# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

I	ln	th	10	M	lat	ter	of	ř

ELECTRONIC APPLICATION OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC. FOR	)	
APPROVAL TO AMEND ITS ENVIRONMENTAL	)	CASE NO.
COMPLIANCE PLAN, AND RECOVER COSTS	)	2025-00053
PURSUANT TO ITS ENVIRONMENTAL	)	
SURCHARGE, AND OTHER GENERAL RELIEF	)	

#### ORDER

On July 2, 2025,<sup>1</sup> East Kentucky Power Cooperative, Inc. (EKPC), filed an application pursuant to KRS 278.183, 807 KAR 5:001 and other applicable law that requested an Order: (1) approving EKPC's proposed amendment of its Environmental Compliance Plan (Compliance Plan); (2) granting EKPC authority to recover the costs associated with said Compliance Plan amendment through its existing environmental surcharge; and (3) granting all other relief to which EKPC may be entitled.

EKPC requested the Commission authorize an amendment to its Compliance Plan to include 19 additional projects necessary to comply with the disposal of coal combustion residuals based on the Electric Utilities Coal Combustion Residual Rule (CCR Rule), the Clean Water Act (CWA), and other federal and state environmental requirements and obligations that arise from the use of coal in the generation of electric energy. In conjunction with its request to amend its Compliance Plan, EKPC also proposed to recover the costs associated with the projects through its environmental surcharge

\_

<sup>&</sup>lt;sup>1</sup> Application (filed July 2, 2025).

pursuant to KRS 278.183. EKPC's Compliance Plan was last amended in Case No. 2024-00109.<sup>2</sup>

The Commission issued an Order on July 22, 2025, incorporating the record from Case No. 2024-00109 and establishing a procedural schedule for the processing of this case.<sup>3</sup> The Commission utilized a consultant, Vantage Consulting Services, pursuant to KRS 278.183. There were no intervenors in the case. EKPC filed responses to three requests for information from Commission Staff.<sup>4</sup> On November 3, 2025, EKPC filed a request that the matter be submitted for a decision based upon the existing record.<sup>5</sup> Accordingly, this matter is now submitted for a decision based upon the existing record.

#### LEGAL STANDARD

KRS 278.183 authorizes a utility to recover, through an environmental surcharge, the reasonable costs of complying with federal, state, and local environmental requirements, including the Clean Air Act (CAA), the CCR Rule, and applicable wastewater and solid-waste regulations. To be approved, the projects included in an environmental compliance plan must be necessary for environmental compliance, reasonably priced and consistent with sound utility practice.

<sup>&</sup>lt;sup>2</sup> Case No. 2024-00109, Electronic Application of East Kentucky Power Cooperative, Inc. for Approval to Amend Its Environmental Compliance Plan and Recover costs Pursuant to Its Environmental Surcharge, and for the Issuance of Certificate of Public Convenience and Necessity and Other Relief (Ky. PSC, Nov. 22, 2024).

<sup>&</sup>lt;sup>3</sup> Order (Ky. PSC July 22, 2025).

<sup>&</sup>lt;sup>4</sup> EKPC's Response to Commission Staff's First Request for Information (Staff's First Request) (filed Aug. 27, 2025). EKPC's Response to Commission Staff's Second Request for Information (Staff's Second Request) (filed Sep. 24, 2025). EKPC's Response to Commission Staff's Third Request for Information (Staff's Third Request) (filed Oct. 20, 2025).

<sup>&</sup>lt;sup>5</sup> EKPC's Motion to Submit (filed Nov. 3, 2025).

#### **BACKGROUND**

EKPC is a not-for-profit, rural electric cooperative corporation established under KRS Chapter 279 with its headquarters in Winchester, Kentucky.<sup>6</sup> EKPC provides electric generation capacity and electric energy to its 16 owner-member distribution cooperatives (owner-members), which in turn serve over 570,000 Kentucky homes, farms, commercial and industrial establishments in 89 Kentucky counties.<sup>7</sup> EKPC owns and operates approximately 2,963 MW of net summer generating capacity and 3,265 MW of net winter generating capacity.<sup>8</sup> EKPC owns and operates coal-fired generation at the Hugh L. Spurlock Station (Spurlock Station) (1,346 MW) in Mason County, Kentucky and the John S. Cooper Station (Cooper Station) in Pulaski County, Kentucky (341 MW).<sup>9</sup>

