

Phase 1 Trimble County Landfill & CCRT Project
Quarterly Report – Update #34
July 30, 2024

Executive Summary

This report covers LG&E and KU’s (“Companies”) progress on the Phase 1 Trimble County Landfill and CCRT¹ Project through the second quarter of 2024. This report will cover only the remaining minor balance of plant scope activities including but not limited to engineering of Phase 1b, installation of haul road guard rails, cleanout of stormwater pond, perimeter fencing on recently acquired land reported herein, and a landfill area tire wash system, as the Project is essentially complete.

Safety performance to date remains excellent with an Inception-to-Date OSHA Recordable Incident Rate of 0.49 compared to the industry average of 2.4. The 2024 Year-to-Date Rate is 0.00.

The project’s total forecasted cost remains \$317.5 million (net)², compared to \$321.9 million (net) as provided in Case No. 2015-00194. Total spend-to-date through June 30, 2024 is \$317.3million (net).

Landfill Quarterly Status Update

GAI Consultants (“GAI”) Owner’s Engineer completed the previously referenced 30% design development for Phase 1b.

WSP engineering activities for the landfill this quarter included revising numerous drawings to reflect as-built conditions. This engineering work is anticipated to be completed in the fourth quarter of 2024.

Tetra Tech (“TT”) continues construction of additional security fencing around easily accessible property that was acquired for future landfill borrow material. TT continued installing fencing around the perimeter of other property on the south side of Ogden Ridge Road. This project is anticipated to be completed in the fourth quarter of 2024.

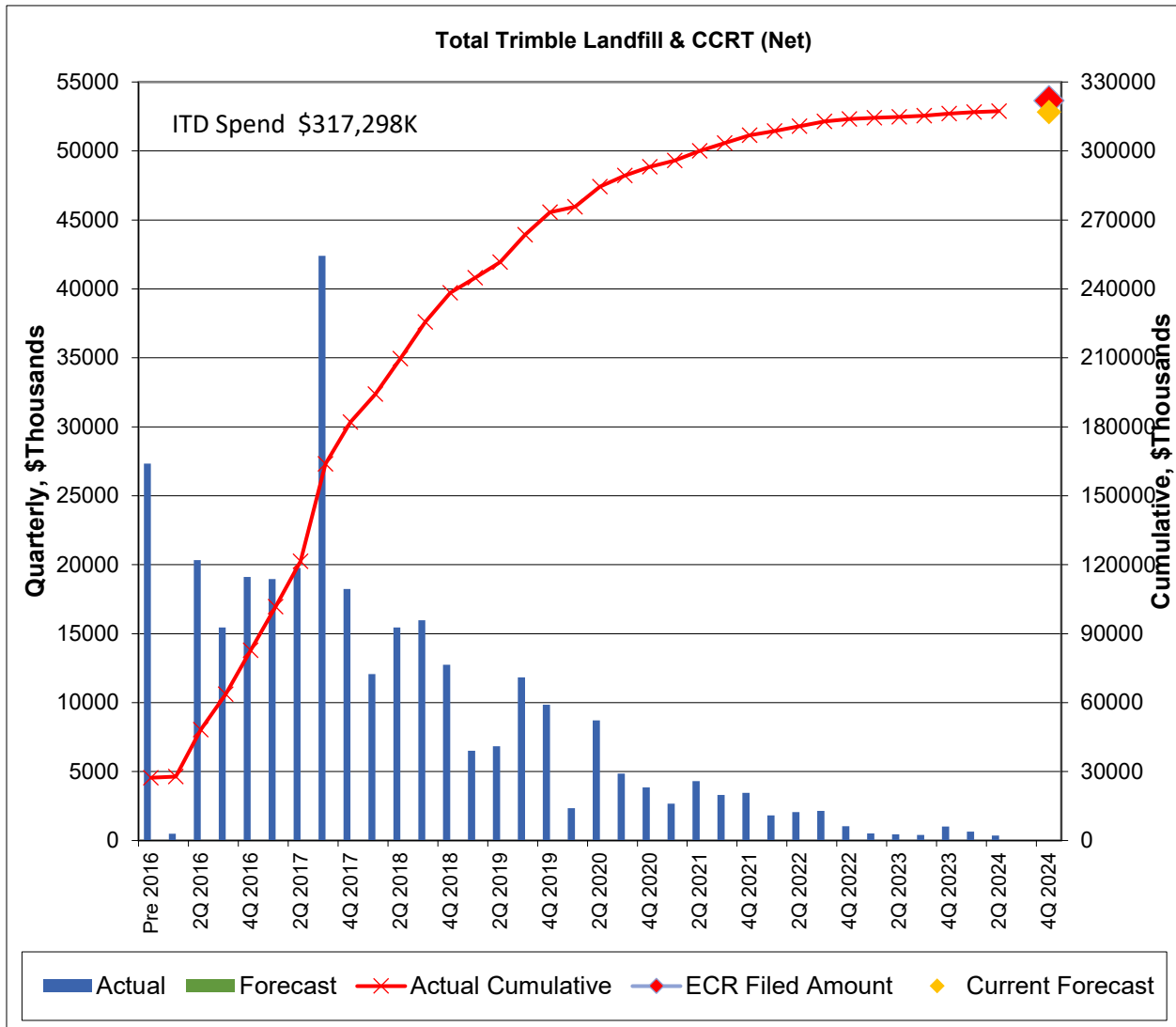
Engineering of a truck tire wash system has been awarded to QK4. This tire wash system will help control fugitive dust and minimize carryover on haul and local roads. The engineering work for this project was completed in the second quarter of 2024 while construction is anticipated to be completed during the fourth quarter of 2024.

