

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

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**IN THE MATTER OF ELECTRONIC JOINT )  
APPLICATION OF KENTUCKY UTILITIES )  
COMPANY AND LOUISVILLE GAS AND )  
ELECTRONIC COMPANY FOR CERTIFICATES )  
OF PUBLIC CONVENIENCE AND NECESSITY )  
AND SITE COMPATIBILITY CERTIFICATES )  
AND APPROVAL OF A DEMAND SIDE )  
MANAGEMENT PLAN AND APPROVAL OF )  
FOSSIL FUEL-FIRED GENERATING UNIT )  
RETIREMENTS )**

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**Case No. 2022-00402**

Direct Testimony of

**Sarah Steele  
Mercer County Judge-Executive**

On behalf of

**Mercer County Fiscal Court**

July 14, 2023

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Direct Testimony of Sarah Steele

1 I. INTRODUCTION

2 Q PLEASE STATE YOUR NAME.

3 A Sarah Steele, Mercer County Judge-Executive.

4 Q WHAT IS YOUR ADDRESS?

5 A 207 West Lexington Street, Harrodsburg, Kentucky, 40330.

6 Q BY WHOM ARE YOU EMPLOYED?

7 A The citizens of Mercer County.

8 Q HOW LONG HAVE YOU HAD THAT POSITION?

9 A Approximately seven (7) months.

1 Q ARE YOU FAMILIAR THAT A CERTAIN PIECE OF PROPERTY IN  
2 MERCER COUNTY HAS BEEN PURCHASED BY SAVION?

3 A Yes.

4 Q ARE YOU AWARE THAT THE PROPERTY HAS BEEN SOLD TO KU/LG&E?

5 A Yes.

6 Q ARE YOU AWARE THAT THE PROPERTY HAS BEEN DESIGNATED BY  
7 THE COMPANIES FOR THE DEVELOPMENT OF A SOLAR FACILITY?

8 A Yes.

9 Q DID MERCER COUNTY ANTICIPATE THAT THE PROPERTY SLATED  
10 FOR THE COMPANIES' PROPOSED SOLAR FACILITY BE USED TO  
11 DEVELOP AN INDUSTRIAL PARK INSTEAD OF A SOLAR FACILITY?

12 A Yes.

13 Q PLEASE DESCRIBE MERCER COUNTY'S EXPECTATIONS FOR THE  
14 PROPERTY.

15 A Mercer County has slated this location for an industrial park.

1 **Q WHAT ADVANTAGES WOULD AN INDUSTRIAL PARK PROVIDE**  
2 **MERCER COUNTY?**

3 A An industrial park would attract various industries and potentially employ hundreds, if  
4 not thousands, of jobs given the size of the property. Moreover, depending on the  
5 companies which locate at the industrial park, the impact on the community from those  
6 jobs could affect the surrounding community with increased revenue from collateral  
7 employers, restaurants, etc. It should be noted that potential industrial customers have  
8 already expressed interest in locating at the future industrial park by participating in  
9 tours of the property and engaging in discussions with Mercer County.

10 **Q HAVE MERCER COUNTY AND THE COMPANIES ENGAGED IN**  
11 **DISCUSSIONS TO ACCOMMODATE BOTH THE PROPOSED SOLAR**  
12 **FACILITY AND AN INDUSTRIAL PARK ON THE PROPERTY?**

13 A Yes. Both Mercer County and the Companies have engaged in discussions about  
14 potential negotiations.

15 **Q HAVE THOSE DISCUSSIONS BEEN MEMORIALIZED IN ANY**  
16 **DOCUMENT?**

17 A Yes. Those discussions are referenced in the Companies' June 9, 2023 Supplemental  
18 Response to Commission Staff's Supplemental Request for Information Dated April 14,  
19 2023. That response states as follows:

20 As stated, closing took place on April 27, 2023 for 858 acres on what is  
21 now being referred to as "Southern Land." The price paid was  
22 \$9,871,324 with an additional obligation to pay Savion \$8,000,000 as  
23 compensation for the Response to Question No. 58 Page 2 of 2 Bellar

1 development work necessary for the solar project. Thus, the property as  
2 measured by Savion's terms is \$17,871,324 or \$20,820 per acre. **Since**  
3 **that closing occurred, the Companies have continued to have**  
4 **discussions with the State Economic Development Cabinet and**  
5 **Mercer County officials to explore ways to move forward with the**  
6 **Mercer County Solar Facility while also facilitating the development**  
7 **of an industrial park in the area for Mercer County's benefit.** Those  
8 discussions are ongoing and are focused on the "Northern Land" which  
9 consists of a total of 1,007 acres which Savion owns or has options on.  
10 The 1,007 acres consist of 459 acres Savion owns; 406 acres for which  
11 Savion has Option 1; and 142 acres for which Savion has Option 2.  
12 Similar to the Southern Land, the Northern Land comes with an  
13 obligation to pay Savion \$10,000,000 for development work. Thus, the  
14 property as measured by Savions' terms is \$21,580,500 or \$21,430 per  
15 acre, similar to the Southern Land per acre price. The Companies have  
16 entered into an agreement on June 8, 2023 with Savion by which they  
17 would acquire the Northern Land, shift the Mercer County Solar Facility  
18 from the Southern Land to the Northern Land, and then make the  
19 Southern Land available to Mercer County for industrial site  
20 development. This agreement removes all conditions on the Companies'  
21 ownership of the Southern Land, and regulatory approval conditions  
22 shift to the Northern Land purchase. (emphasis added)

23 **Q DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

24 **A** Yes, it does.