2016 ECR Plan Status Update Report
Quarterly Report – Update #40
October 30, 2026

Executive Summary:

General

This report covers LG&E and KU's ("Companies") progress on the 2016 Environmental Cost Recovery ("ECR") Plan through the third quarter of 2026.

The overall 2016 ECR Plan safety performance through the third quarter of 2026 remained excellent, achieving a 2025 OSHA Recordable Incident Rate of 0.00 and an Inception-to-Date OSHA Recordable Incident Rate of 0.41, compared to the industry average of 2.4.

The total 2016 ECR Plan projected cost remained flat at $1.0102 billion (net)[1], compared to the filed total of $996.4 million as provided in Case Nos. 2016-00026, 2016-00027, and 2017-00483. Total spend-to-date through September 30, 2026 is $996.7 million (net).

CCR Compliance (CCR Rule and State CCR Pond Closures)

Safety performance through the third quarter is excellent with a Year-to-Date OSHA Recordable Incident Rate of 0.00 and an Inception-to-Date OSHA Recordable Incident Rate of 0.44, compared to an industry average Recordable Incident Rate of 2.4.

The total projected cost for the Coal Combustion Residual ("CCR") Closure Program remained flat at $980.0 million (net). Total spend-to-date through September 30, 2026 is $966.5 million (net).

The remaining engineering activities primarily consist of supporting ongoing construction activities and updating design documents to reflect "as-built" conditions of the completed projects. Remaining activities are associated with awarded contracts through warranty periods.

Finalization of the Legacy CCR Surface Impoundment (Legacy) Rule in 2024 resulted in an expansion of universe of regulated sites and units in comparison to the 2015 CCR Rule. The 2024 Legacy Rule also clarified EPA's new interpretations of dewatering requirements, for CCR impoundments that used the in-place closure option, issued subsequent to the Companies' completion of in-place closure of 10 former CCR surface impoundments. Additionally, the one remaining impoundment undergoing in place closure was nearing 90% completion at the effective date of the 2024 CCR Legacy Rule. LG&E and KU completed all of the CCR impoundment closures while evaluating dewatering considerations for CCR impoundments in a post-closure environment.

[1] 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.

As noted in previous correspondences, U.S. Environmental Protection Agency ("EPA") Administrator Lee Zeldin announced plans for the Agency to revisit and likely revise the CCR Rule and its subsequent amendments. EPA has extended deadlines for the two facility evaluation reports included in the 2024 Legacy Rule and proposed to either remove CCR management units ("CCRMUs") from regulation or revise the manner in which CCRMUs are regulated. Additionally, EPA re-initiated efforts proposed in 2020 to develop a general permit program for CCR units. These efforts include reopening the comment period for the proposed General Permitting Program and issuance of an Advanced Notice of Proposed Rulemaking for the General Permit Program.

A General Permit Program would allow regulated facilities to operate within a traditional permitting framework, under direct EPA oversight and authority. Regulated facilities would be subject to the approvals and directives of the oversight agency, as opposed to operating in a self-implementing environment in which compliance is determined without direct permitting reviews and approvals from the agency.

The Companies support the General Permit process as it would offer the advantages of a traditional permitting program, similar to that which exists for other environmental programs.

EPA has also expedited delegation of federal CCR Rule authority to individual states, approving or proposing to approve delegation to North Dakota, Wyoming, Virginia, Louisiana, Alabama, Wisconsin, and Indiana during 2026. As noted in previous correspondence, the Agency continues to encourage states to seek CCR Rule delegation. This is pertinent because the Kentucky Department for Environmental Protection ("KDEP") has undertaken its own process to revise its existing CCR regulation (in 401 KAR 46). According to the Department, the final CCR Rule package is intended to be submitted to EPA as part of a Kentucky effort to receive delegated authority to administer the CCR Rule at the state level. KDEP's regulatory proposal takes a holistic approach to compliance, similar to its brownfields program, evaluating whether CCR facilities are able to meet performance standards at the property boundary, rather than at the individual unit boundary.

The Companies believe that KDEP's proposed approach would support continued availability of the in-place closure option and eliminate unnecessary compliance requirements. LG&E and KU support this effort as it is based on an agency-issued permit that includes clear compliance standards.

LG&E and KU continue to comply with CCR regulatory obligations and track potential changes to adjust and affirm our compliance strategies.

CCR Impoundment Closures

- Ghent – Phase III scope was completed in 2024. No further work is required.

- E.W. Brown – Dewatering to meet design considerations are expected to continue through 2027. Dewatering will continue until the design final water elevation is achieved. Redevelopment and rehabilitation of the wells was completed in the third quarter of 2026, to aid in improving dewatering performance.

- Mill Creek – Project was completed in 2022. No further work is required.