# Spurlock Station

EKPC's largest coal-fired electric generation facility is the Spurlock Station, located west of downtown Maysville, Kentucky, along the Ohio River. <sup>10</sup> Spurlock Station consists of four coal-fired generating units with a combined net generating capacity of 1,346 MW. <sup>11</sup>

Spurlock Unit 1 began commercial operation in 1977 and has a net generating capacity of 300 MW.<sup>12</sup> Spurlock Unit 1 is a conventional pulverized coal unit equipped with low-NOx burners, selective catalytic reduction (SCR) technology, a cold-side

<sup>&</sup>lt;sup>6</sup> Application at 1.

<sup>&</sup>lt;sup>7</sup> Application at 1.

<sup>&</sup>lt;sup>8</sup> Application at 2.

<sup>&</sup>lt;sup>9</sup> Application at 2.

<sup>&</sup>lt;sup>10</sup> Application at 3.

<sup>&</sup>lt;sup>11</sup> Application at 2.

<sup>&</sup>lt;sup>12</sup> Application at 3.

electrostatic precipitator (ESP), a wet flue gas desulfurization (FGD) scrubber, and a wet FSP <sup>13</sup>

Spurlock Unit 2 began commercial operation in 1981 and is the largest unit at the station, with a net generating capacity of 510 MW.<sup>14</sup> Spurlock Unit 2 is also a conventional pulverized coal unit with low-NOx burners, SCR, a hot-side ESP, a wet flue gas desulfurization (FGD) scrubber, and a wet ESP.<sup>15</sup>

Spurlock Units 3 and 4 (the E.A. Gilbert Unit and its sister unit) each have a net generating capacity of 268 MW and employ circulating fluidized bed (CFB) technology for steam generation. CFB combustion is itself considered an environmental control technology. Both units are equipped with selective non-catalytic reduction controls, dry FGD scrubbers, and baghouses. 18

Spurlock Station primarily burns eastern bituminous coal delivered by barge and stored on-site in a coal pile with a capacity of approximately 970,000 tons. <sup>19</sup> Coal is moved from the pile to each unit through a system of conveyors. <sup>20</sup>

Based on a review of the record, the Spurlock units have maintained relatively high-capacity factors and availability, with forced outage rates that compare favorably to

<sup>&</sup>lt;sup>13</sup> Application at 3-4.

<sup>&</sup>lt;sup>14</sup> Application at 3.

<sup>&</sup>lt;sup>15</sup> Application at 3-4.

<sup>&</sup>lt;sup>16</sup> Application at 3-4.

<sup>&</sup>lt;sup>17</sup> Application at 4.

<sup>&</sup>lt;sup>18</sup> Application at 4.

<sup>&</sup>lt;sup>19</sup> Application at 4.

<sup>&</sup>lt;sup>20</sup> Application at 4, Attachment JV-1 at 4.

industry benchmarks. The Spurlock units remain well-maintained, cost-effective contributors to EKPC's generation fleet and are expected to continue operating reliably into the foreseeable future.

#### Cooper Station

EKPC's other coal-fired generating facility is the Cooper Station, located in the Burnside community of Pulaski County, Kentucky, adjacent to Lake Cumberland.<sup>21</sup> Cooper Station consists of two coal-fired units with a combined net generating capacity of 341 MW.<sup>22</sup>

Cooper Unit 1 has a net generating capacity of 116 MW and began commercial operation in 1965.<sup>23</sup> Cooper Unit 2 has a net generating capacity of 225 MW and began commercial operation in 1969.<sup>24</sup> The units share a common FGD system and pulse-jet fabric filter that provide particulate and sulfur dioxide control. Cooper Unit 2 is also equipped with an SCR system.<sup>25</sup>

Cooper Station burns eastern bituminous coal delivered exclusively by truck from mines in eastern Kentucky and maintains an on-site coal storage of approximately 250,000 tons.<sup>26</sup>

<sup>&</sup>lt;sup>21</sup> Application at 5.

<sup>&</sup>lt;sup>22</sup> Application at 2.

