COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR 1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT A NEW GENERATION RESOURCE; 2) A SITE COMPATIBLITY CERTIFICATE; AND 3) OTHER GENERAL RELIEF	)))))))	**CASE NO. 2024-00310**

EAST KENTUCKY POWER COOPERATIVE, INC.'S POST-HEARING BRIEF

Comes now East Kentucky Power Cooperative, Inc., ("EKPC" or the "Company") by and through the undersigned counsel, pursuant to the Kentucky Public Service Commission's ("Commission") March 20, 2025 Order setting forth a post-hearing procedural schedule and respectfully states as follows:

I. INTRODUCTION

On September 20, 2024, EKPC submitted an Application for a Certificate of Public Convenience and Necessity ("CPCN") to construct a new electric generating station using Reciprocating Internal Combustion Engine ("RICE") generators (the "Liberty RICE Facility"), the issuance of a Site Compatibility Certificate for the Liberty RICE Facility, and other general relief. The Liberty Rice Facility will be capable of a net output of 214 megawatts ("MW") through twelve (12) Wartsila generator sets.

The Liberty Rice Facility is necessary to provide safe and reliable service to the service areas of EKPC's sixteen (16) Owner-Member distribution cooperatives ("Owner-Members"), provide for EKPC's existing and growing load, plan for the future of the system, and comply with

state and federal environmental regulations. EKPC reviewed alternative means to invest in additional generation and the Liberty RICE Facility is the most reasonable and cost-effective option to meet the long-term needs of EKPC and its Owner-Members. The increased penetration of renewable solar energy into PJM Interconnection LLC ("PJM") requires a generation unit that provides reliable capacity with swift and flexible dispatch characteristics. The Liberty RICE Facility provides that flexibility and will be dispatched into the market favorably. EKPC's portfolio will be improved with the addition of RICE units to diversify its mix of generation assets.

II. BACKGROUND

On September 20, 2024, EKPC filed its Application for a CPCN for the construction of a new generation resource and a Site Compatibility Certificate.[1] The Commission issued an Order for the processing of the case on October 9, 2024.[2] The Attorney General, by and through the Office of Rate Intervention ("Attorney General"),[3] Nucor Steel Gallatin ("Nucor"),[4] Mountain Association and Kentuckians for the Commonwealth (together as "Joint Intervenors"),[5] and the Sierra Club[6] requested intervention. The Commission granted all requests for intervention.[7] EKPC responded to five requests for information from Commission Staff and the three requests

[1] Application (filed Sept. 20, 2024).

[2] Case No. 2024-00310, October 9, 2024 Order.

[3] Motion to Intervene (filed October 28, 2024).

[4] Nucor Steel Gallatin Motion to Intervene (filed October 8, 2024).

[5] Joint Motion of Mountain Association and Kentuckians for the Commonwealth for Full Intervention as Joint Intervenors (filed October 28, 2024).

[6] Sierra Club's Motion to Intervene (filed October 28, 2024).

[7] October 25, 2024 Order (Nucor); October 31, 2024 Order (Attorney General); November 21, 2024 (Joint Intervenor); and, November 21, 2024 (Sierra Club).

for information from the intervening parties.[8] EKPC supplemented multiple requests for information throughout the proceeding based on informal requests from the Joint Intervenors and the Sierra Club.[9]

On January 16, 2025, the Commission issued an Order amending the October 9, 2024 procedural schedule and scheduled an Informal Conference with Commission Staff on January 29, 2025.[10] After the Informal Conference, the Sierra Club filed a motion to submit additional requests for information to EKPC and to file direct testimony after the previously established dates for testimony.[11] The Commission found Sierra Club had ample opportunity to explore discovery issues and participate in the Informal Conference and did not allow the amendment of the procedural schedule.[12]

[8] East Kentucky Power Cooperative, Inc.'s Response to Commission Staff's First Request for Information (filed November 12, 2024); East Kentucky Power Cooperative, Inc's Response to the Attorney General's First Request for information (filed November 12, 2024); East Kentucky Power Cooperative, Inc's Response to Mountain Association and Kentuckians for the Commonwealth's First Request for Information (filed December 6, 2024); East Kentucky Power Cooperative, Inc.'s Response to Sierra Club's First Request for Information (filed December 6, 2024); Responses to Commission Staff's Second Request for Information (filed December 16, 2024); Responses to the Sierra Club's Second Request for Information (filed December 16, 2024); Responses to Joint Intervenors' Second Request for Information (filed December 16, 2024); Responses to the Attorney General's Second Request for Information (filed December 16, 2024); Responses to Commission Staff's Third Request for Information (filed February 20, 2025); Responses to Sierra Club's Third Request for Information (filed February 20, 2025); Responses to Joint Intervenors' Third Request for Information (filed February 20, 2025); and EKPC's Responses to Staff's Fourth Request for Information (filed February 28, 2025).

