

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF)	
LOUISVILLE GAS AND ELECTRIC)	
COMPANY AND KENTUCKY)	CASE NO. 2023-00422
UTILITIES COMPANY SERVICE)	
RELATED TO WINTER STORM)	
ELLIOTT)	

RESPONSE OF
LOUISVILLE GAS AND ELECTRIC COMPANY
AND
KENTUCKY UTILITIES COMPANY
TO
THE KENTUCKY COAL ASSOCIATION'S SUPPLEMENTAL
REQUEST FOR INFORMATION

DATED MARCH 1, 2024

FILED: March 15, 2024

VERIFICATION


COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Lonnie E. Bellar**, being duly sworn, deposes and says that he is Senior Vice President Engineering and Construction for PPL Corporation and he provides services to Louisville Gas and Electric Company and Kentucky Utilities Company, and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



Lonnie E. Bellar

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 13th day of March 2024.

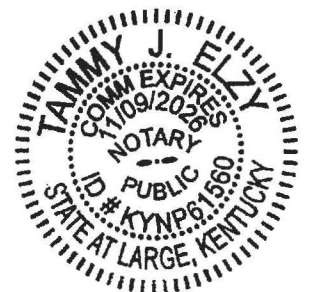


Notary Public

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026



**LOUISVILLE GAS AND ELECTRIC COMPANY
AND
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**Response to Kentucky Coal Association's Supplemental Request for Information
Dated March 1, 2024**

Case No. 2023-00422

Question No. 2-1

Responding Witness: Lonnie E. Bellar / Charles R. Schram

- Q-2-1. Please confirm that low gas delivery pressure is a known exposure related to pipeline gas delivery which is unrelated to Firm Transportation.
- A-2-1. The low gas pressure event during Winter Storm Elliott was unrelated to firm transportation services. However, non-firm transportation customers were likely interrupted during the low pressure event. As stated in response to PSC 1-21(b), pipeline delivery pressure "had not been a concern before Winter Storm Elliott." The Companies have done business with and relied on Texas Gas Transmission's ("TGT") firm services for decades and had never experienced a low pressure issue. As described throughout this proceeding and in case 2022-00422, the Companies have actively worked both with and independently from TGT to mitigate the risk of a similar pressure drop in future extreme weather events.

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Case No. 2023-00422

Question No. 2-2

Responding Witness: Lonnie E. Bellar

- Q-2-2. Please confirm the Companies response to KCA First Request for Information Question No. 2 does not address the issue related to low gas delivery pressure. If not confirmed, please explain the connection.
- A-2-2. KCA 1-2 asked for a summary of LG&E/KU's Cold Weather Preparations for Extreme Weather Events prior to Winter Storm Elliott and whether they were consistent with the NERC and FERC recommendations. As stated in response to PSC 1-21(b), pipeline delivery pressure "had not been a concern before Winter Storm Elliott."

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Case No. 2023-00422

Question No. 2-3

Responding Witness: Lonnie E. Bellar

Q-2-3. As it pertains to low gas delivery pressure, please explain whether the Companies considered this risk when Cane Run 7 was built. If not, please explain why not.

A-2-3. No. See the response to Question No. 1.

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**Response to Kentucky Coal Association's Supplemental Request for Information
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Case No. 2023-00422

Question No. 2-4

Responding Witness: Lonnie E. Bellar

Q-2-4. Please confirm the low gas delivery pressure from the TGT (Texas Gas Transmission) pipeline was the cause of significant derates at Cane Run 7 and Trimble County during Winter Storm Elliott. If not, please explain.

A-2-4. Confirmed. See the response to PSC 1-44.

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**Response to Kentucky Coal Association's Supplemental Request for Information
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Case No. 2023-00422

Question No. 2-5

Responding Witness: Lonnie E. Bellar

- Q-2-5. As it pertains to the previous question, please confirm the magnitude of the derates would not have occurred had the Companies developed on-site fuel storage either through dual fuel capability or mini-LNG plants on site at these stations.
- A-2-5. The Companies cannot confirm how the magnitude of derates would have been affected without the availability of the full specifications, fuel reliability, and time-specific fuel inventory of the dual fuel capability or mini-LNG plants.

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**Response to Kentucky Coal Association's Supplemental Request for Information
Dated March 1, 2024**

Case No. 2023-00422

Question No. 2-6

Responding Witness: Lonnie E. Bellar

Q-2-6. Please indicate whether the drop in pipeline pressure affecting operations at Cane River 7 and Trimble County were considered as potential issues? If not, why not?

A-2-6. No. See the response to Question No. 1.

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Case No. 2023-00422

Question No. 2-7

Responding Witness: Lonnie E. Bellar

- Q-2-7. Please explain the Companies' response to the Attorney General's First Request for Information Question No. 8 as to the reasons the Companies have not performed any analysis at or near the gas plants regarding natural gas storage fields.
- A-2-7. See the response to Question No. 1. Also, as stated in response to AG 1-8(e), "[T]he gas-related issue they [the Companies] experienced during Winter Storm Elliott was not an issue of gas supply, but rather of pressure due to Texas Gas's equipment failures. Thus, even if the LDC had offered additional gas supply for generator usage, it would not have mitigated any load shedding that occurred on December 23, 2022." The same would be true of any additional gas storage fields at or near the Companies' gas-fired units; the problem that occurred during Winter Storm Elliott was a gas pressure problem, not a gas supply problem, so adding more gas storage, as opposed to compression, would not have helped during Winter Storm Elliott.

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**Response to Kentucky Coal Association's Supplemental Request for Information
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Case No. 2023-00422

Question No. 2-8

Responding Witness: Lonnie E. Bellar

- Q-2-8. Please provide the current status of dual-fuel capability at MC 5 consistent with the Order in Case No. 2022-00402.
- A-2-8. In the executed contract with GE Vernova Operations LLC and The Industrial Company ("TIC"), the Companies did not immediately select the fuel oil option. However, this does not preclude the Companies from adding dual-fuel capability in the future.

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Case No. 2023-00422

Question No. 2-9

Responding Witness: Lonnie E. Bellar

Q-2-9. As it pertains to the previous question, please provide the Companies estimates of the capital and operating costs (including fuel) for the dual fuel capability.

A-2-9. See the response to PSC 1-20.

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Question No. 2-10

Responding Witness: Lonnie E. Bellar

- Q-2-10. Please indicate whether the Companies considered a mini-LNG plant as an alternative to dual-fuel capability at MC 5. If yes, please provide the status of such consideration.
- A-2-10. Prior to issuing the MC5 RFP, the Companies considered recent LNG storage facilities in the United States and concluded that LNG storage providing backup fuel capability for a prescribed period would incur costs more than twice as much as a fuel oil installation designed to cover the same period. The Companies did not consider a mini-LNG plant as such plant would still require the noted storage and increase capital installation costs becoming even more unfavorable.

There is nothing in either the executed contract with GE Vernova Operations LLC and The Industrial Company ("TIC") or the pending long term service agreement ("LTSA") with GE Vernova International, LLC that precludes installation of LNG storage or manufacturing once such technology reaches a price point at which the cost benefit analysis supports investment.

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Question No. 2-11

Responding Witness: Lonnie E. Bellar

- Q-2-11. Please indicate whether the Companies are also considering adding on-site fuel back-up including mini-LNG plants for Cane Run 7, MC 5, and Trimble County. If yes, please provide the status of this review.
- A-2-11. The Companies currently are not evaluating on-site natural gas back-up for these resources. See the response to Question No. 10.