¹ The Coal Combustion Residuals Treatment (“CCRT”) subproject scope is described in detail in the Appendix found on page 5.

² Co-Owners of the Trimble County plant: Illinois Municipal Electric Agency (IMEA) and Indiana Municipal Power Agency (IMPA) are responsible for 25%. IMEA owns 12.12% and IMPA owns 12.88%. Co-owner shares are not included in the costs provided in this report.

Financials

The project’s total forecasted cost remains \$317.5 million (net), compared to \$321.9 million (net) as provided in Case No. 2015-00194. Total spend-to-date through June 30, 2024 is \$317.3 million (net). Notes for the graph below: (1) includes a symbol (◆) to show the current forecast to completion, (2) Inception-to-Date (“ITD”) Spend is shown in the upper left corner, and (3) the cash flow now incorporates the delays from all past weather events and differences in geotechnical “as found” conditions to bid geotechnical data.



Planned Activities for Next Quarter

Landfill

Close out of the balance of plant activities including but not limited to engineering of Phase 1b and construction of perimeter fencing on recently acquired land. Construction of the discussed tire wash system will begin.

APPENDIX

Scope

The Trimble County Landfill and CCRT Project scopes include: CCR Treatment facilities, CCR Transport system, and Phase 1 of a dry CCR landfill.

The CCR Treatment facilities include the Unit 1 bottom ash dewatering system, conversion of station Fly Ash Transport from wet to dry conveyance, Fly Ash storage and treatment equipment and the station Gypsum Dewatering System and associated Gypsum storage/reclaim system. The CCR Transport system includes a pipe conveyor (approximately 1.5 miles) from the CCR Treatment area to the landfill location, a bridge over KY 1838, and a road from the station to the new dry CCR landfill. The CCR landfill includes Phase 1 of a new dry CCR landfill that is designed to receive and manage CCR generated over approximately 37 years. The landfill will be developed in multiple phases with each fully integrated as an extension of the adjacent landfill phase or cell. Only Phase 1 is included in the CCRT and Landfill project. The certificate of public convenience and necessity for this project was awarded in Case Nos. 2009-00197 and 2009-00198 and affirmed in Case No. 2015-00194.