[9] Supplemental Responses to Sierra Club's First Request for Information (filed December 31, 2024); Supplemental Response to Sierra Club's First DR Item 15(b) (filed January 3, 2025); Supplemental Response to Sierra Club DR 1-16 (filed February 14, 2025); Supplemental Responses to Data Requests and Updated Exhibits (filed March 10, 2025); Updated Response to JI 3-11 (filed March 13, 2025); and Supplemental Response to Sierra Club's First Request for Information, Item 16 (filed March 14, 2025).

[10] January 16, 2025 Order.

[11] Sierra Club's Emergency Motion for Leave to Submit Supplemental Requests for Information and the Option to Submit Direct Testimony (filed February 21, 2025).

[12] March 4, 2025 Order.

On March 17, 2025, the Commission held a formal hearing.[13] EKPC presented eleven witnesses for cross-examination at the hearing. None of the parties granted intervention provided any direct testimony nor offered any witnesses for cross-examination at the hearing. Subsequent to the hearing, the Commission established a post-hearing procedural schedule.[14] Post-hearing requests for information were filed on March 20 and March 21, 2025, and EKPC filed its responses to the requests on March 31, 2025.[15]

III. CPCN LEGAL STANDARD

Kentucky's highest Court articulated a two-part test for determining whether a CPCN is appropriate: (1) need and (2) absence of wasteful duplication. In *Kentucky Utilities Co. v. Public Service Comm'n,* the Court wrote:

> We think it is obvious that the establishment of convenience and necessity for a new service system or a new service facility requires first a showing of a substantial inadequacy or existing service, involving a consumer market sufficiently large to make it economically feasible for the new system or facility to be constructed and operated. Second, the inadequacy must be due either to a substantial deficiency of service facilities, beyond what could be supplied by normal improvements in the ordinary course of business; or to indifference, poor management or disregard of the rights of consumers, persisting over such a period of time as to establish an inability or unwillingness to render adequate service.[16]

The Court went on to say with regards to wasteful duplication that:

> [W]e think that 'duplication' also embraces the meaning of an excessive investment in relation to productivity or efficiency, and an unnecessary multiplicity of physical properties, such as right of

[13] Hearing Video Transcript ("HVT") of the March 17-18, 2025 Formal Hearing.

[14] March 20, 2025 Order.

[15] EKPC Responses to Staff Post Hearing Request (filed March 31, 2025); EKPC Responses to Sierra Club Post Hearing Information Request (filed March 31, 2025); EKPC Responses to Joint Intervenors Post Hearing Data Request (filed march 31, 2025).

[16] *Kentucky Utilities Co. v. Pub. Serv. Comm'n,* 252 S.W. 2d 885, 890 (Ky. 1952).

> ways, poles and wires. An inadequacy of service might be such as to require construction of an additional facility to supplement an inadequate existing facility, yet the public interest would be better serviced by substituting one large facility, adequate to serve all the consumers, in place of the inadequate existing facility, rather than constructing a new small facility to supplement the existing small facility. A supplementary small facility might be constructed that would not create duplication from the standpoint of an excess of capacity, but would result in duplication from the standpoint of an excessive investment in relation to efficiency and a multiplicity of physical properties.[17]

Even though the avoidance of wasteful duplication is one of the primary factors for consideration of a CPCN application, *Kentucky Utilities Co.* makes clear that the Commission must not focus only on the cost of the proposal but must also look at the application for a CPCN in relation to the service the utility is going to provide. The Court stated:

> [W]e do not mean to say the *cost* (as embraced in the question of duplication) is to be given more consideration than the need for *service*. If, from the past record of an existing utility, it should appear that the utility cannot or will not provide adequate service, we think it might be proper to permit some duplication to take place, and some economic loss to be suffered so long as the duplication and resulting loss be not greatly out of proportion to the need for service.[18]

The complete absence of wasteful duplication is not necessary, "it is sufficient that there is a reasonable basis of anticipation" that the "consumer market in the immediate foreseeable future will be sufficiently large to make it economically feasible for a proposed system or facility to be constructed...."[19] The Commission has consistently followed and cited the *Kentucky Utilities Co* decision when evaluating requests for CPCNs.[20]

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[17] *Id.*at 891.

[18] *Id.* at 892 (emphasis in original).

[19] *Kentucky Utilities Co. v. Public Service Comm'n,* 59 P.U.R.3d 219, 390 S.W. 2d 168, 172 (Ky. 1965).

