,463	\$ 1,179,134.63
MEADE CO. RURALS	124,228	\$ (1,358,681.64)	50,794,624	\$ 507,946.24
TOTAL RURALS	542,265	\$ (5,930,752.31)	232,248,397	\$ 2,322,483.97
KI-ACCURIDE	4,922	\$ (35,753.41)	1,951,320	\$ 5,951.53
KI-ALCOA	70	\$ (508.48)	41,200	125.66
KI-ALERIS ROLLER PRODUCTS, INC	28,311	\$ (205,651.10)	14,154,480	43,171.16
KI-AMG ALUM NORTH AMERICA, LLC	2,001	\$ (14,535.26)	638,920	1,948.71
KI-ARMSTRONG DOCK	10,471	\$ (76,061.34)	4,362,850	13,306.69
KI-ARMSTRONG EQUALITY	2,999	\$ (21,784.74)	1,246,170	3,800.82
KI-ARMSTRONG LEWIS CREEK	3,500	\$ (25,424.00)	1,147,820	3,500.85
KI-ARMSTRONG MIDWAY	5,012	\$ (36,407.17)	2,702,540	8,242.75
KI-DOMTAR PAPER CO. LLC	15,000	\$ (108,960.00)	9,807,456	29,912.74
KI-DOTIKI #3 - WEBSTER CO COAL CO.	66	\$ (479.42)	27,720	84.55
KI-ELK CREEK MINE - HOPKINS CO COAL	750	\$ (5,448.00)	454,570	1,386.44
KI-HOPKINS CO COAL	113	\$ (820.83)	61,230	186.75
KI-KIMBERLY CLARK CORP	37,973	\$ (275,835.87)	24,092,730	73,482.84
KI-PENNYRILE ENERGY, LLC RIVEREDGE MINE	3,000	\$ (21,792.00)	167,660	511.37

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 1 of 15

Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2

RURAL kW and kWh Rate Differential Exhibit 1	-10.9370	0.010000
INDUSTRIAL kW and kWh Rate Differential Exhibit 1	-7.2640	0.003050

	<u>Feb kW</u>	<u>kW Rate Variance</u>	<u>Feb kWh</u>	<u>kWh Rate Variance</u>
KI-PRECOAT METALS CORP	3,659	\$ (26,578.98)	1,435,230	4,377.45
KI-SEBREE MINING - KMMC	148	\$ (1,075.07)	67,150	204.81
KI-SEBREE MINING - STEAMPORT	7,137	\$ (51,843.17)	2,824,070	8,613.41
KI-SOUTHWIRE CO.	6,418	\$ (46,620.35)	3,559,820	10,857.46
KI-TYSON FOODS, INC.	10,128	\$ (73,569.79)	5,283,510	16,114.71
KI-VALLEY GRAIN	2,198	\$ (15,966.27)	1,060,210	3,233.64
TOTAL KENERGY INDUSTRIALS	143,876	\$ (1,045,115.25)	75,086,656	\$ 229,014.34

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1	-10.9370	0.010000
INDUSTRIAL kW and kWh Rate Differential Exhibit 1	-7.2640	0.003050

	<u>Feb kW</u>	<u>kW Rate Variance</u>	<u>Feb kWh</u>	<u>kWh Rate Variance</u>
JP-SHELL OIL	1,966	(14,281.02)	437,440	1,334.19
TOTAL INDUSTRIALS	145,842	\$ (1,059,396.27)	75,524,096	\$ 230,348.53
TOTAL RURALS AND INDUSTRIALS REFUND	688,107	\$ (6,990,148.58)	307,772,493	\$ 2,552,832.50

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1

INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>Power Factor</u>	
	<u>Adj/Green Power</u>	
	<u>Adj \$</u>	<u>Feb Refund Amt</u>
JACKSON PURCHASE RURALS	\$ (5.00)	\$ (935,636.33)
KENERGY RURALS	-	\$ (1,821,901.61)
MEADE CO. RURALS	-	\$ (850,735.40)
TOTAL RURALS	\$ (5.00)	\$ (3,608,273.34)
KI-ACCURIDE		\$ (29,801.88)
KI-ALCOA	(486.68)	\$ (869.50)
KI-ALERIS ROLLER PRODUCTS, INC		\$ (162,479.94)
KI-AMG ALUM NORTH AMERICA, LLC	(254.24)	\$ (12,840.79)
KI-ARMSTRONG DOCK	(857.15)	\$ (63,611.80)
KI-ARMSTRONG EQUALITY		\$ (17,983.92)
KI-ARMSTRONG LEWIS CREEK		\$ (21,923.15)
KI-ARMSTRONG MIDWAY		\$ (28,164.42)
KI-DOMTAR PAPER CO. LLC		\$ (79,047.26)
KI-DOTIKI #3 - WEBSTER CO COAL CO.	(14.53)	\$ (409.40)
KI-ELK CREEK MINE - HOPKINS CO COAL		\$ (4,061.56)
KI-HOPKINS CO COAL	(36.32)	\$ (670.40)
KI-KIMBERLY CLARK CORP		\$ (202,353.03)
KI-PENNYRILE ENERGY, LLC RIVEREDGE MINE		\$ (21,280.63)