- Trimble County – Efforts continued to establish adequate vegetative cover and to address various "punch list" items to complete contractual closure for the Bottom Ash Pond ("BAP") and Gypsum Storage Pond ("GSP").

- Tyrone – Project completed in the second quarter of 2020. No further work is required.

Process Water System Projects

- Trimble County – Project has been placed into Commercial Operation.

- Mill Creek – Project has been placed into Commercial Operation.

- Ghent – Project has been placed into Commercial Operation.

- E.W. Brown – Project has been placed into Commercial Operation.

Schedules

CCR Rule and State CCR Impoundment Closures

Project	Project #	EPC Status[2]	Planned / Actual In-Service Date[3]
E.W. Brown Aux Pond	KU Project 42	Completed	Closure Completed 4Q 2022[4]
E.W. Brown Main Ash Pond (Deleted Phase III of Landfill)	KU Project 36	Completed	Closure Completed 4Q 2020
Ghent ATB #1	KU Project 40	Completed	Cap and Closure Completed 4Q 2021
Ghent ATB #2	KU Project 40	Completed	Cap and Closure Completed 3Q 2024
Ghent Gypsum Stack	KU Project 40	Completed	Clean Closure Completed 3Q 2021
Green River Main Pond	KU Project 39	Completed	Cap and Closure Completed 2Q 2019
Green River ATB #2	KU Project 39	Completed	Cap and Closure Completed 3Q 2019
Green River SO2 Pond	KU Project 39	Completed	Clean Closure Completed 2Q 2019
Mill Creek Ash Pond	LG&E Project 29	Completed	Cap and Closure Completed 3Q 2021
Mill Creek Clearwell Pond	LG&E Project 29	Completed	Clean Closure Completed & New Pond in Service 4Q 2018
Mill Creek Construction Runoff Pond	LG&E Project 29	Completed	Clean Closure Completed 2Q 2018 and New Pond in Service 3Q 2018
Mill Creek Emergency Pond	LG&E Project 29	Completed	Clean Closure Completed and area structurally backfilled in 2017
Mill Creek Dead Storage Pond	LG&E Project 29	Completed	Clean Closure Completed and area structurally backfilled 3Q 2019
Pineville Ash Pond	KU Project 39	Completed	Cap and Closure Completed 3Q 2019
Trimble County Bottom Ash Pond	KU Project 41, LG&E Project 30	Completed	Cap and Closure Completed Q2 2026
Trimble County Gypsum Storage Pond	KU Project 41, LG&E Project 30	Completed	Clean Closure Completed Q2 2026
Tyrone Ash Pond	KU Project 39	Completed	Cap and Closure Completed 3Q 2019

[2] Engineering, Procurement, and Construction ("EPC") Status – the red font signifies actuals.
[3] The Planned In-Service Dates reflect the executed EPCs – the red font signifies actuals. Ghent ATB #2 and Trimble County BAP was changed to 2024 and 2025, respectively, to reflect a mid-point between the original rule and the proposed rule changes being litigated. Trimble County GSP completion date reflects completion of the work; however, the removal of CCR was completed in the 3Q 2024.
[4] Project was placed into service during the 4Q 2022. Charges will continue to accrue into 2026 due to project close-out activities.

PWS Projects

Project	Project #	EPC Status[5]	Actual In Service Date
E.W. Brown PWS	KU Project 42	Completed	Placed in Service May 2020
Ghent PWS	KU Project 40	Completed	Placed in Service April 2020
Mill Creek PWS	LG&E Project 29	Completed	Placed in Service October 2019
Trimble County PWS	KU Project 41, LG&E Project 30	Completed	Placed in Service October 2019

[5] Engineering, Procurement, and Construction ("EPC") Status – the red font signifies actuals.

E.W. Brown Landfill Phase II and Phase III

Work associated with this project has been completed; no further work is required.

Quarterly Status Update:

Federal CCR Rule Closure Projects:

KU Project 40 – Ghent (GH) Station CCR Rule Compliance Construction and New PWS

Work associated with this project has been completed; no further work is required.

KU Project 41 and LG&E Project 30[6] – Trimble County (TC) Station CCR Rule Compliance Construction and New PWS

Trimble County – The companies continue to hold weekly and monthly project update meetings. Tetra Tech ("TT") continued efforts to establish vegetation on the BAP cap and in the GSP while also working on various punch list items related to contractual requirements. TT also completed placing rip rap slope protection on the GSP interior and exterior slopes and asphalt pavement surfacing on the required roads around the BAP and GSP.

[6] KU and LG&E's net costs are split 48% and 52%, respectively.



Trimble BAP – Looking Northeast – July 2026



Trimble BAP – Looking Northeast – October 2026



Trimble GSP – Looking South – July 2026



Trimble GSP – Looking Northwest – October 2026

KU Project 42 – E.W. Brown (BR) Station CCR Rule Compliance Construction and New PWS

- Dewatering continued through the third quarter of 2006. Dewatering will continue until the design final water elevation is achieved. Redevelopment and rehabilitation of the wells was completed during the third quarter of 2026, which is expected to improve dewatering performance.