[20] *See In re the Application of Big Rivers Electric Corporation for Approval of its 2012 Environmental Compliance Plan,* Case No. 2012-00063, Order, pp. 14-15 (Ky. P.S.C. Oct. 1, 2012) ("To demonstrate that a proposed facility does

IV. SITE COMPATIBILITY CERTIFICATE LEGAL STANDARD

KRS 278.216 governs the Commission's review of an application for a site compatibility certificate. KRS 278.216 states as follows:

> (1) Except for a utility as defined under KRS 278.010(9) that has been granted a certificate of public convenience and necessity prior to April 15, 2002, no utility shall begin the construction of a facility for the generation of electricity capable of generating in aggregate more than ten megawatts (10MW) without having first obtained a site compatibility certificate from the commission.
>
> (2) An application for a site compatibility certificate shall include the submission of a site assessment report as prescribed in KRS 278.708(3) and (4), except that a utility which proposes to construct a facility on a site that already contains facilities capable of generating ten megawatts (10MW) or more of electricity shall not be required to comply with setback requirements established pursuant to KRS 278.704(3). A utility may submit and the commission may accept documentation of compliance with the National Environmental Policy Act (NEPA) rather than a site assessment report.
>
> (3) The commission may deny an application filed pursuant to, and in compliance with, this section. The commission may require reasonable mitigation of impacts disclosed in the site assessment report including planting trees, changing outside lighting, erecting noise barriers, and suppressing fugitive dust, but the commission shall, in no event, order relocation of the facility.
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> (4) The commission may also grant a deviation from any applicable setback requirements on a finding that the proposed facility is

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not result in wasteful duplication, we have held that the applicant must demonstrate that a thorough review of all alternatives has been performed. Selection of a proposal that ultimately costs more than an alternative does not necessarily result in wasteful duplication. All relevant facts must be balanced.") (citations omitted). *See also, In the Matter of: Electronic Application of the Harrison County Water Association, Inc. Request for a Certificate of Public Convenience and Necessity, Pursuant to KRS 278.020, or Alternatively a Declaratory Order Establishing that a Certificate of Public Convenience is Not Necessary, Pursuant to KRS 278.020 and 807 KAR 5:001 (15 and/or 19),* Case No. 2023-00006, Order p. 2 (Ky. P.S.C. Feb. 3, 2023); *In the Matter of: Electronic Application of Delta Natural Gas Company, Inc. For a Certificate of Public Convenience and Necessity to Construct a Pipeline in Lincoln and Rockcastle Counties, Kentucky,* Case No. 2022-00295, Order, p. 2 (Ky. P.S.C. Dec. 13, 2022); *In the Matter of Electronic Application of Duke Energy Kentucky, Inc., for a Certificate of Public Convenience and Necessity to Close its East Landfill at the East Bend Generating Station and for Approval to Amend its Environmental Compliance Plan for Recovery by Environmental Surcharge Mechanism,* Case No. 2021-00290, Order, p. 3, (Ky. P.S.C. March 4, 2022); *In the Matter of: Electronic Application of Kentucky Utilities Company for a Certificate of Public Convenience and Necessity for the Construction of Transmission Facilities in Hardin County, Kentucky,* Case No. 2022-00066, Order pp. 18-19 (Ky. P.S.C. July 28, 2022).

> designed and located to meet the goals of this section and KRS 224.10-280, 278.010, 278.212, 278.214, 278.218, and 278.700 to 278.716 at a distance closer than those provided by the applicable setback requirements.
>
> (5) Nothing contained in this section shall be construed to limit a utility's exemption provided under KRS 100.324.
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> (6) Unless specifically stated otherwise, for the purposes of this section, "utility" has the same meaning as in KRS 278.010(3)(a) or (9).

Pursuant to this statute, the Commission requires a utility seeking a site compatibility certificate to either submit a site assessment report ("SAR") or show that it is in compliance with the National Environmental Policy Act ("NEPA"). In this proceeding, EKPC provided both a SAR, containing all of the required information,[21] and its notice of availability of an environmental assessment issued by RUS pursuant to NEPA.[22]

The fact that KRS 278.216 requires a utility to file a SAR, including the information required for a merchant generator applying for a Certificate of Construction through the Siting Board, indicates that the legislature intended for the Commission to consider the factors contained within the SAR when making a determination to issue a site compatibility certificate.[23] However, the fact that KRS 278.216(2) allows the utility to submit compliance with NEPA provides the Commission with alternative criteria to review when ensuring a utility has done its due diligence in regards to site selection. The Commission does not have the statutory authority to consider the

[21] Application, Exhibit 4, Attachments BY-1, Volume 1 and Volume 2.

[22] EKPC's Supplemental Response to Joint Intervenors Third Request, Item 9.

[23] *Electronic Joint Application of Kentucky Utilities Company and Louisville Gas and Electric Company for a Site Compatibility Certificate for the Construction of a Solar Facility in Mercer County, Kentucky*, Case No. 2023-00361, Order p. 23 (Ky. P.S.C. July 12, 2024).

best use of the land as property rights are inherently constitutional in nature,[24] and the General Assembly has not abrogated the fundamental rights of landowners.

V. ARGUMENT

A. The Liberty RICE Facility is Needed

The Commission expressed the desire for utilities to have sufficient "steel in the ground" to adequately serve their native load and not rely on any market to serve its forecasted energy and capacity needs.[25] The Liberty RICE facility is needed to improve the reliability and resiliency of EKPC's system.[26] Currently, EKPC's system relies heavily upon the Cooper Station to support the grid in this region of the Commonwealth which is in the southern portion of EKPC's service territory.[27] The Liberty RICE facility is needed to serve the existing and growing demand in EKPC's service territory which was demonstrated in EKPC's 2020 Long Term Load Forecast ("2020 LTLF"), its 2022 Integrated Resource Plan ("2022 IRP"), its 2022 Long Term Load Forecast ("2022 LTLF"), and its 2024 Long-Term Load Forecast ("2024 LTLF").[28] The Liberty RICE facility will have a beneficial impact on economic development by allowing EKPC to reduce its carbon intensity which is used by economic development projects to score different project

[24] KY Const. § 13 and §242; U.S. Const., amend. V and XIV.