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 4 of 15

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1

INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>Power Factor</u>	
	<u>Adj/Green Power</u>	
	<u>Adj \$</u>	<u>Feb Refund Amt</u>
KI-PRECOAT METALS CORP		\$ (22,201.53)
KI-SEBREE MINING - KMMC		\$ (870.26)
KI-SEBREE MINING - STEAMPORT		\$ (43,229.76)
KI-SOUTHWIRE CO.		\$ (35,762.89)
KI-TYSON FOODS, INC.		\$ (57,455.08)
KI-VALLEY GRAIN	(1,997.60)	\$ (14,730.23)
TOTAL KENERGY INDUSTRIALS	\$ (3,646.52)	\$ (819,747.43)

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 5 of 15

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

**RURAL kW and kWh Rate Differential Exhibit 1
INDUSTRIAL kW and kWh Rate Differential Exhibit 1**

	<u>Power Factor</u>		
	<u>Adj/Green Power</u>		
	<u>Adj \$</u>	<u>Feb Refund Amt</u>	
JP-SHELL OIL	-	(12,946.83)	
TOTAL INDUSTRIALS	\$ (3,646.52)	\$ (832,694.26)	
TOTAL RURALS AND INDUSTRIALS REFUND	\$ (3,651.52)	\$ (4,440,967.60)	

Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2

RURAL kW and kWh Rate Differential Exhibit 1
INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>Mar 2014 kW</u>	<u>kW Rate Variance</u>	<u>Mar 2014 kWh</u>	<u>kWh Rate Variance</u>
JACKSON PURCHASE RURALS	125,221	\$ (1,369,542.08)	56,751,900	\$ 567,519.00
KENERGY RURALS	230,823	(2,524,511.15)	103,944,390	1,039,443.90
MEADE CO. RURALS	104,330	(1,141,057.21)	43,762,970	437,629.70
TOTAL RURALS	460,374	\$ (5,035,110.44)	204,459,260	\$ 2,044,592.60
KI-ACCURIDE	5,050	\$ (36,683.20)	2,145,500	\$ 6,543.78
KI-ALCOA	78	(566.59)	45,320	138.23
KI-ALERIS ROLLER PRODUCTS, INC	27,603	(200,508.19)	16,311,490	49,750.04
KI-AMG ALUM NORTH AMERICA, LLC	2,001	(14,535.26)	673,600	2,054.48
KI-ARMSTRONG DOCK	10,319	(74,957.22)	4,750,170	14,488.03
KI-ARMSTRONG EQUALITY	3,125	(22,700.00)	1,534,840	4,681.26
KI-ARMSTRONG LEWIS CREEK	3,500	(25,424.00)	1,254,720	3,826.90
KI-ARMSTRONG MIDWAY	4,879	(35,441.06)	2,837,530	8,654.47
KI-DOMTAR PAPER CO. LLC	15,000	(108,960.00)	10,961,456	33,432.45
KI-DOTIKI #3 - WEBSTER CO COAL CO.	73	(530.27)	28,470	86.83
KI-ELK CREEK MINE - HOPKINS CO COAL	750	(5,448.00)	507,540	1,548.00
KI-HOPKINS CO COAL	126	(915.26)	53,890	164.36
KI-KIMBERLY CLARK CORP	37,454	(272,065.86)	25,743,990	78,519.18
KI-PENNYRILE ENERGY, LLC RIVEREDGE MINE	3,000	(21,792.00)	180,030	549.09

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1

INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>Mar 2014 kW</u>	<u>kW Rate Variance</u>	<u>Mar 2014 kWh</u>	<u>kWh Rate Variance</u>
KI-PRECOAT METALS CORP	3,531	(25,649.18)	1,554,600	4,741.53
KI-SEBREE MINING - KMMC	158	(1,147.71)	66,720	203.50
KI-SEBREE MINING - STEAMPORT	7,176	(52,126.46)	2,824,400	8,614.42
KI-SOUTHWIRE CO.	7,280	(52,881.92)	3,903,950	11,907.05
KI-TYSON FOODS, INC.	10,355	(75,218.72)	5,774,720	17,612.90
KI-VALLEY GRAIN	2,160	(15,690.24)	1,181,260	3,602.84
TOTAL KENERGY INDUSTRIALS	143,618	\$ (1,043,241.14)	82,334,196	\$ 251,119.34

