

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 2023-00177

SEMI-ANNUAL REPORT

PURSUANT TO THE COMMISSION'S ORDER DATED JANUARY 11, 2024

EKPC does consider the beneficial reuse of coal combustion residuals at Spurlock Station. Spurlock Station fly ash from Units 1 and 2 is not a saleable product because wastewater from the ELG system is used to wet the fly ash and then transport it to a landfill. Spurlock fly ash from Units 3 and 4 is a comingled product of fly ash and gypsum that is produced in the dry scrubbing process that is required to reduce sulfur emissions. The Spurlock 3 and 4 bed ash is not suitable for sale due to the high lime content in the product.

EKPC uses bottom ash, which has a granular consistency for building roadways internal to our landfills, replacing the purchase of aggregates.

The wet flue gas desulfurization system on Spurlock 1 and 2 produces about 300,000 to 400,000 tons of gypsum annually. This is not wallboard quality gypsum. To make existing gypsum into wallboard grade quality and to install the material handling system is very expensive. In September 2024, EKPC entered into a 6-month interim agreement with a company to purchase Spurlock gypsum for beneficial reuse in wallboard. In March 2025, EKPC and the Purchaser agreed to extend the interim agreement indefinitely while the Purchaser finalized their evaluation on the fitness of the gypsum for use in their wallboard process. Either party may terminate the interim agreement with a 30-day notice. A total of approximately 15,000 tons has been sold to date. As of November 2025, The Purchaser is still in the process of evaluating options to make the gypsum usable in their wallboard process.