[25] *See*, Case No. 2014-00226, An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2013, through April 30, 2014, January 30, 2015, Order (Ky. P.S.C., January 30, 2015); Case No. 2022-00402, Electronic Joint Application of Kentucky Utilities Company and Louisville Gas and Electric Company for Certificates of Public Convenience and Necessity and Site Compatibility Certificates and Approval of Demand Side Management Plan and Approval of Fossil Fuel-Fired Generating Unit Retirement, Order at 95 (Ky. P.S.C., November 6, 2023); and Case No. 2023-00153, Electronic Tariff Filing of East Kentucky Power Cooperative, Inc. and its Member Distribution Cooperatives for Approval of Proposed Changes to Their Qualified Cogeneration and Small Power Production Facilities Tariffs, Order at 10 (Ky. P.S.C. October 21, 2023).

[26] Application p. 6.

[27] *Id.*

[28] *Id.* See also, Tucker Direct Testimony, pp. 11-12.

sites.[29] The Liberty RICE facility enhances EKPC's ability to add additional renewable energy to its system since it is flexible generation that can quickly follow sudden changes caused by intermittent resources.[30] In addition, the Liberty RICE facility is needed to meet the growing demand in PJM's system and the significant base load generation retirements within the PJM system.[31] EKPC had consecutive winters with extremely cold temperatures and set new winter peaks.[32] December 2022 saw Winter Storm Elliott set a new winter peak of 3,747 MW on December 23, 2022 which was a holiday for many businesses.[33] On January 17, 2024, Winter Storm Gerri set EKPC's new winter peak at 3,754 MW.[34] Winter storm Enzo occurred in January 2025, with a system peak of 3,744 MW. This peak was within 10 MW of EKPC's all-time peak load and occurred while EKPC's largest customer had a breaker failure and whose load was greatly reduced.[35] If that customer had not experienced the equipment failure, EKPC's load would have been more than 100 MW greater.[36]

The Liberty RICE facility is needed to help with the nationwide push for electrification and the rapid expansion of stringent federal environmental regulation for utilities.[37] The Liberty RICE facility will assist EKPC in lowering its carbon footprint,[38] will support additional renewable

[29] Tucker Direct Testimony, p. 20.

[30] *Id.*

[31] Tucker Direct Testimony pp. 6, 27-28.

[32] *Id.* at 11, 13.

[33] Tucker Direct Testimony p. 11.

[34] *Id.*

[35] HVT day 2 1:56:00-2:03:00

[36] *Id.*

[37] Tucker Direct Testimony p. 6.

[38] *Id.* at 20.

resources in both EKPC and PJM's systems,[39] and will not only assist EKPC with its generation capacity shortfall but also its transmission issues in this area of its service territory.[40]

1. EKPC's 2022 Integrated Resource Plan Supports the Need for Additional Generation Capacity

EKPC filed its 2022 Integrated Resource Plan ("2022 IRP")[41] on April 1, 2022. EKPC's 2022 IRP was based on its 2020 Long-Term Load Forecast ("2020 LTLF"). The 2020 LTLF analyzed EKPC's forecasted load, capacity needs, and related issues over a fifteen-year period from 2022 through 2036.[42] Based on the 2022 IRP, EKPC's total energy requirement was expected to increase by 1.1% per year over that fifteen-year period, with the winter net peak demand increasing 0.6% annually, its summer net peak demand increasing by 0.8% annually, and its annual load factor increasing from 50% to 54%.[43] EKPC continuously compares its forecasted load profile to its resource portfolio and considers what is the best strategy to manage its energy market price exposure and its future load needs.[44] This has to be balanced with the obligation to provide reliable power supply during extreme conditions.[45] As stated above, the 2022 IRP was based upon the 2020 LTLF which was already showing a need for generation for EKPC to adequately serve its load. This 2020 LTLF and the 2022 IRP both were completed prior to

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[39] *Id.*

[40] Direct Testimony of Darrin Adams p. 10-11.

[41] *Electronic Integrated Resource Plan of East Kentucky Power Cooperative, Inc.,* Case No. 2022-00098, (April 1, 2022).

[42] Application, Exhibit 3, Direct Testimony of Julia J. Tucker ("Tucker Direct Testimony"), p.7, (Sept. 20, 2024).

[43] *Id*.

[44] *Id.*

[45] Id.