<sup>&</sup>lt;sup>23</sup> Application at 5.

<sup>&</sup>lt;sup>24</sup> Application at 5.

<sup>&</sup>lt;sup>25</sup> Application at 5.

<sup>&</sup>lt;sup>26</sup> Application at 5.

EKPC has described Cooper Station as a critical asset due to its location in a transmission-constrained region of south-central Kentucky.<sup>27</sup> Cooper Station has also been described as providing essential voltage support and a physical hedge against market price volatility during peak demand periods.<sup>28</sup> Although capacity factors at Cooper Station are lower than those at Spurlock Station due to higher variable production costs and PJM Interconnection LLC (PJM) dispatch economics, EKPC has noted that the Cooper units have maintained favorable availability factors and forced outage rates below industry averages.<sup>29</sup> Finally, EKPC has indicated that Cooper Station continues to operate reliably and remains an important resource for EKPC's system.<sup>30</sup>

## Applicable Environmental Standards

EKPC's coal-fired generating stations are subject to extensive federal and state environmental requirements.<sup>31</sup> EKPC stated that it currently complies with numerous rules promulgated under the federal CAA, including New Source Performance Standards, New Source Review, Title IV acid rain requirements, Title V operating permits, Mercury and Air Toxics Standards (MATS), ozone-related trading programs such as the Cross-State Air Pollution Rule (CSAPR), and National Ambient Air Quality Standards (NAAQS) for criteria pollutants.<sup>32</sup>

<sup>&</sup>lt;sup>27</sup> See Case No. 2023-00177, Electronic Application of East Kentucky Power Cooperative, Inc. for Approval to Amend Its Environmental Compliance Plan and Recover Costs Pursuant to Its Environmental Surcharge, and for Issuance of Certificates of Public Convenience and Necessity and Other Relief (Ky. PSC Jan. 11, 2024), (filed June 30, 2023), Application and Exhibits Vol. 1 at 7.

<sup>&</sup>lt;sup>28</sup> Case No. 2023-00177, Application and Exhibits Vol. 1 at 7.

<sup>&</sup>lt;sup>29</sup> Case No. 2023-00177, Application and Exhibits Vol. 1 at 7.

<sup>&</sup>lt;sup>30</sup> Case No. 2023-00177, Application and Exhibits Vol. 1 at 7.

<sup>&</sup>lt;sup>31</sup> Application at 5-6.

<sup>&</sup>lt;sup>32</sup> Application at 5-6.

EKPC further stated that much of its recent environmental compliance activity has been driven by the federal CCR Rule, which establishes requirements for CCR landfills and surface impoundments, including structural integrity, location restrictions, liner design, groundwater monitoring and corrective action, operating criteria, closure obligations, record-keeping, and public reporting.<sup>33</sup> EKPC also noted that a separate "legacy CCR" rule for inactive disposal units may require additional modifications to its compliance plan going forward.<sup>34</sup>

EKPC stated that it is also subject to and in compliance with the federal CWA, including the Effluent Limitation Guidelines (ELG) for steam-electric power generating units and Kentucky Pollutant Discharge Elimination System (KPDES) permits for the Spurlock and Cooper stations.<sup>35</sup> EKPC indicated that compliance with its Kentucky Pollutant Discharge Elimination System (KPDES) permits is demonstrated through monitoring and reporting in discharge monitoring reports submitted to the Kentucky Division of Water.<sup>36</sup>

A review of the record supports a finding that the Spurlock and Cooper Stations currently meet applicable federal and state environmental standards, including the CCR and ELG Rules, KPDES permits, and other CAA and CWA requirements.<sup>37</sup> While EKPC is currently subject to applicable CAA and CWA requirements, including KPDES permits,

<sup>&</sup>lt;sup>33</sup> Application, Exhibit 3, Direct Testimony of Jerry B. Purvis (Purvis Direct Testimony) at 6-11.

<sup>&</sup>lt;sup>34</sup> Purvis Direct Testimony at 11.

<sup>&</sup>lt;sup>35</sup> Application, Exhibit 4, Direct Testimony of Joseph T. VonDerHaar (VonDerHaar Direct Testimony) at 3-4.

<sup>&</sup>lt;sup>36</sup> Application at 8.

