TECHNICAL MEMORANDUM



Coal Combustion Residual Pond Closure Evaluation: Green River Generating Station

PREPARED FOR: Louisville Gas & Electric Company and Kentucky Utilities Company

PREPARED BY: CH2M HILL, Inc.

DATE: September 18, 2015

1 Executive Summary

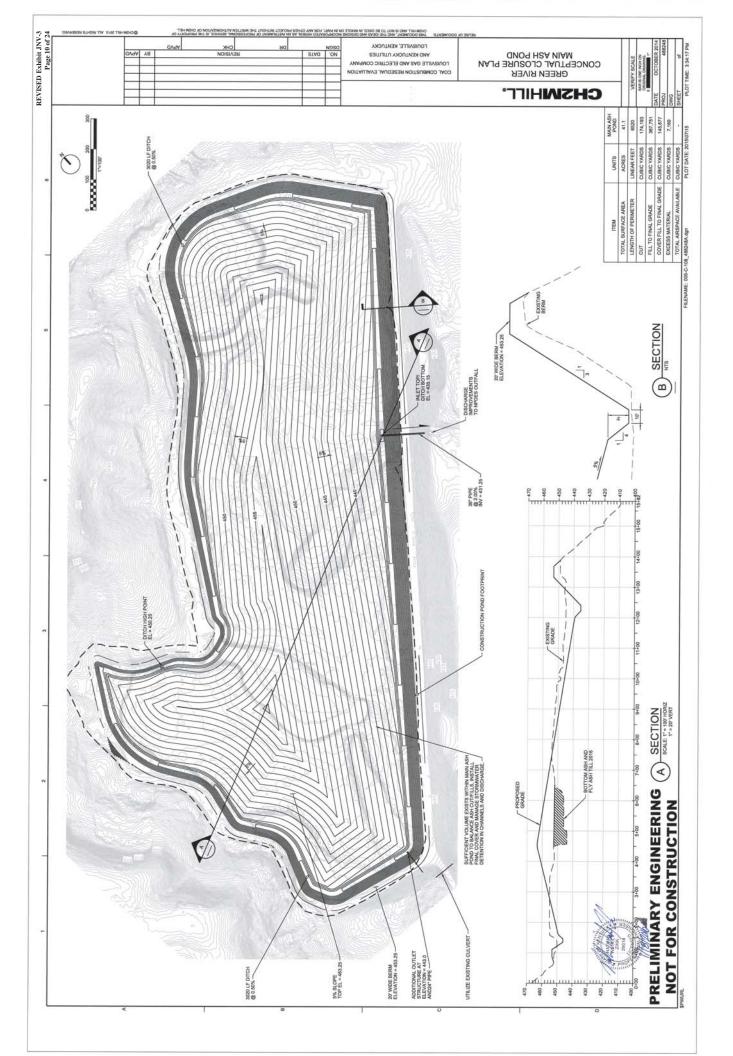
Louisville Gas & Electric Company and Kentucky Utilities Company (LG&E-KU) tasked CH2M HILL, Inc. (CH2M) with performing coal combustion residuals (CCR) evaluations for seven generating stations to develop conceptual CCR ash pond closure approaches and capital cost estimates. The generating stations under evaluation are Ghent, Trimble County, Mill Creek, E.W. Brown, Green River, Tyrone, and Pineville. This technical memorandum applies solely to Green River Generating Station. The following scope activities were completed:

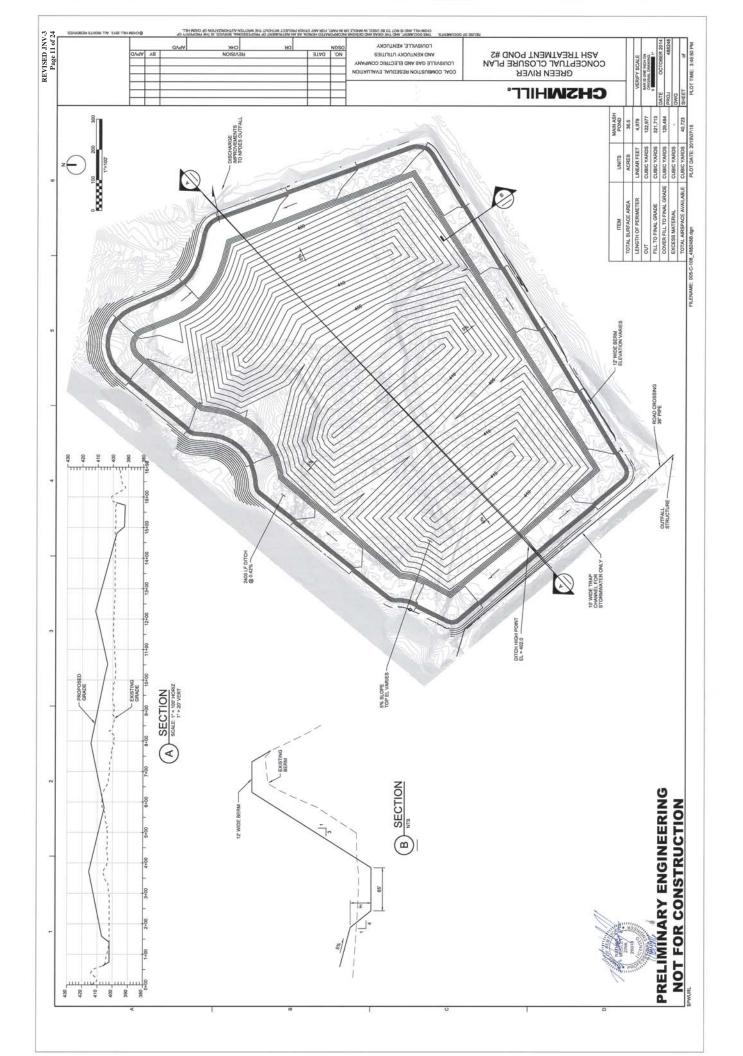
- Reviewed LG&E-KU provided historical CCR information and kickoff meeting workshop (June 2015).
- Developed a CCR pond closure compliance alternative that considers regulatory, geotechnical, and stormwater aspects as it relates to CCR ash ponds and associated cost estimates for the generating station. Discussion of the conceptual approach is included in Section 2, and drawings are contained in Attachment 1. The applicable ponds at Green River are the Main Ash Pond, Ash Treatment Basin (ATB) #2, and the SO2 Pond.
- The estimated cost for closing the three ponds is summarized in Exhibit 1-1. Cost information is included in Attachment 2.