December 2022 which produced Winter Storm Elliott which "rocked our (EKPC's) world."[46] Since the 2022 IRP, EKPC prepared the 2022 LTLF and the 2024 LTLF. The Application in this proceeding was based upon the 2024 LTLF.[47]

2. ***EKPC's 2024 Long-Term Load Forecast Demonstrates the Need for the Liberty RICE Facility***

EKPC's 2024 LTLF, upon which this is Application is based, supports the need for the Liberty RICE facility. The 2024 LTLF shows that residential sales are forecasted to grow at a compound annual growth rate of 1.0%; small commercial sales are forecasted to grow at a compound annual growth rate of 0.2%; and large commercial at 1.5% over the forecasted period from 2025-2039.[48] As an added component of the 2024 LTLF, EKPC partnered with a consultant to forecast electric vehicle ("EV") growth and energy requirements.[49] Based on the information reviewed and incorporated into EKPC's 2024 LTLF, total energy requirements, winter peak demand, and summer peak demand including EV projections are forecast to grow at compound annual growth rates of 1.4%, 0.9%, and 1.2%.[50]

EKPC's winter peak forecast is higher in the 2024 LTLF than in both the 2020 LTLF and the 2022 LTLF.[51] Recent winter storms experienced by EKPC in each of the past three years have set new winter peaks for EKPC. The peak experienced in December 2022 during Winter Storm Elliott is attributed to an extreme weather event with unprecedented wind-chill ratings; meaning

[46] HVT day 2 1:30:00-1:40:00

[47] Application, p. 6.

[48] Tucker Direct Testimony, p. 10.

[49] *Id.*

[50] *Id.*

[51] *Id.* at 11.

that, once it was weather normalized, the peak was in-line with forecasted expectations.[52] However, the peak experienced in January 2024 for Winter Storm Gerri, which was EKPC's all-time peak, did not occur during an extreme weather event.[53] Therefore, EKPC was under projecting its winter peak.[54] Additional factors impacting the 2024 LTLF, making it greater than the 2020 LTLF are updated assumptions related to peak load weather, industrial load growth, and EV assumptions.[55] Winter peak loads are up from the 2022 LTLF to the 2024 LTLF 227 MW in the 2025/2026 winter period and up by 199 MW net over the previous load forecast in the 2038/2039 winter period.[56]

For capacity planning purposes, EKPC adds a 7% Capacity Planning Reserve Margin ("Reserve Margin") to the load forecast.[57] As explained by Julia J. Tucker at the hearing in this matter, prior to joining PJM, EKPC was its own balancing authority and used a 12% Reserve Margin for planning purposes.[58] After joining PJM in 2013, EKPC believed that it could rely on the PJM market instead of using a Reserve Margin; so, the winter peak Reserve Margin contained in the 2022 Integrated Resource Plan was 0%.[59] The increase in the Reserve Margin was driven by two risks associated with winter peaks: 1) higher than anticipated demand driven by extreme

[52] *Id.*

[53] *Id.*

[54] *Id*.

[55] *Id.*

[56] *Id.* at 12.

[57] *Id.*

[58] HVT day 2 1:30:00-1:40:00.

[59] HVT day 21:30:00-1:40:00; and Tucker Direct Testimony p. 13.

cold weather events and 2) generator outage probability.[60] Since EKPC is a winter-peaking system it is both necessary and reasonable for EKPC to plan for a generation portfolio to meet expected forecasts and to account for the unknown risks.[61] EKPC quantified these risks by analyzing the 1 in 10 probability of extreme weather events and spreading that risk over the planning horizon, with an extreme weather event occurring every two years for a 48-hour period within each of those two-year periods.[62] This forecasting for the 48-hour period of an extreme weather event is consistent with the actual events EKPC experienced with Winter Storm Elliott and Winter Storm Gerri, which both were multi-day cold weather events, driving load saturation from residential consumption.[63] EKPC believes the 7% Reserve Margin is a reasonable Reserve Margin to allow EKPC to serve its Owner-Members' loads.[64] The summer peak Reserve Margin increased from 3% in the 2022 IRP to 7% in the current filing.[65] This increase in the summer Reserve Margin is necessary to allow EKPC to hedge from potentially volatile PJM capacity market prices.[66] The Commission consistently states that it has no desire for regulated utilities in Kentucky to rely on wholesale energy markets for capacity and energy.[67]

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[60] Tucker Direct Testimony, p. 13.

[61] *Id.*

[62] *Id.*

[63] *Id.*

[64] HVT day 2 1:54:00

[65] Tucker Direct Testimony, p. 13.

[66] EKPC's Supplemental Response to Joint Intervenor's Third Request for Information Item 5, (Feb. 20, 2025).