<sup>&</sup>lt;sup>37</sup> Application at Attachment JRW-1.

pending federal rulemakings and potential deregulatory actions introduce some uncertainty regarding future compliance obligations. EKPC has committed to continue coordinating with the Kentucky Energy and Environment Cabinet and to inform the Commission of any material changes to its Environmental Compliance Plan.<sup>38</sup>

#### DISCUSSION AND FINDINGS

# EKPC's Proposal

environmental projects associated with its Spurlock and Cooper stations and related landfill facilities.<sup>39</sup> EKPC estimated that the capital costs for the projects total approximately \$22.5 million plus increased annual operating and maintenance (O&M) expenses of approximately \$1.75 million.<sup>40</sup> EKPC proposed to recover the costs of the approved projects through its existing environmental surcharge mechanism pursuant to KRS 278.183.<sup>41</sup> EKPC did not seek a Certificate of Public Convenience and Necessity (CPCN) for any of the projects because it asserted none meet the threshold for a CPCN.<sup>42</sup>

The 19 projects generally fall into five categories: (1) landfill management and capping projects at multiple sites; (2) enhancements and replacements of environmental control equipment; (3) cold-weather and extreme-event hardening projects to improve performance during winter conditions; (4) general environmental system maintenance

<sup>&</sup>lt;sup>38</sup> EKPC's Response to Staff's Third Request, Item 2.

<sup>&</sup>lt;sup>39</sup> Application at 3.

<sup>&</sup>lt;sup>40</sup> Application at 10.

<sup>&</sup>lt;sup>41</sup> Application at 10.

<sup>&</sup>lt;sup>42</sup> Application, Exhibit 6, Direct Testimony of Jacob R. Watson (Watson Direct Testimony) at 4.

and reliability projects; and (5) ongoing groundwater monitoring for both legacy and existing CCR landfills.<sup>43</sup>

# Plant Performance and Viability

The Commission has reviewed plant performance and condition information for the Spurlock and Cooper Stations, evaluating net capacity factors, heat rates, equivalent availability factors, and forced outage rates over a multi-year period and comparing those metrics to industry benchmarks.

The review of available performance information found that the Spurlock units have capacity and availability factors that exceed industry averages, with forced outage rates significantly below typical coal-fired units.<sup>44</sup> Cooper's units, while dispatched less frequently due to higher variable costs and PJM market conditions, also exhibit favorable availability and reliability metrics relative to industry benchmarks.<sup>45</sup> Both plants are being operated and maintained in a manner consistent with sound utility practice and are expected to remain viable, reliable resources in the near term.

Based on the evidence of record, the Commission finds that the Spurlock and Cooper Stations continue to perform within acceptable industry standards and that it is reasonable to make additional environmental compliance investments at these facilities.

<sup>&</sup>lt;sup>43</sup> VonDerHaar Direct Testimony at 6.

<sup>&</sup>lt;sup>44</sup> EKPC's Response to Staff's First Request, Item 2, and EKPC's Response to Staff's Second Request, Items 9 and 11.

<sup>&</sup>lt;sup>45</sup> EKPC's Response to Staff's First Request, Item 2, and EKPC's Response to Staff's Second Request, Items 9 and 11.

## Environmental Compliance and Need for the Projects

Review of the record confirmed that EKPC currently complies with applicable federal and state environmental requirements, including MATS, CSAPR, CCR regulations, ELG requirements, and KPDES permits at Spurlock and Cooper Stations.<sup>46</sup>

EKPC explained that the proposed projects are targeted to maintain or enhance compliance with the CCR and ELG Rules, to address landfill closure and groundwater monitoring obligations, and to ensure that existing environmental control systems continue to operate effectively and reliably.<sup>47</sup> Several projects are also driven by lessons learned from recent winter events and are intended to harden environmental systems against extreme weather.<sup>48</sup>

With the exception of Project 44 for reasons discussed in more detail below, the Commission finds that the projects, taken as a whole, are reasonably related to maintaining compliance with existing environmental requirements governing coal combustion residuals, wastewater discharges, and air emissions at EKPC's coal-fired generating stations and associated landfills.

