#### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

The Electronic Application of Duke Energy	
Kentucky, Inc. for a Certificate of Public	)
Convenience and Necessity to Convert its Wet Flue	) Case No. 2024-00152
Gas Desulfurization System from a Quicklime	)
Reagent Process to a Limestone Reagent Handling	)
System at its East Bend Generating Station and for	)
Approval to Amend its Environmental Compliance	)
Plan for Recovery by Environmental Surcharge	)
Mechanism	)

### MOTION FOR STAY OF PROCEEDING

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company), pursuant to 807 KAR 5:001, Section 5(1), by counsel, respectfully requests that the Kentucky Public Service Commission (Commission or KPSC) stay this proceeding for at least 30 days to permit Duke Energy Kentucky to evaluate a potential supply opportunity for a lime reagent, which opportunity arose from an unsolicited updated supply offer. The Company believes it has an obligation, as a prudent operator, to examine this opportunity. The Company has notified both the Kentucky Attorney General's Office of Rate Intervention and the Sierra Club of its request for a stay. Neither party objects to this request.

In support of this motion, Duke Energy Kentucky states:

## I. INTRODUCTION

1. On May 8, 2024, Duke Energy Kentucky filed a Notice of Intent to File an Application seeking amendment of the Company's Environmental Compliance Plan for Recovery by Environmental Surcharge Mechanism and a Certificate of Public

Convenience and Necessity pursuant to KRS 278.020(1) for the conversion of East Bend Generating Station's wet flue gas desulfurization system from a quicklime reagent process of a limestone reagent handling system (Application).

- 2. On July 25, 2024, Duke Energy Kentucky filed its Application and received notification on July 26, 2024, that it was accepted for filing with no deficiencies.
- 3. By Order dated August 8, 2024, the Commission established a procedural schedule that, among other things, included deadlines for intervention, two rounds of discovery, and dates for filing of intervenor and rebuttal testimony that is summarized as follows:
  - Intervention requests due- 8/16/2024;
  - Initial requests for information to Company due- 8/23/2024;
  - Company Responses due- 9/6/2024;
  - Supplemental requests for information due- 9/20/2024;
  - Company Responses due- 10/4/2024;
  - Intervenor Testimony due- 10/16/2024;
  - Information requests to intervenors due- 10/30/2024;
  - Intervenor responses due- 11/13/2024; and
  - Rebuttal Testimony due- 11/27/2024.
- 4. On August 16, 2024, the Attorney General of the Commonwealth of Kentucky (AG) filed a motion to intervene in the proceeding and on August 23, 2024, Sierra Club (Sierra) filed a motion to intervene out-of-time. Both parties were respectively granted intervention.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> See, Order (Aug. 31, 2024) and Order (Sept. 4, 2024).

#### II. LAW AND ARGUMENT

- 5. The Company recently received an unsolicited updated supply offer from its lime supplier that, having become aware of the Company's Application in this proceeding, was interested in discussing a potential long-term lime supply contract. The Company has engaged with the supplier for further discussions. Although conversions continue, these initial conversations lead the Company to recommend a brief pause in this proceeding.
- 6. The Company submits that this new information will prompt, at a minimum, an obligation to update certain responses to discovery already provided in this proceeding. The Company further observes that such supplemental information will provide for a comprehensive evaluation, by intervenors and the Commission, of the Company's Application, as compared to the information presently of record.
- 7. Additionally, the Company believes it is in the best interests of all stakeholders for the Company to exhaust efforts related to this new information, including a thorough evaluation of it. Additional time, albeit brief, is needed so that the Company can appropriately evaluate the new information.
- 8. The Commission has previously granted stays of pending proceedings when newly discovered information comes to light to afford applicants an opportunity to evaluate new evidence and present it to the Commission at a later date. For instance, in Case No. 2021-00341, the Commission found good cause to grant the Joint Motion of Graves County Water District and Milburn Water District, who requested a 180 day stay of the proceeding to allow the Carlisle County Fiscal Court to develop an engineering plan that could provide reliable water service and potentially address or change findings and recommendations in the Commission Staff's previously authored Feasibility Study regarding an involuntary

merger of the two water districts.<sup>2</sup>

9. Such good cause exists here too. A brief stay allows the Company to evaluate this opportunity and supplement the record thereby enabling the Commission and Intervening Parties to consider this latest information prior to submitting testimony. The Commission would then have the benefit of the most up-to-date evidence regarding the consideration of alternatives to the present limestone conversion Application. Accordingly, the Company submits that a stay should be granted in the interests if fully developing the record, and for efficiency and best use of stakeholder resources.

# III. CONCLUSION

For the foregoing reasons, Duke Energy Kentucky, Inc., respectfully requests that the Commission issue an order staying these proceedings for a period of at least 30 days.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

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<sup>&</sup>lt;sup>2</sup> In the Matter of the Electronic Investigation into Milburn Water District to Determine the Feasibility of Merger with a Proximate Utility Pursuant to KRS 74.361 Or Abandonment Pursuant to KRS 278.020(6), KRS 278.021, Case No. 2021-00341 (Ky.P.S.C. Order at 3) (Aug. 15, 2024).

# **CERTIFICATE OF SERVICE**

This is to certify that the foregoing electronic filing is a true and accurate copy of the document being filed in paper medium; that the electronic filing was transmitted to the Commission on October 11, 2024; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

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