[67] Case No. 2014-00226, *In the Matter of an Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2013 Through April 30, 2014* (Ky. PSC Order filed Jan., 30, 2015); Case No. 2022-00402, *In the Matter of the Electronic Joint Application of Kentucky Utilities Company and Louisville Gas And Electric 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* (Ky. PSC Order filed Nov. 6, 2023); Case No. 2023-00153, *In the Matter of the Electronic Tariff Filing of East Kentucky Power Cooperative, Inc. and its Member Distribution Cooperative For Approval of Proposed*

EKPC's forecasted capacity needs are based upon EKPC's Capacity Expansion Plan ("Expansion Plan").[68] The Expansion Plan indicates that EKPC has an expected shortfall of 200 MW of capacity beginning in the 2026/2027 winter period as compared to its forecasted winter peak and 454 MW as compared to its forecasted winter peak plus Reserve Margin.[69] The Expansion Plan also supports additional generation assets to meet EKPC's capacity needs.[70]

3. The Liberty RICE Facility is Needed to Improve Transmission in the Area

The Liberty RICE Facility is needed to address the generation capacity shortfall for EKPC, but it also needed to improve the transmission issues EKPC has experienced in the area. When evaluating the sites for the location of the RICE facility, EKPC focused on sites within this region because EKPC identified a reliability concern in the southern portion of its system when generation is not available, particularly the J.S. Cooper Station units.[71] Reliability at J.S. Cooper Station has been a known problem for several years, and information regarding reliability concerns was most recently provided to the Commission in EKPC's last Integrated Resource Plan proceeding (Case No. 2022-00098).[72] During certain high load periods, the transmission system in the area can become stressed when generation is not available at Cooper Station.[73] The Liberty RICE Facility will be connected to the Cooper 161 kV substation by the existing 161 kV line that will connect

Changes to their Qualified Cogeneration and Small Power Production Facilities Tariffs (Ky. PSC Order filed Oct. 31, 2023).

[68] Tucker Direct Testimony, Attachment JJT-3.

[69] Tucker Direct Testimony, pp. 15-16.

[70] *Id*. at. 16; *see also,* Tucker Direct Testimony, Attachment JJT-3.

[71] Application Exhibit 6, Direct Testimony of Darrin Adams, p. 10.

[72] *Id.*

[73] *Id.* at 11.

from the facility to the existing Liberty Junction substation.[74] Therefore, in addition to the Liberty RICE Facility generating units providing voltage support in the immediate area surrounding the facility, this 161 kV connection to the Cooper substation will result in the units providing support to the area that is currently supported by the Cooper generating units.[75] This will provide additional operational margin for the area when these units are operating in conjunction with the Cooper units.[76] The Liberty RICE Facility will be a valuable asset that can be dispatched flexibly when needed to provide transmission support during periods when the Cooper units are not operating.[77] The Liberty RICE units will be able to respond quickly when needed to replace intermittent resources. The ability to bring these units on quickly and in smaller blocks will be beneficial to responding to real-time operational issues on the transmission system in the area.[78] Therefore, the location and operating characteristics of the Liberty RICE Facility will provide substantial benefits for the transmission system.[79]

EKPC needs all of the generation assets contained in its comprehensive plan to address its generation capacity needs. The addition of the Liberty RICE facility in combination with the Cooper Combined-Cycle Gas Turbine facility will bolster reliability even further for the area than just adding one or the other.[80] The existence of two separate generation facilities in the area creates

[74] *Id*.

[75] *Id*.

[76] *Id.*

[77] *Id*.

[78] *Id.*

[79] *Id.*

[80] EKPC's responses to Commission Staff's Fourth Request for Information ("Staff's Fourth Request"), Item 1 (Feb. 28. 2025).

an additional level of reliability that will provide more operating margin for the area when transmission and/or generation outages occur.[81]

Although the addition of the Liberty RICE units will help to solve some transmission issues in the area, upgrading the transmission facilities in the area will not solve EKPC's generation capacity issues. Upgrading or adding new transmission capabilities will not provide additional generation that is needed to serve load.[82] Generation and transmission are two different issues and upgrades to the transmission system does not produce additional generation capacity. EKPC needs additional generation capacity to meet its load today and into the future.[83] In no instance do the transmission upgrades/additions replace the need for generation, rather they enable the generation to reach load.[84] EKPC carefully developed the comprehensive plan to address EKPC's generation capacity shortfall at reasonable costs to its Owner-Members and ultimately the Owner-Member's end use members.

4. PJM's ELCC Paradigm Reduces Generating Capacity and Creates Additional Need

PJM recently changed its capacity accreditation methodology to Effective Load Carrying Capability ("ELCC ") from Equivalent Forced Outage Rate Demand ("EFORD") effective with the 2025/2026 Base Residual Auction ("BRA").[85] The result of this change is an overall reduction in the capacity available from all generators to sell into the PJM capacity market and it reduced EKPC's accredited capacity to sell into PJM by 14% on average for the 2025/2026 BRA.[86]

[81] *Id.*

[82] EKPC's Response to Staff's Fourth Request, Item 2.

[83] *Id.*

[84] *Id.*

[85] Tucker Direct Testimony, p. 14.