#### Environmental Compliance Plan Amendment Projects and Excluded Project

EKPC seeks to add 19 projects, identified as Projects 38 and 42 through 59, to its Environmental Compliance Plan (Appendix A). With the exception of one project, the Commission reviewed EKPC's scope, cost estimates, and supporting assumptions for each of the proposed projects. Upon review of the record the Commission concluded

<sup>&</sup>lt;sup>46</sup> Application, Attachment JRW-1.

<sup>&</sup>lt;sup>47</sup> Application at 6-7.

<sup>&</sup>lt;sup>48</sup> Application at 6.

that EKPC's assumptions regarding coal burn, waste transportation, regulatory compliance obligations, and project cost estimates are reasonable and that EKPC's use of internal expertise and external contractors to develop the projects are appropriate.

Similarly, the Commission found that, for each proposed project, EKPC evaluated alternative approaches and selected the least-cost, most effective, and least-risk option that would satisfy the applicable environmental requirements.<sup>49</sup>

A review of Attachment JV-1 and related cost data demonstrated that the estimated capital costs associated with Projects 38 and 42 through 57 total approximately \$21.9 million, with associated annual O&M expenses of approximately \$174,760.<sup>50</sup> Projects 58 and 59 are ongoing groundwater monitoring programs with no capital cost but require total estimated annual O&M costs of approximately \$1.73 million.<sup>51</sup>

During the pendency of this matter questions were raised regarding one of the 19 projects, Project 44, the Cooper Unit 2 Air Heater Basket and Seal Replacement, as to whether it was appropriately classified as an environmental compliance project. In response, EKPC indicated, in part, that

The Cooper Unit 2 air heater baskets/seal replacement Project included a new Ljunstrom tri-sector Air Preheater (APH) that was installed with the Cooper Air Quality Control System (AQCS) (CS100) dry scrubber project that was previously approved for inclusion in the Environmental Surcharge. This project to replace baskets and seals is required as those APH components have reached their end-of-life. Since the original project was included in the environmental surcharge, EKPC believes it is appropriate to include the subsequent projects that extend the life of the AQCS. Not all projects EKPC needs reside on the list of

<sup>&</sup>lt;sup>49</sup> VonDerHaar Direct Testimony, Attachment JV-1.

<sup>&</sup>lt;sup>50</sup> VonDerHaar Direct Testimony, Attachment JV-1.

<sup>&</sup>lt;sup>51</sup> Purvis Direct Testimony at 2.

projects, only the ones that are required to meet state and federal EPA regulations are included.<sup>52</sup>

In light of these responses, the Commission finds that Project 44 is a maintenance project rather than an environmental compliance project as contemplated by KRS 278.183. Based upon EKPC's responses replacement of air heater baskets and seals appears to be a typical maintenance activity undertaken to preserve unit performance and efficiency and is not, by itself, required by any specific environmental regulation. Specifically, EKPC acknowledged that the Cooper Unit 2 air heater baskets/seal replacement Project will replace components of the previously installed Air Preheater (APH) for the purpose of extending the life of equipment originally installed as part of a prior environmental project. Accordingly, O&M expenses like Project 44 may be eligible for recovery through other avenues, the Commission finds that Project 44 should not be added to EKPC's Environmental Compliance Plan and that EKPC should not recover the capital cost of \$1,915,981 from Project 44 through its environmental surcharge.

The Commission finds that the remaining 18 projects, Projects 38 and 42, 43, and 45 through 59, are appropriately classified as environmental compliance projects, are reasonably priced based on the evidence of record, and are consistent with good utility practice. The Commission further finds that EKPC's Environmental Compliance Plan should be amended to include these 18 projects.

<sup>52</sup> EKPC's Response to Staff's Second Request, Item 8.

<sup>&</sup>lt;sup>53</sup> EKPC's Response to Staff's Second Request, Item 8.

<sup>&</sup>lt;sup>54</sup> EKPC's Response to Staff's Second Request, Item 8.