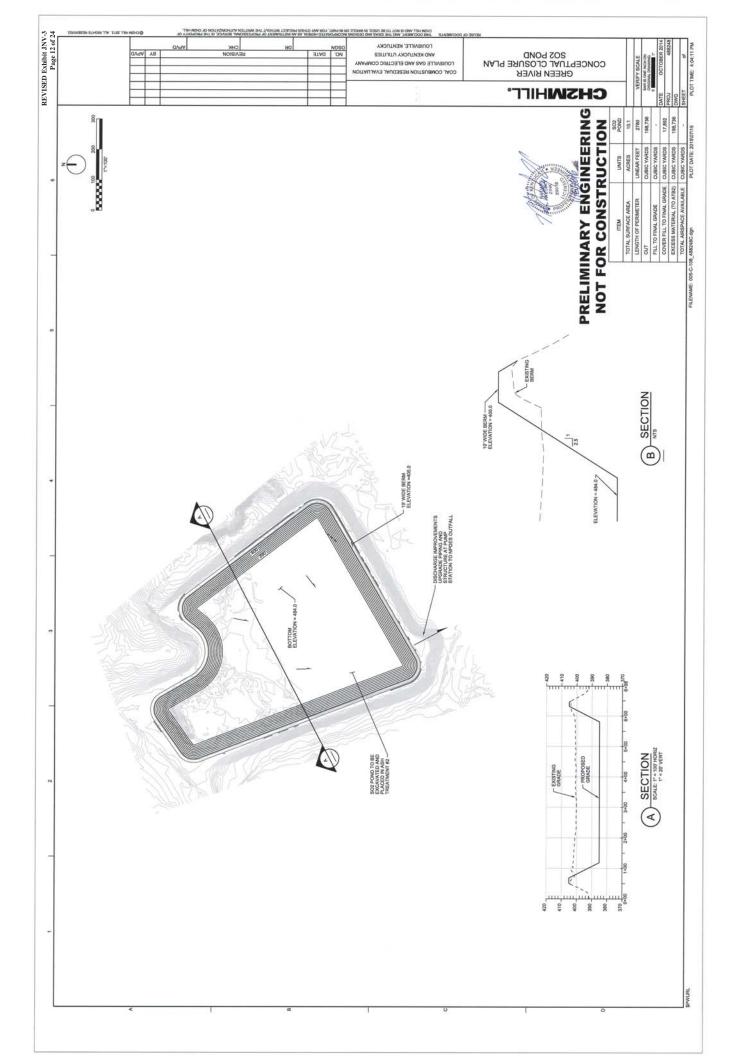
Proposed Conceptual Closure Approach ¹	Low (-30%)	Total Capital Cost	High (+30%)
Main Ash Pond Closure	\$12.9 M	\$18.4 M	\$23.9 M
ATB#2 Closure	\$13.7 M	\$19.5 M	\$25.4 M
SO2 Closure	\$9.6 M	\$13.8 M	\$17.9 M

This cost estimate should be considered a Feasibility or Study (Class 4) cost estimate. A summary breakdown for CAPEX costs for each station for the selected design basis are provide Attachments section. Class 4 estimates are generally prepared based on limited information, and subsequently have wide accuracy ranges. Typically, engineering is from 1 to 5 percent complete, and would comprise at a minimum the following: plant capacity, block schematics, layout, PFDs for main process systems and engineered process and utility equipment lists. The expected accuracy range for the estimates prepared for this study is +30 percent/-30 percent. A contingency of 30 percent has been included in the cost estimates as a provision for unforeseeable, additional costs within the general bounds of the project scope; particularly where experience has shown that unforeseeable costs are likely to occur.

This cost estimate, along with any resulting conclusions on project financial or economic feasibility or funding requirements, is prepared for guidance in project evaluation and implementation from







TECHNICAL MEMORANDUM

ch2m:

Coal Combustion Residual Pond Closure Evaluation: Pineville Generating Station

PREPARED FOR: Louisville Gas & Electric Company and Kentucky Utilities Company

PREPARED BY: CH2M HILL, Inc.

DATE: September 18, 2015

1 Executive Summary

Louisville Gas & Electric Company and Kentucky Utilities Company (LG&E-KU) tasked CH2M HILL, Inc. (CH2M) with performing coal combustion residuals (CCR) evaluations for eight sites to develop conceptual CCR ash pond closure approach and cost estimates. The generating stations under evaluation are Ghent, Trimble County, Mill Creek, E.W. Brown, Cane Run, Green River, Tyrone, and Pineville.