[86] *Id.*

EKPC's winter peak is approximately 1,000 MW higher than its summer peak which represents a financial risk should EKPC not carry enough available capacity to offset its required load obligation purchase from the PJM capacity market.[87] EKPC cannot ignore the risk of ELCC even though it is likely that the winter capacity needs will continue to drive capacity resource expansion. Therefore, EKPC increased its summer planning reserves to match its revised winter reserves.[88] The revised Reserve Margin utilized in this analysis helps to further EKPC's efforts to reliably serve its Owner-Members with competitively priced energy and maintain sufficient capacity to effectively hedge its native load during extreme weather events while complying with the Commission's repeated desire for regulated utilities in Kentucky to not rely on wholesale energy markets for capacity and energy.[89]

Although PJM has not published a specific ELCC value for RICE units yet, EKPC estimated the ELCC for RICE units to be seventy nine percent (79%) in the 2029/2030 delivery year,[90] which is consistent with the ELCC PJM calculated for a Natural Gas Combined Cycle ("NGCC") resource.[91] The PJM ELCC is only impactful to EKPC's summer capacity portfolio

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[87] *Id.*

[88] *Id.*

[89] *Id., See also,* Case No. 2014-00226, *In the Matter of an Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2013 Through April 30, 2014* (Ky. PSC Order filed Jan., 30, 2015); Case No. 2022-00402, *In the Matter of the Electronic Joint Application of Kentucky Utilities Company and Louisville Gas And Electric 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* (Ky. PSC Order filed Nov. 6, 2023); Case No. 2023-00153, *In the Matter of the Electronic Tariff Filing of East Kentucky Power Cooperative, Inc. and its Member Distribution Cooperatives For Approval of Proposed Changes to their Qualified Cogeneration and Small Power Production Facilities Tariffs* (Ky. PSC Order filed Oct. 31, 2023).

[90] EKPC's Response to Commission Staff's First Request for Information, Item 9, (Nov. 12, 2024). ("Staff's First Request")

[91] *Id.*

which is based solely on the summer peak load obligation as calculated by PJM and the winter peak load forecast is not impacted by ELCC.[92] Therefore, it would not be accurate for EKPC to calculate its capacity positions using ELCC adjusted winter capacity ratings of existing generation units plus any additions because the ELCC adjusted generation capacity as calculated by PJM is impactful only to EKPC's capacity market sales.[93] EKPC's capacity purchase obligation from the PJM capacity market is based on the summer peak load obligation.[94] EKPC is a winter-peaking utility so planning for ELCC-adjusted summer generation capacity value compared against a winter peak load forecast is not reasonable.[95] If EKPC were to use ELCC-adjusted winter generation capacity, it would grossly understate its capacity values compared to their actual installed capacity, which in turn would drive EKPC's Owner-Members to invest in a greater amount of capacity that is needed to meet the native load plus Reserve Margin.[96] EKPC must seek a proper balance between the overall cost to its Owner-Members and planning to meet its winter peak load plus Reserve Margin to ensure reliability and maintaining a prudent economic hedge against market energy prices.[97]

5. EKPC Cannot Solely Rely on Market Purchases

The Commission consistently instructs that utilities should have sufficient "steel in the ground" to meet its load. EKPC believes that this is a prudent standard set by the Commission

[92] EKPC's Response to Staff's First Request, Item 2.

[93] EKPC's Response to Commission Staff's Third Request for Information, Item 1(d), (Feb. 20, 2024). ("Staff's Third Requests").

[94] *Id.*

[95] *Id*.

[96] *Id*.

[97] *Id.*

especially given the PJM constraints that have been identified.[98] EKPC joined PJM in 2013 and, at that time, EKPC thought that relying on market purchases for additional generation capacity would be a prudent option. However, EKPC determined quickly that was not a viable option. In 2015, EKPC added Blue Grass Station to its portfolio to help to alleviate the need to depend as much on market purchases. More recently, with Winter Storm Elliott, EKPC saw the risk of relying on market purchases again.[99] Therefore, depending on purchases from the market will be a risky proposition for EKPC.[100] The market is tightening significantly at a time when load is expected to substantially increase and winter risk is increasing in the PJM region.[101] Both PJM and the North American Electric Reliability Corporation ("NERC") provided insights related to the PJM region confirming the riskiness of leaning on the market.[102] PJM's 2025/26 Base Residual Auction sent a strong signal that the supply-demand balance is tightening in the PJM region. After the auction, PJM indicated that investment is needed.[103] After releasing the 2025 load forecast report, revealing a substantial increase in expected future load in the PJM region, PJM indicated that the PJM system could see a capacity shortage as soon as the 2026/27 Delivery Year.[104] PJM also indicated in a filing before the Federal Energy Regulatory Commission that now is the time for investment.[105] Additionally, in December 2024, NERC issued its 2024 Long-Term Reliability

[98] HVT day 2 9:08:00

[99] HVT day 2 9:30:00-9:42:00.

[100] EKPC's Response to Commission Staff's Fourth Request for Information, Item 2, (Feb. 28, 2025).

[101] *Id.*

[102] *Id.*

[103] *Id.*

[104] *Id.*

[105] *Id.*

Assessment and, for the first time, NERC designated the PJM region as a region with "Elevated Risk," meaning the region meets resource adequacy criteria, but analysis indicates that extreme weather conditions are likely to cause a shortfall in reserves.[106] EKPC provided charts to show the NERC results in response to Commission Staff's Fourth Requests, Item 2.