# Environmental Surcharge, Financing, and Rate of Return

EKPC proposed to recover the reasonable costs of the approved projects through its existing environmental surcharge mechanism.<sup>55</sup> EKPC proposed to earn a return on Construction Work in Progress (CWIP) associated with the approved projects and, upon completion of each project, to begin recovery of depreciation, return, insurance, taxes, and O&M expenses through the surcharge, consistent with the treatment previously approved in Case No. 2008-00115.<sup>56</sup>

EKPC calculated an updated weighted average cost of debt of 4.324 percent as of April 30, 2025, and applied the 1.50 times-interest-earned-ratio (TIER) factor authorized in its most recent base rate case to derive a proposed rate of return of 6.486 percent for environmental surcharge purposes.<sup>57</sup> The Commission has reviewed EKPC's calculation and found the updated rate of return to be reasonable and consistent with the methodology approved by the Commission in Case No. 2004-00321 and subsequent environmental surcharge proceedings.

EKPC estimated that the impact of including the 2025 plan projects in its Environmental Compliance Plan would increase the average residential customer's monthly bill by approximately \$0.14 in 2025, \$0.15 in 2026, and \$0.12 in both 2027 and 2028.<sup>58</sup> The total approved capital amounts are \$19,951,648 and O&M expenses are

<sup>&</sup>lt;sup>55</sup> Application at 1.

<sup>&</sup>lt;sup>56</sup> Watson Direct Testimony at 5, citing Case No. 2008-00115 *The Application of East Kentucky Power Cooperative, Inc. For Approval of An Amendment to Its Environmental Compliance Plan and Environmental Surcharge* (Ky. PSC Sep. 29, 2008).

<sup>&</sup>lt;sup>57</sup> Application at Exhibit 5, Direct Testimony of Thomas J. Stachnik (Stachnik Direct Testimony), at 3.

<sup>&</sup>lt;sup>58</sup> Watson Direct Testimony at 6.

\$1,907,907.<sup>59</sup> With the removal of Project 44, the resultant average residential monthly bill would increase by approximately \$0.13 in 2025, \$0.14 in 2026, and \$0.11 in both 2027 and 2028.<sup>60</sup> The Commission has reviewed the projected rate impacts and found them to be reasonable.

Based on the evidence, the Commission finds EKPC's proposed rate of return of 6.486 percent for environmental surcharge purposes to be reasonable and that it should be approved for use in EKPC's environmental surcharge filings after the date of this Order. The Commission further finds that the projected bill impacts of the updated Compliance Plan are reasonable, subject to review in EKPC's periodic six-month and two-year environmental surcharge review proceedings.

Based upon the evidence of record, the Commission finds that, except for Project 44, the proposed 2025 plan projects are necessary for EKPC to comply with applicable environmental requirements, are supported by reasonable cost estimates, and are consistent with good utility practice. The Commission further finds that the reasonable and prudent costs associated with Projects 38 and 42, 43, and 45 through 59 should be recoverable through EKPC's environmental surcharge mechanism under KRS 278.183. Finally, the Commission finds any amounts expended for reimbursement of the Commission's consultant may be recovered as part of EKPC's environmental surcharge.

<sup>&</sup>lt;sup>59</sup> See EKPC's Response to Staff's Third Request, Item 1.

<sup>&</sup>lt;sup>60</sup> See Application, Attachment JRW-3.

#### IT IS THEREFORE ORDERED that:

- 1. EKPC's request to amend its Environmental Compliance Plan to include 19 projects is granted in part and denied in part. The Commission approves the inclusion of Projects 38, 42, 43, and 45 through 59 in EKPC's Environmental Compliance Plan.
- 2. Project 44 (Cooper Unit 2 Air Heater Basket and Seal Replacement) is denied and shall not be included in the Environmental Compliance Plan or recovered through the environmental surcharge.
- 3. EKPC is authorized to recover, through its environmental surcharge mechanism, the reasonable and prudent costs of the approved projects, including approximately \$20.0 million in capital costs and approximately \$1.90 million in annual operating and maintenance expenses, consistent with KRS 278.183 and prior Commission Orders.
- 4. EKPC is permitted to recover costs for the Commission's consultant through the environmental surcharge.
- 5. EKPC is authorized to earn a return on CWIP associated with the approved projects and, upon completion of each project, to begin recovery of depreciation, return, taxes, insurance expense, and operation and maintenance expenses through its environmental surcharge, consistent with the treatment approved in Case No. 2008-00115.
- 6. EKPC's proposed updated rate of return of 6.486 percent for environmental surcharge purposes is approved. EKPC shall use this rate of return for all environmental surcharge monthly filings after the date of this Order.