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 8 of 15

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

**RURAL kW and kWh Rate Differential Exhibit 1
INDUSTRIAL kW and kWh Rate Differential Exhibit 1**

	<u>Mar 2014 kW</u>	<u>kW Rate Variance</u>	<u>Mar 2014 kWh</u>	<u>kWh Rate Variance</u>
JP-SHELL OIL	1,922	(13,961.41)	482,660	1,472.11
TOTAL INDUSTRIALS	145,540	\$ (1,057,202.55)	82,816,856	\$ 252,591.45
TOTAL RURALS AND INDUSTRIALS REFUND	605,914	\$ (6,092,312.99)	287,276,116	\$ 2,297,184.05

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1

INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>Power Factor</u>	
	<u>Adj/Green</u>	
	<u>Power Adj \$</u>	<u>March Refund Amt</u>
KI-PRECOAT METALS CORP		(20,907.65)
KI-SEBREE MINING - KMMC		(944.21)
KI-SEBREE MINING - STEAMPORT		(43,512.04)
KI-SOUTHWIRE CO.		(40,974.87)
KI-TYSON FOODS, INC.		(57,605.82)
KI-VALLEY GRAIN	(2,186.46)	(14,273.86)
TOTAL KENERGY INDUSTRIALS	\$ (2,774.84)	\$ (794,896.64)

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 11 of 15

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1

INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>Power Factor</u>		
	<u>Adj/Green</u>		
	<u>Power Adj \$</u>	<u>March Refund Amt</u>	
JP-SHELL OIL	-	(12,489.30)	
TOTAL INDUSTRIALS	\$ (2,774.84)	\$ (807,385.94)	
TOTAL RURALS AND INDUSTRIALS REFUND	\$ (2,779.84)	\$ (3,797,908.78)	

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 12 of 15

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1
INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>TOTAL FEB & MARCH</u>
	<u>REFUND TO</u>
	<u>ECONOMIC RESERVE</u>
JACKSON PURCHASE RURALS	\$ (1,737,664.41)
KENERGY RURALS	(3,306,968.86)
MEADE CO. RURALS	(1,554,162.91)
TOTAL RURALS	<u>\$ (6,598,796.17)</u>
KI-ACCURIDE	\$ (59,941.30)
KI-ALCOA	(1,864.45)
KI-ALERIS ROLLER PRODUCTS, INC	(313,238.09)
KI-AMG ALUM NORTH AMERICA, LLC	(25,321.57)
KI-ARMSTRONG DOCK	(124,080.99)
KI-ARMSTRONG EQUALITY	(36,002.66)
KI-ARMSTRONG LEWIS CREEK	(43,520.25)
KI-ARMSTRONG MIDWAY	(54,951.01)
KI-DOMTAR PAPER CO. LLC	(154,574.81)
KI-DOTIKI #3 - WEBSTER CO COAL CO.	(874.63)
KI-ELK CREEK MINE - HOPKINS CO COAL	(7,961.56)
KI-HOPKINS CO COAL	(1,421.30)
KI-KIMBERLY CLARK CORP	(395,899.71)
KI-PENNYRILE ENERGY, LLC RIVEREDGE MINE	(42,523.54)

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1

INDUSTRIAL kW and kWh Rate Differential Exhibit 1

	<u>TOTAL FEB & MARCH</u>
	<u>REFUND TO</u>
	<u>ECONOMIC RESERVE</u>
KI-PRECOAT METALS CORP	(43,109.18)
KI-SEBREE MINING - KMMC	(1,814.47)
KI-SEBREE MINING - STEAMPORT	(86,741.80)
KI-SOUTHWIRE CO.	(76,737.76)
KI-TYSON FOODS, INC.	(115,060.90)
KI-VALLEY GRAIN	(29,004.09)
TOTAL KENERGY INDUSTRIALS	\$ (1,614,644.07)

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 14 of 15

**Big Rivers Electric Corporation
PSC Order Case No. 2012-00535
Refund (Excluding Interest) - Detail
Exhibit 2**

RURAL kW and kWh Rate Differential Exhibit 1

INDUSTRIAL kW and kWh Rate Differential Exhibit 1

**TOTAL FEB & MARCH
REFUND TO
ECONOMIC RESERVE**

JP-SHELL OIL	(25,436.13)
TOTAL INDUSTRIALS	\$ (1,640,080.20)
TOTAL RURALS AND INDUSTRIALS REFUND	\$ (8,238,876.38)

Case No. 2013-00199

Exhibit 2 - Response to Ordering Paragraph No. 12

Respondent: Billie J. Richert

Page 15 of 15