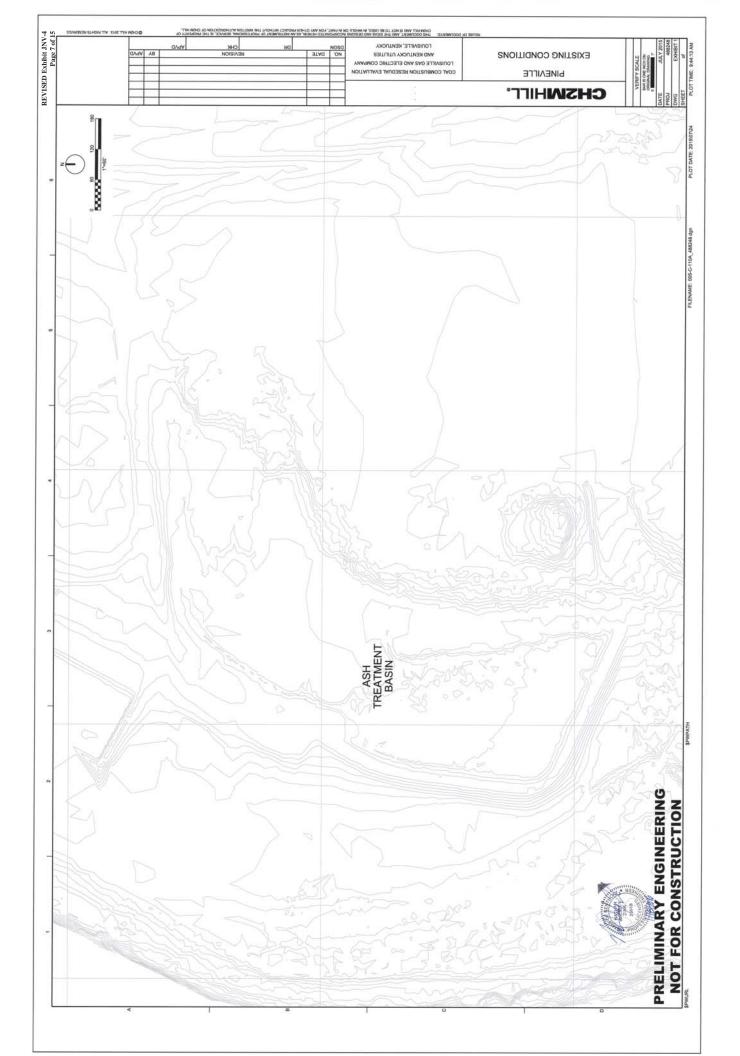
This report applies to Pineville Generating Station (Exhibit 1). The following scope activities were completed:

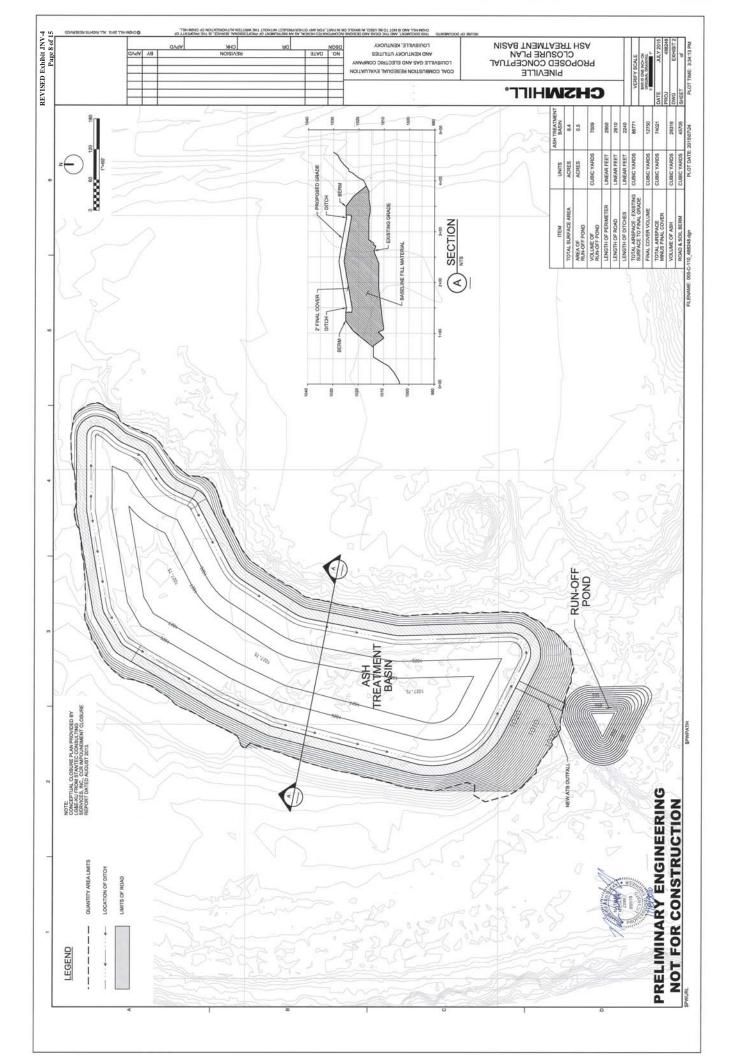
- Review of LG&E-KU provided historical CCR information and kickoff meeting workshop (June 2015)
- Development of a CCR compliance alternative that consider regulatory, geotechnical, and stormwater aspects as it relates to CCR and ash ponds and associated cost estimates for the site.
- The Ash Treatment Basin (ATB) was identified as the applicable CCR unit for Pineville.
- The estimated cost for closing the ATB is summarized in Table 1-1. Detailed cost information is included in Attachment 2.

Proposed Conceptual CCR Pond Closure Approach	Low (-30%)	Total Capital Cost	High (+30%)
Remove surface water. Construct final cover (maximum grades). Install new surface water control pond and outlet structure.	\$4.9 M	\$7.0 M	\$9.1 M

This cost estimate should be considered a Feasibility or Study (Class 4) cost estimate. A summary breakdown for CAPEX and OPEX costs for each station for the selected design basis are provide Attachments section. Class 4 estimates are generally prepared based on limited information, and subsequently have wide accuracy ranges. Typically, engineering is from 1 to 5 percent complete, and would comprise at a minimum the following: plant capacity, block schematics, layout, PFDs for main process systems and engineered process and utility equipment lists. The expected accuracy range for the estimates prepared for this study is +30 percent/-30 percent. A contingency of 30 percent has been included in the cost estimates as a provision for unforeseeable, additional costs within the general bounds of the project scope; particularly where experience has shown that unforeseeable costs are likely to occur.