Previously Reported Contract Awards

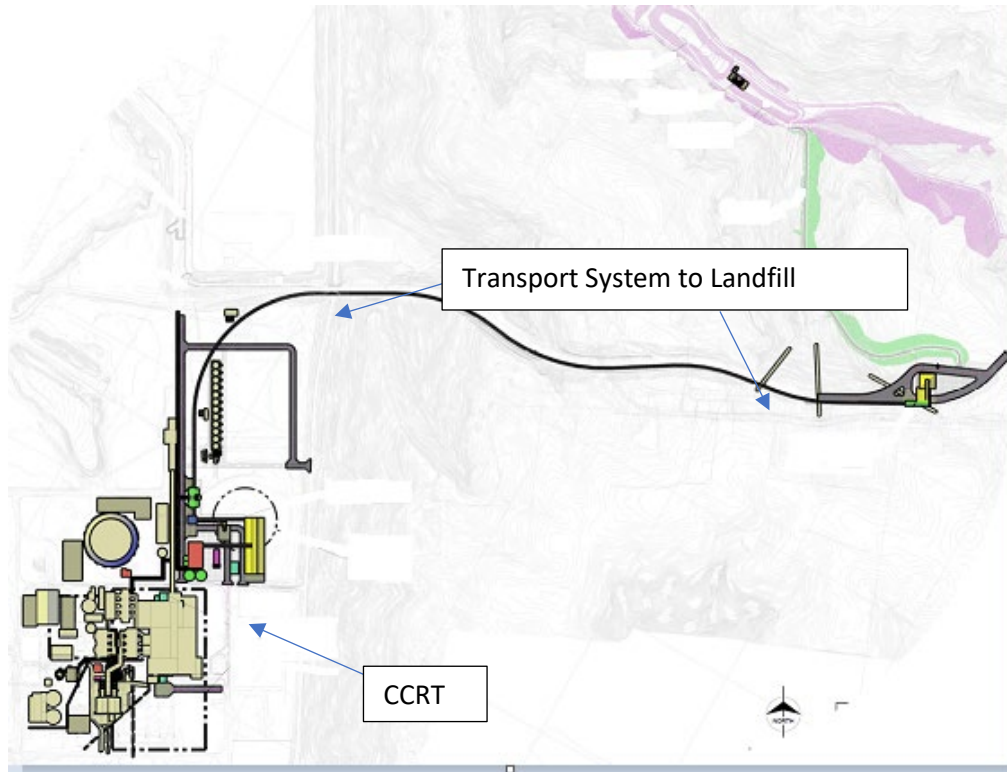
The CCRT Owner's Engineer contract was awarded to Burns & McDonnell ("B&McD"). B&McD has supported various projects for LG&E and KU, and recently supported the Trimble County Unit 1 PJFF capital project. B&McD assisted in the specification development for the CCRT and bottom ash scopes of work and assisted in the bid evaluations and EPC finalization.

The Landfill Owner's Engineer contract was awarded to GAI. GAI has been the Engineer of Record through the permitting and landfill design phases, as well as the engineering firm that developed the specifications for the road and bridge work.