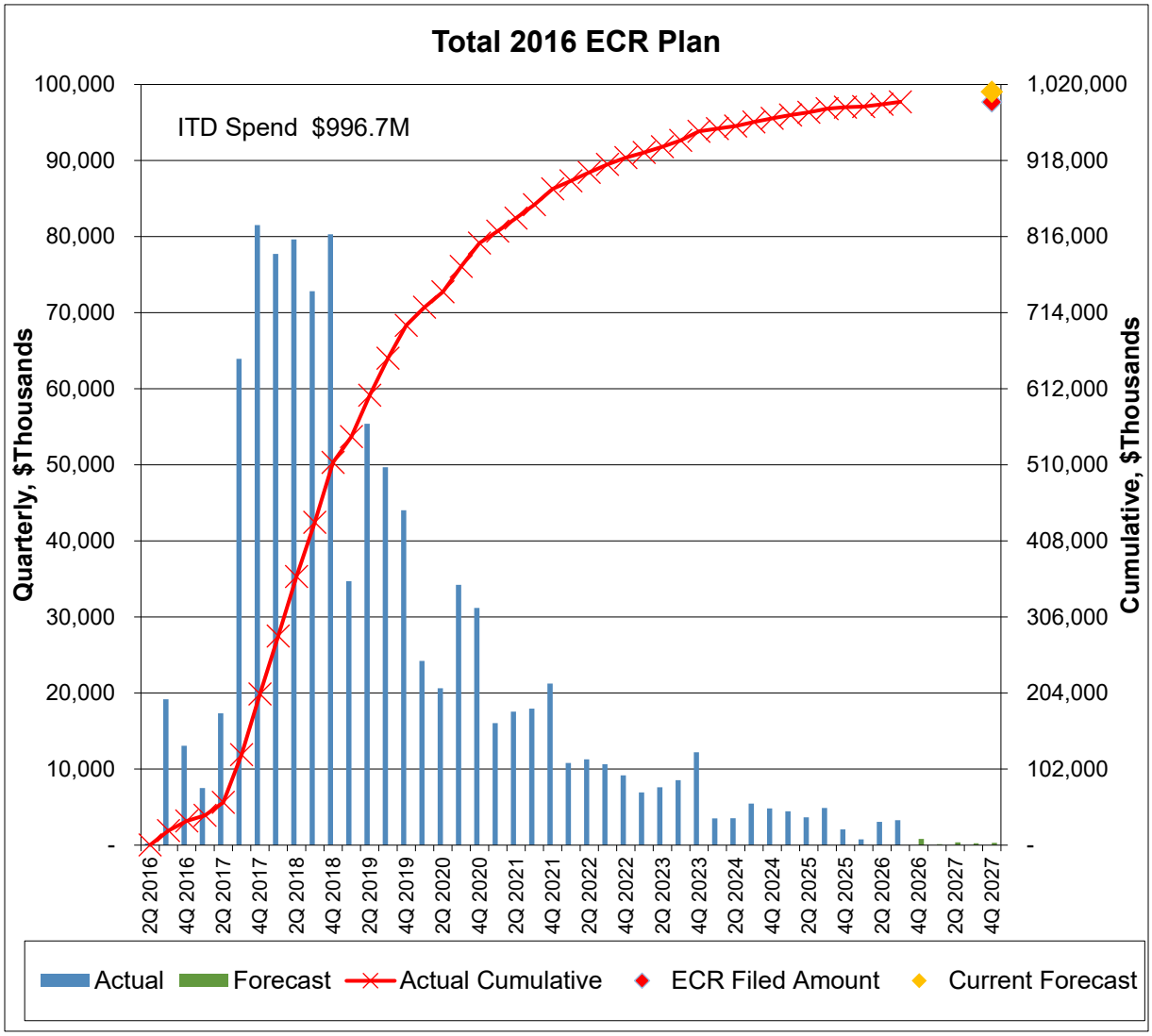
  WSP and GWTT ("Ground/Water Treatment and Technology, LLC") continue to provide technical support and analysis of field data collected.