This cost estimate, along with any resulting conclusions on project financial or economic feasibility or funding requirements, is prepared for guidance in project evaluation and implementation from information available at the time the estimate was prepared. The final costs of the project and resulting feasibility will depend on actual labor and material costs, competitive market conditions, actual site conditions, final project scope, implementation schedule, firm selected for final engineering design, and





TECHNICAL MEMORANDUM



Coal Combustion Residual Pond Closure Evaluation: Tyrone Generating Station

PREPARED FOR: Louisville Gas & Electric Company and Kentucky Utilities Company

PREPARED BY: CH2M HILL, Inc.

DATE: November 20, 2015

1 Executive Summary

Louisville Gas & Electric Company and Kentucky Utilities Company (LG&E-KU) tasked CH2M HILL, Inc. (CH2M) with performing coal combustion residuals (CCR) evaluations for eight sites to develop conceptual CCR ash pond closure approach and cost estimates. The generating stations under evaluation are Ghent, Trimble County, Mill Creek, E.W. Brown, Cane Run, Green River, Tyrone, and Pineville.

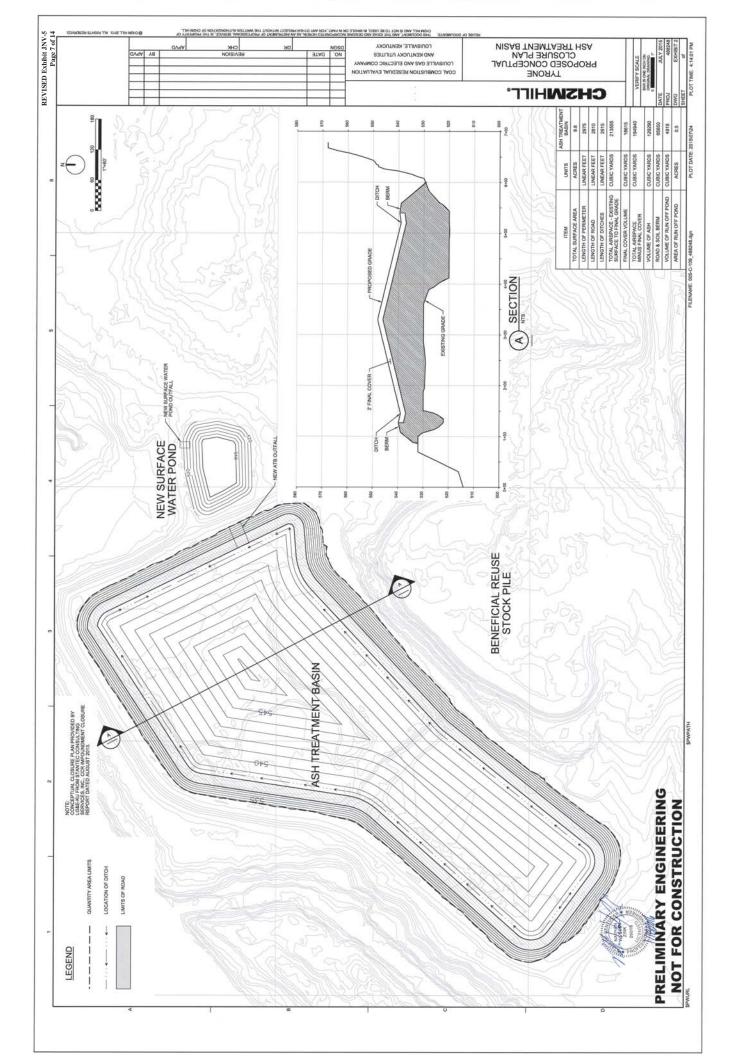
This report applies to Tyrone Generating Station (Exhibit 1). The following scope activities were completed:

- Review of LG&E-KU provided historical CCR information and kickoff meeting workshop (June 2015)
- Development of a CCR compliance alternative that consider regulatory, geotechnical, and stormwater aspects as it relates to CCR and ash ponds and associated cost estimates for the site.
- The Ash Treatment Basin (ATB) was identified as the applicable CCR unit for Tyrone. Other CCR units that could be affected by the CCR regulations at the site, but that were not evaluated further, include the Beneficial Reuse Stockpile and the possible CCR Fill Area.
- The estimated cost for closing the ATB is summarized in Table 1-1. Detailed cost information is included in Attachment 2.

Table 1-1. Tyrone Proposed Conceptual Cost Estimate

Proposed Conceptual CCR Pond Closure Approach	Low (-30%)	Total Capital Cost	High (+30%)
Fill ATB with material from the Beneficial Reuse Stockpile onsite. Remove surface water. Construct final cover (maximum grades). Install new surface water control pond and outlet structure.	\$8.1 M	\$11.6 M	\$15.1 M

This cost estimate should be considered a Feasibility or Study (Class 4) cost estimate. A summary breakdown for CAPEX and OPEX costs for each station for the selected design basis are provide Attachments section. Class 4 estimates are generally prepared based on limited information, and subsequently have wide accuracy ranges. Typically, engineering is from 1 to 5 percent complete, and would comprise at a minimum the following: plant capacity, block schematics, layout, PFDs for main process systems and engineered process and utility equipment lists. The expected accuracy range for the estimates prepared for this study is +30 percent/-30 percent. A contingency of 30 percent has been included in the cost estimates as a provision for unforeseeable, additional costs within the general bounds of the project scope; particularly where experience has shown that unforeseeable costs are likely to occur.