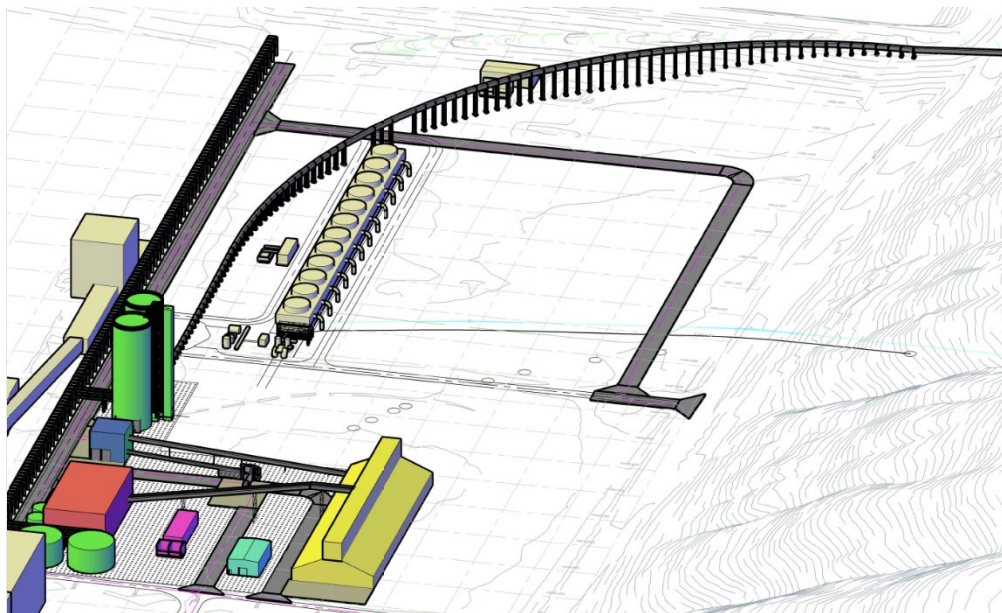
The CCRT and Transport portion of the project was awarded to AMEC. An EPC was executed with AMEC on April 7, 2016. AMEC has performed very well for the Companies in the recent past with completion of the E.W. Brown Unit 3 and Trimble County Unit 1 baghouse projects. AMEC was also awarded the CCR Rule Process Water System projects for Trimble County and Mill Creek generating stations.

The Phase 1 Landfill portion of the project was awarded to Charah. Charah has previously completed successful projects for the Companies, such as the Ghent and E.W. Brown Landfill Phase 1 projects.

Conceptual Site Layout Graphics



Graphic 1 - Conceptual Layout of the CCRT and Transport System



Graphic 2 - Conceptual 3D Site Layout of the CCRT

Table 1 - Landfill Permitting Status

<u>Required Regulatory Permit</u>	<u>Submitted</u>	<u>Date Submitted</u>	<u>Date Received</u>
Kentucky Division of Waste Management Landfill Permit	Yes	January 3, 2014	<u>February 2017</u>
US Army Corps of Engineers 404 Permit	Yes	April 25, 2014	<u>June 28, 2017</u>
US Army Corps of Engineers Nationwide Permit (Monitoring Wells)	Yes	September 9, 2013	September 2014
Kentucky Division of Water 401 Water Quality Certificate	Yes	April 25, 2014	<u>October 24, 2016</u>
Kentucky Division of Water Dam Safety Permit	Yes	<u>February 15, 2016</u>	<u>August 2016</u>
Kentucky Transportation Cabinet Bridge Permit	Yes	January 30, 2014	February 2015
Kentucky Division for Air Quality Title V Revised Air Permit	Yes	<u>October 12, 2015</u>	<u>December 2015</u>

Note: The underlined dates reflect updates from Application Exhibit 3 in Case No. 2015-00156 filed on May 22, 2015, which the Commission, by order, later consolidated into Case No. 2015-00194.

Table 2 - CCRT & Transport Quarterly Status Update

The procurement and construction status for the CCRT subprojects are summarized in the table below:

Equipment	Awarded Contractor	Status
Unit 1 Bottom Ash Submerged Chain Conveyor	United Conveyor Corporation	Placed into Commercial Operation in November 2017
Fly Ash Conditioner and Conveying System	United Conveyor Corporation	Placed into Commercial Operation in April 2019
Gypsum Dewatering Vacuum Belt Filter System	FLSmidth	Placed into Commercial Operation in April 2019
Gypsum Portal Scraper Reclaimer	Ameco (same vendor as Ghent's portal reclaimer commissioned in December 2014)	Placed into Commercial Operation in April 2019
Pipe Conveyor	Beumer Group (same vendor as Ghent's pipe conveyor commissioned in December 2014)	Placed into Commercial Operation in January 2020