LG&E Project 29 – Mill Creek (MC) Station CCR Rule Compliance Construction and New PWS

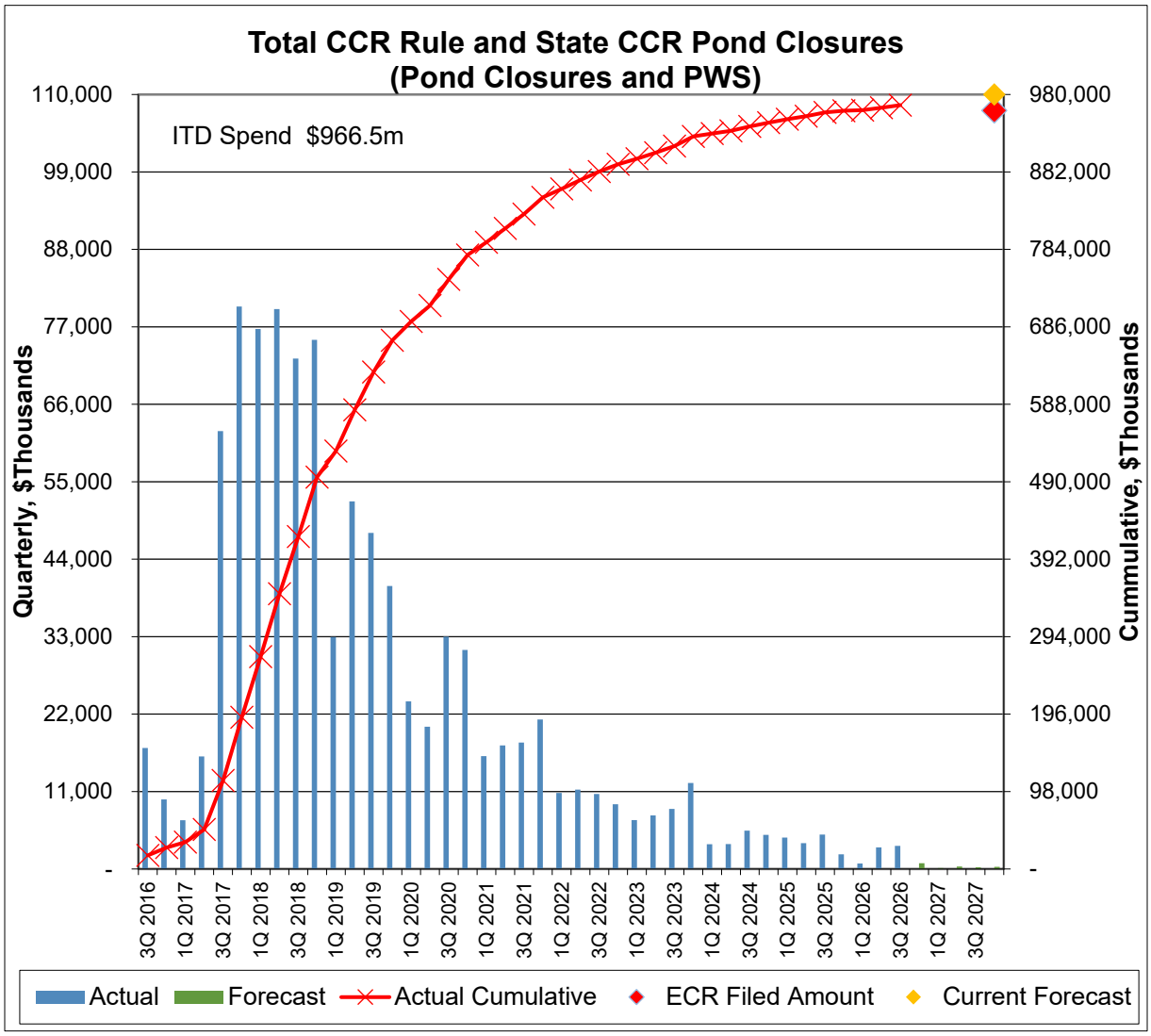
No further work is required.

Financials:

The total 2016 ECR Plan projected cost remained flat at $1.0102 billion (net), compared to the filed total of $996.4 million. Total spend-to-date through September 30, 2026 is $996.7 million (net). The graph below includes 1) a symbol (◆) to show the current forecast to completion and (2) inception-to-date ("ITD") Spend in the upper left of the chart.



The CCR Impoundment Closure total forecasted cost remained flat at $980.0 million (net). Total spend-to-date through September 30, 2026 is $966.5 million (net). The graph below includes 1) a symbol (◆) to show the current forecast to completion and (2) ITD Spend in the upper left of the chart.



Planned Activities for Next Quarter:

Federal CCR Rule Closure Projects

CCR Closures:

At Trimble County, TT will establish permanent vegetation and complete remaining punch list items in the BAP. TT will complete and submit final as-built survey documentation for the BAP and GSP and demobilize from the site. The design engineer of record, WSP, will review the as-built documentation and finalize the construction progress report and record drawings for the project.

At E.W. Brown, TT will continue dewatering and taking regular dewatering well elevation readings which will be sent to WSP for analysis. Dewatering will continue until ambient temperatures begin to reach freezing levels at which point the system will be drained and winterized.

PWS Projects:

Complete. No further work is required.