TECHNICAL MEMORANDUM



Coal Combustion Residual Pond Closure Evaluation: Ghent Generating Station

PREPARED FOR: Louisville Gas & Electric Company and Kentucky Utilities Company

PREPARED BY: CH2M HILL, Inc.

DATE: September 29, 2015

1 Executive Summary

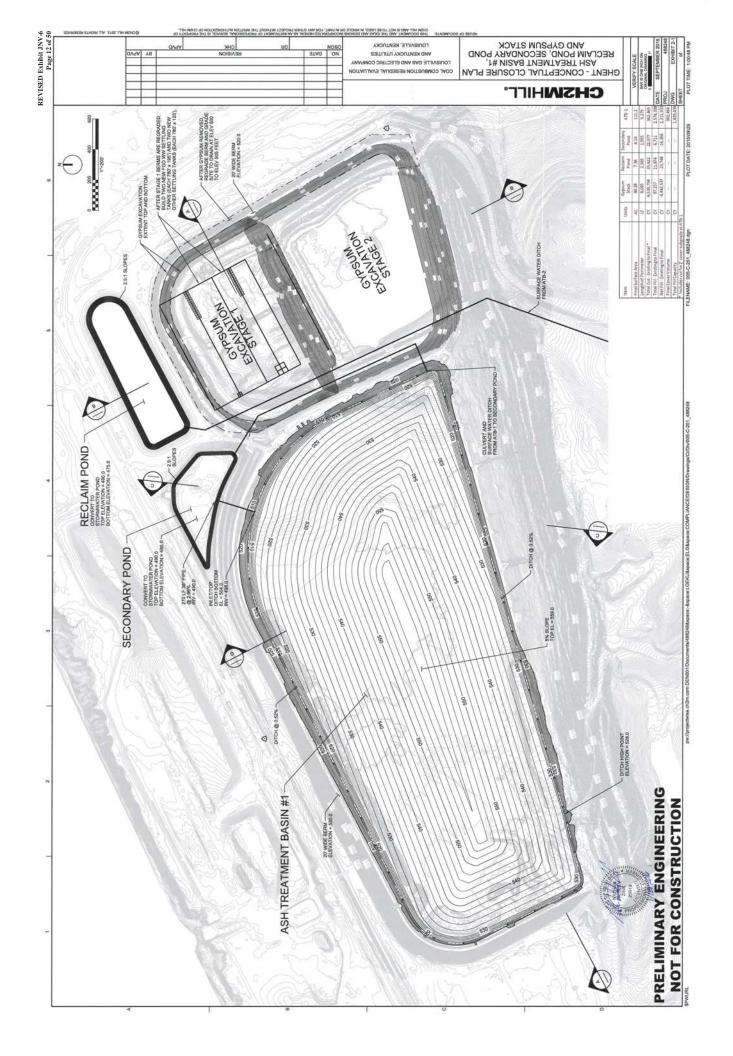
Louisville Gas & Electric Company and Kentucky Utilities Company (LG&E-KU) tasked CH2M HILL Engineers (CH2M) with performing coal combustion residuals (CCR) evaluations for eight sites to develop conceptual CCR ash pond closure approaches and cost estimates. The generating stations under evaluation are Ghent, Trimble County, Mill Creek, E.W. Brown, Cane Run, Green River, Tyrone, and Pineville.

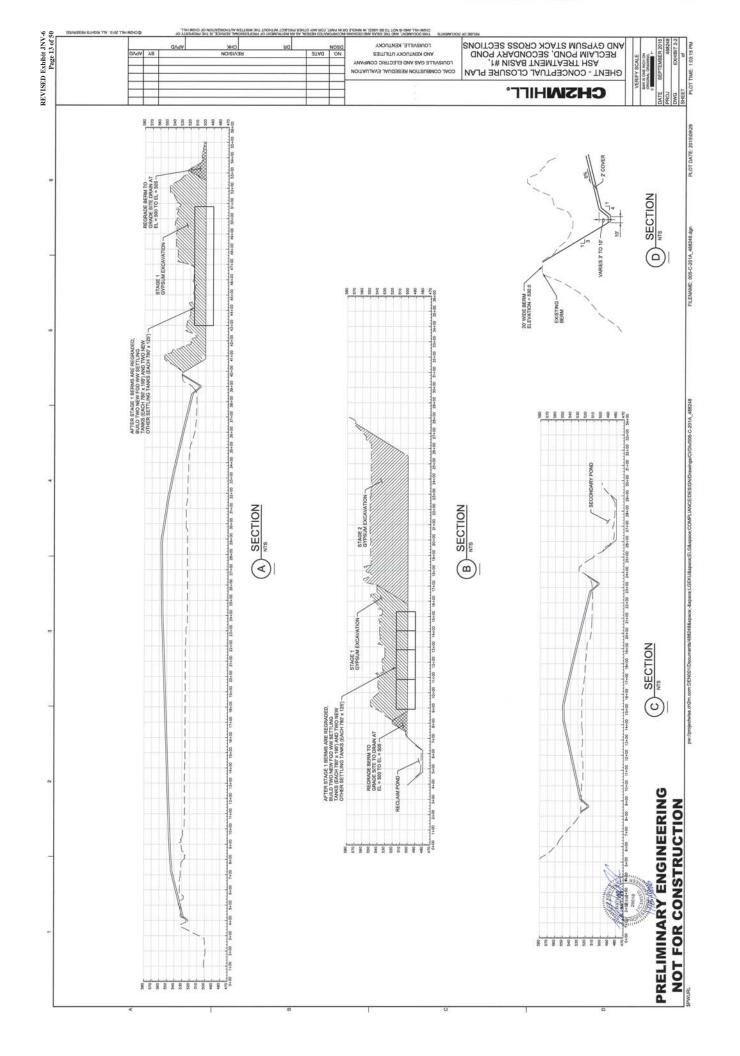
This technical memorandum applies to Ghent Generating Station. The following scope activities were completed:

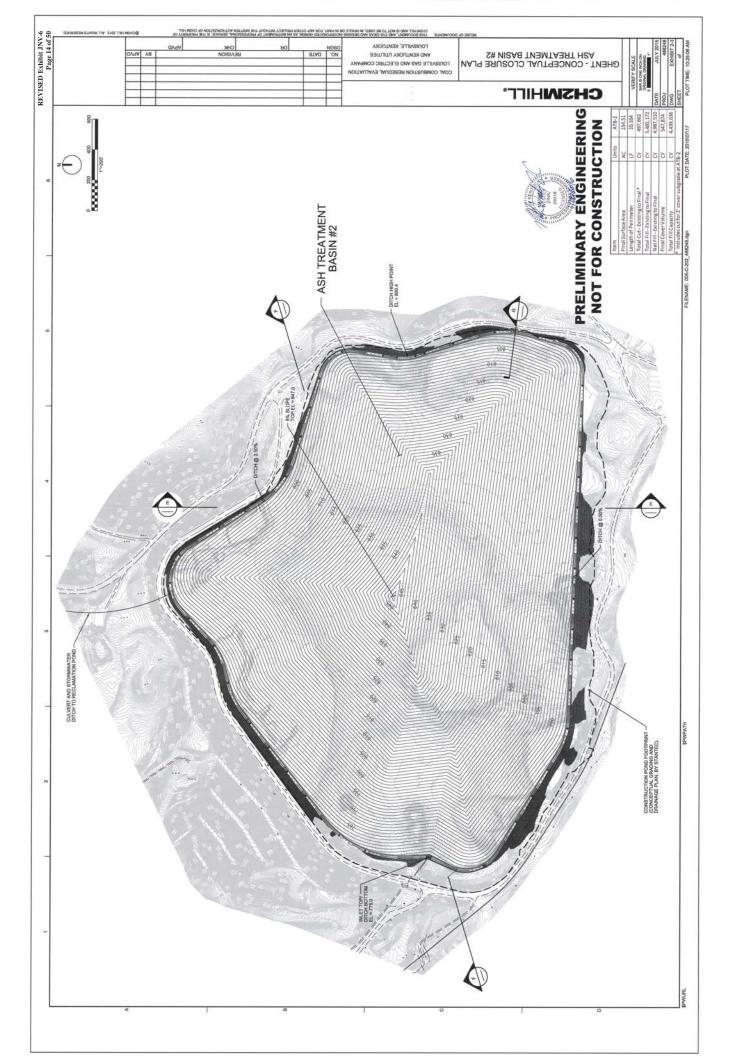
- Reviewed LG&E-KU provided historical CCR information and kickoff meeting workshop (June 2015).
- Developed a CCR pond closure approach that considers regulatory, civil, geotechnical, and stormwater aspects as it relates to CCR and ash ponds and associated cost estimates for the site. Discussion of the conceptual CCR pond closure approach is included in Section 2, and drawings (Exhibits 2-1 through 2-4) are contained in Attachment 1.
- The applicable ponds at the Ghent Station are the Ash Treatment Basin #1 (ATB1), Gypsum Stack, Secondary Pond, Reclaim Pond, and the Ash Treatment Basin #2 (ATB2)
- Construct new concrete process tanks for management of wastewater that can no longer be managed in the ponds that will be closed; construct dewatering facility for removing water from solids.
- The estimated cost for closing the ponds is summarized in Exhibit 1-1. Detailed cost information is included in Attachment 2.

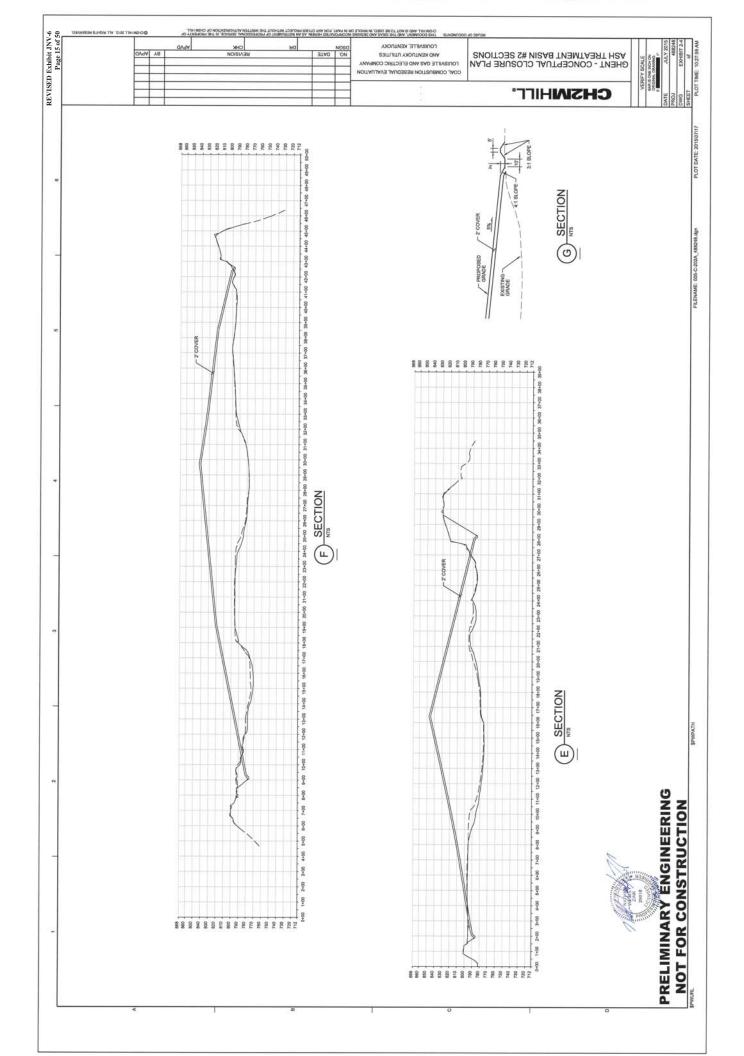
Exhibit 1-1. Ghent Proposed Conceptual Pond Closure Approach Cost Estimate