- 7. EKPC's proposed revisions to its monthly environmental surcharge reporting formats to reflect the inclusion of the approved projects and exclusion of Project 44 are approved.
- 8. EKPC shall implement the revised forms for the first environmental surcharge filing that includes costs related to the approved projects.
- 9. EKPC shall continue to coordinate with the Kentucky Energy and Environment Cabinet regarding environmental compliance developments and shall notify the Commission of any material changes to its Environmental Compliance Plan arising from future regulatory or permitting changes that affect the approved projects.
- 10. The reasonableness of the environmental surcharge and associated rate impacts remains subject to review in EKPC's six-month and two-year environmental surcharge review proceedings.
  - 11. This case is closed and removed from the Commission's docket.

PUBLIC SERVIGE COMMISSION

Chairman

Commissioner

Commissional

ATTEST:

Executive Director

ENTERED

DEC 23 2025

SERVICE COMMISSION

# APPENDIX A

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00053 DATED DEC 23 2025

Environmental Compliance Plan Amendment Case No. 2025-00053							
Project Reference No.	Proposed Project Summar  Description	Capital Costs	Annual O&M Expenses				
38	Spurlock Landfill Haul Road paving	\$3,414,357	\$35,000				
42	Spurlock South Side Cap	\$3,750,000	\$20,000				
43	Smith Land Final Cap	\$4,000,000	\$20,000				
44	Cooper Unit 2 Air Heater Basket and Seal Replacement	\$1,915,981	\$0				
45	Cooper Unit 2 SCR Middle Layer Catalyst Replacement	\$1,343,853	\$0				
46	Cooper SCR Top Catalyst Replacement	\$1,159,180	\$0				
47	Spurlock Wastewater Treatment Ash Reliability Improvement Projects	\$1,264,820	\$10,000				
48	Spurlock West Side Pump Station	\$809,600	\$20,000				
49	Spurlock Unit 3 & 4 Cooling Tower second Concentrated Acid Tank	\$796,329	\$20,000				
50	Spurlock Ash Transfer Station Vacuum Truck Air Compressor Replacement	\$740,000	\$20,000				
51	Cooper Landfill Leachate System Replace current Generator with a permanent 480-volt Supply	\$656,240	\$0				
52	Spurlock Wastewater Treatment Distillate Storage Tank Upgrades.	\$611,855	\$5,000				
53	Spurlock Water Mass Pond Heat Trace on Supply and Return Lines	\$229,342	\$5,000				
54	Spurlock Landfill A, B, C Run-on and Run-off Upgrades	\$197,176	\$2,500				
55	Spurlock CCR ELG Operations Control Center	\$700,000	\$11,760				
56	Spurlock Unit 3 & 4 Conveyor Dust Suppression System	\$247,080	\$5,000				
57	Spurlock Station Ash Cooling Actuators	\$31,816	\$500				
	Projects 38 + 42 through 57 Totals	\$21,867,629	\$174,760				
58	Annual Ground Water Monitoring of the Legacy CCR for Spurlock, Cooper and Smith Landfills	\$0	\$1,338,9471				
59	Annual Ground Water Monitoring of the Existing CCR for Spurlock, Cooper and Smith Landfills	\$0	\$394,2002				
	Projects 58 & 59 Totals	\$0	\$1,733,147				

<sup>&</sup>lt;sup>1</sup> See EKPC's Response to Staff's Third Request, Item 1.

<sup>&</sup>lt;sup>2</sup> See EKPC's Response to Staff's Third Request, Item 1.

\*L. Allyson Honaker Honaker Law Office, PLLC 1795 Alysheba Way Suite 1203 Lexington, KY 40509

\*Greg Cecil East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707

\*Heather Temple Honaker Law Office, PLLC 1795 Alysheba Way Suite 1203 Lexington, KY 40509

\*Jacob Watson East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707

\*Meredith L. Cave Honaker Law Office, PLLC 1795 Alysheba Way Suite 1203 Lexington, KY 40509

\*East Kentucky Power Cooperative, Inc. 4775 Lexington Road P. O. Box 707 Winchester, KY 40392-0707