Proposed Conceptual CCR Pond Closure Approach	Low (-30%)	Total Capital Cost	High (+30%)
ATB1	\$39.9 M	\$57.0 M	\$74.0 M
Gypsum Stack	\$49.7 M	\$71.0 M	\$92.3 M
Concrete Process Tanks and Dewatering Facility	\$73.3 M	\$104.7 M	\$136.1 M
ATB2	\$55.6 M	\$79.4 M	\$103.3 M
Secondary Pond	\$2.1 M	\$3.0 M	\$3.9 M
Reclaim Pond	\$3.3 M	\$4.7 M	\$6.1 M









TECHNICAL MEMORANDUM



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Coal Combustion Residual Evaluation: Trimble County Generating Station

PREPARED FOR: Louisville Gas & Electric Company and Kentucky Utilities Company

PREPARED BY: CH2M HILL Engineers

DATE: September 29, 2015

1 Executive Summary

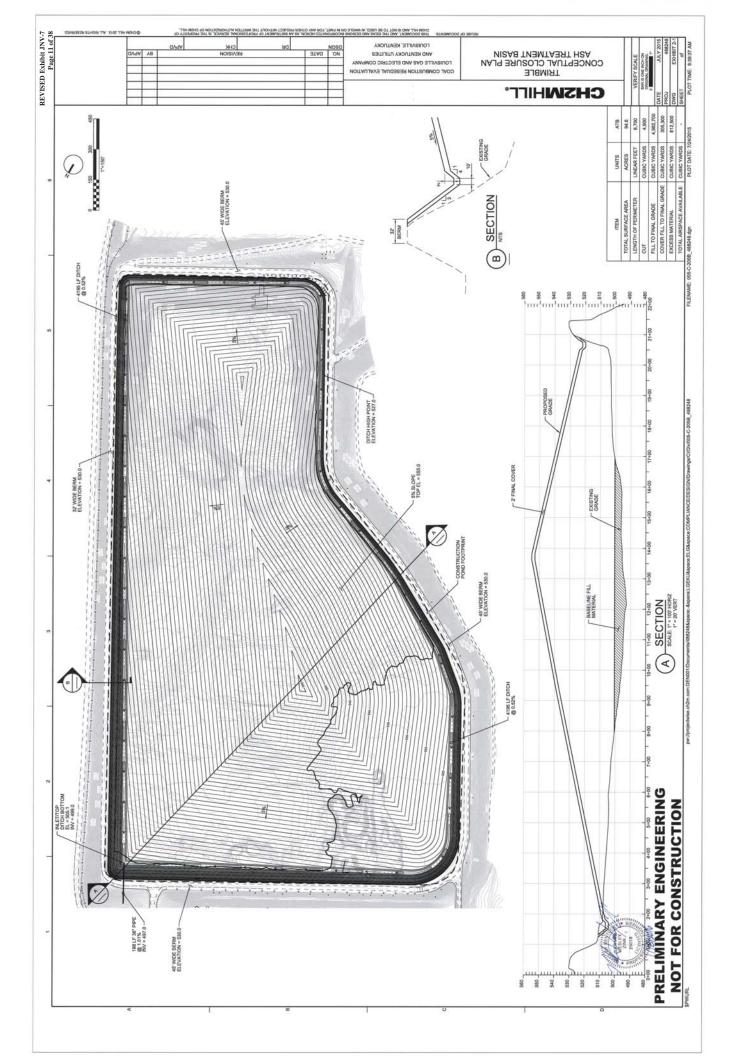
Louisville Gas & Electric Company and Kentucky Utilities Company (LG&E-KU) tasked CH2M HILL Engineers. (CH2M) with performing coal combustion residuals (CCR) evaluations for seven generation stations to develop conceptual CCR ash pond closure approaches and capital cost estimates. The generating stations under evaluation are Ghent, Trimble County, Mill Creek, E.W. Brown, Green River, Tyrone, and Pineville. This report applies solely to Trimble County Generating Station. The following scope activities were completed:

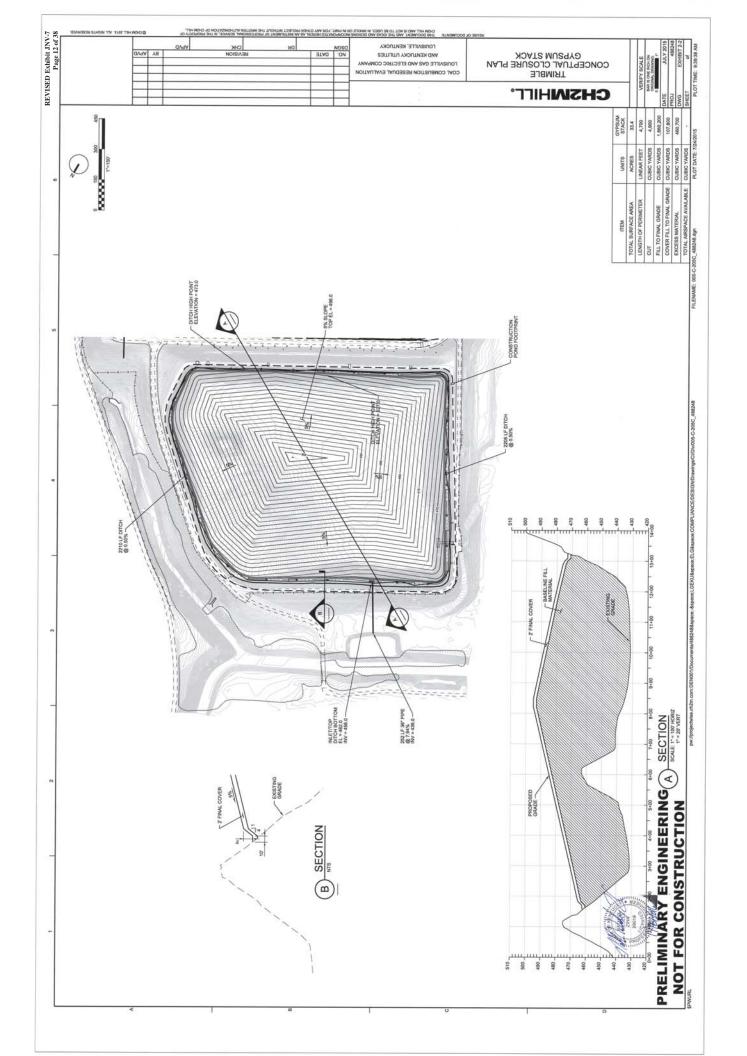
- Review of LG&E-KU provided historical CCR information and kickoff meeting workshop (June 2015)
- Developed a CCR pond closure compliance alternative that considers regulatory, civil, geotechnical, and stormwater aspects as it relates to CCR ash ponds and associated cost estimates for the generating station. Discussion of the conceptual approach is included in Section 2, and drawings are contained in Attachment 1. The applicable ponds at Trimble County are the Bottom Ash Pond (BAP) and Gypsum Storage Pond.
- Construct new concrete process tanks (four) for management of wastewater that can no longer be
 managed in the ponds that will be closed; construct dewatering facility for removing water from
 solids.

The estimated cost for closing the two ponds is summarized in Exhibit 1-1. Cost information is included in Attachment 2.

Proposed Conceptual Closure Approach	Low (-30%)	Total Capital Cost	High (+30%)
BAP Closure	\$76.1 M	\$108.7 M	\$141.3 M
Gypsum Storage Closure	\$23.3 M	\$33.3 M	\$43.3 M
Concrete Process Tanks and Dewatering Facility	\$75.1 M	\$107.2 M	\$139.4 M

This cost estimate should be considered a Feasibility or Study (Class 4) cost estimate. A summary breakdown for CAPEX costs for each station for the selected design basis are provide Attachments section. Class 4 estimates are generally prepared based on limited information, and subsequently have wide accuracy ranges. Typically, engineering is from 1 to 5 percent complete, and would comprise at a minimum the following: plant capacity, block schematics, layout, PFDs for main process systems and engineered process and utility equipment lists. The expected accuracy range for the estimates prepared for this study is +30 percent/-30 percent. A contingency of 30 percent has been included in the cost estimates as a provision for unforeseeable, additional costs within the general bounds of the project scope; particularly where experience has shown that unforeseeable costs are likely to occur.





TECHNICAL MEMORANDUM



Coal Combustion Residual Evaluation: E. W. Brown Generating Station

PREPARED FOR: Louisville Gas & Electric Company and Kentucky Utilities Company

PREPARED BY: CH2M HILL Engineers

DATE: September 29, 2015

1 Executive Summary

Louisville Gas & Electric Company and Kentucky Utilities Company (LG&E-KU) tasked CH2M HILL Engineers (CH2M) with performing coal combustion residuals (CCR) evaluations for seven generation stations to develop conceptual CCR ash pond closure approaches and capital cost estimates. The generating stations under evaluation are Ghent, Trimble County, Mill Creek, E. W. Brown, Green River, Tyrone, and Pineville. This report applies solely to Brown Generating Station. The following scope activities were completed:

- Review of LG&E-KU provided historical CCR information and kickoff meeting workshop (June 2015)
- Developed a CCR pond closure compliance alternative that considers regulatory, civil, geotechnical, and stormwater aspects as it relates to CCR ash ponds and associated cost estimates for the generating station. Discussion of the conceptual approach is included in Section 2, and drawings are contained in Attachment 1.
- Construct new concrete process tanks (four) for management of wastewater that can no longer be managed in the ponds that will be closed; construct dewatering facility for removing water from solids.

The estimated cost for closing the three ponds is summarized in Exhibit 1-1. Cost information is included in Attachment 2.

Proposed Conceptual Closure Approach	Low (-30%)	Total Capital Cost	High (+30%)
Auxiliary Pond Closure	\$18.1 M	\$25.9 M	\$33.6 M
Concrete Process Tanks and Dewatering Facility	\$44.0 M	\$62.9 M	\$81.8 M

This cost estimate should be considered a Feasibility or Study (Class 4) cost estimate. A summary breakdown for CAPEX costs for each station for the selected design basis are provide Attachments section. Class 4 estimates are generally prepared based on limited information, and subsequently have wide accuracy ranges. Typically, engineering is from 1 to 5 percent complete, and would comprise at a minimum the following: plant capacity, block schematics, layout, process flow diagrams (PFD) for main process systems and engineered process and utility equipment lists. The expected accuracy range for the estimates prepared for this study is +30 percent/-30 percent. A contingency of 30 percent has been included in the cost estimates as a provision for unforeseeable, additional costs within the general bounds of the project scope; particularly where experience has shown that unforeseeable costs are likely to occur.

This cost estimate, along with any resulting conclusions on project financial or economic feasibility or funding requirements, is prepared for guidance in project evaluation and implementation from