Although EKPC previously relied on market purchases for additional needed generation, relying on availability of long-term power purchases introduces more risk into the power supply portfolio than when excess generation was readily available within the PJM system.[107] The economic analysis shows the benefits of EKPC's proposed new generation resources as compared to the PJM market because it would be unreasonable to assume that someone would sell their capacity and energy below the expected market price. The market comparison demonstrates the economic value of constructing the new generators as opposed to relying on power purchases.[108] Therefore, the Liberty RICE facility is more economic compared to the expected PJM market prices.[109]

6. Demand Side Management Programs and Energy Efficiency Programs Are Not Sufficient to Meet EKPC's Generation Capacity Needs

EKPC carefully reviews Demand Side Management ("DSM") programs and Energy Efficiency ("EE") programs to offer a portfolio of programs for its Owner-Members and the end-use members. EKPC undertook an extensive review of DSM/EE programs and is increasing its program selection.[110] After cost-effective DSM/EE measures were identified in the 2024 DSM

[106] *Id.*

[107] *Id.*

[108] *Id.*

[109] EKPC's Response to Commission Staff's Fourth Request, Item 6 Attachment, *DR4-6.xlxs.*

[110] Tucker Direct Testimony, p. 9.

Potential Study, those measures and programs were discussed with the DSM Collaborative along with EKPC and Owner-Member DSM/EE experts. After program level cost benefit analyses are performed by EKPC's expert DSM consultant utilizing the California Standard Practice based DSMore cost benefit analysis software,[111] EKPC developed a new DSM Plan[112] that significantly increase the DSM programs offered resulting in a significant increase in energy and demand savings. The forecast energy and demand savings from the new DSM Plan was applied to the 2024 LTLF decreasing the energy and demand of the 2024 LTLF.[113] The 2024 LTLF provided by EKPC shows that although DSM/EE programs help to reduce load, the reduction is not even close to being enough to offset EKPC's peak load to eliminate the need for additional generation capacity. By modifying the LTLF values, DSM/EE programs receive the maximum amount of generation capacity valuation.

7. Joint Intervenors and the Sierra Club Offered No Evidence in Support of Their Positions

Neither the Sierra Club nor the Joint Intervenors offered any witnesses or evidence in this proceeding. An informal conference was held and no witnesses were sponsored by the Sierra Club or the Joint Intervenors. Based on the six sets of data requests received and the questions at the hearing, it appears that both the Joint Intervenors and the Sierra Club misunderstand EKPC's 2024 LTLF results and how those results compare with the PJM load forecast.[114] As discussed by Julia J. Tucker at the hearing, the PJM load forecast does not contain EKPC's entire load.[115] The PJM

[111] EKPC's Response to Commission Staff's First Request, Item 14.

[112] EKPC's Response to Sierra Club's First Request for Information, Items 13(a) and 13(b), (Dec. 6, 2025).

[113] *Id.*

[114] HVT day 2 9:31:00-9:42:00.

[115] *Id.*

load fails to include EKPC's load that is served on the transmission lines owned by other utilities.[116]

The Sierra Club and the Joint Intervenors do not believe that EKPC's needs the Liberty RICE facility and that instead EKPC should have considered battery storage.[117] Battery storage was not considered because it is simply storage and not generation.[118] In addition, battery storage is not able to provide several key characteristics that RICE can provide.[119] However, Sierra Club agreed in another recent proceeding that, due to the expected amount of renewable energy to be added to the PJM gird, more of these types of generation units (flexible, dispatchable resources that quick start and fast-ramp) are needed to support additional renewable resource penetration.[120] The Liberty RICE facility was chosen due to its ability to quick start and fast ramp since this is beneficial when intermittent resources go offline.[121]

B. Construction of the Liberty RICE Facility Does Not Result in Wasteful Duplication

EKPC showed that construction of the Liberty Rice Facility will not result in wasteful duplication. "Wasteful duplication" is defined as "an excess of capacity over need" and "an

[116] *Id.*

[117] Cite to DRs and hearing testimony.

[118] HVT day 2 10:02:00.

[119] EKPC's Response to Joint Intervenors' Second Request for Information, Item 18 (Dec. 16, 2024).

[120] *See, In the Matter of: Electronic 2024 Integrated Resource Plan of Duke Energy Kentucky, Inc.,* Case No. 2024-00197, Sierra Club's Public Post-Hearing Comments, pp. 9-10, (Feb. 20, 2025)("Last, regardless of environmental regulations, the PJM grid is poised to add tens of gigawatts of wind and solar generation over the next several years. As the PJM grid adds more zero-fuel, low-cost intermittent resources there is an increasing need for flexible, dispatchable resources. When available, these zero-fuel cost resources will always be called on before fuel-burning resources in the PJM energy market, assuming economics-based commitment, and dispatch. ***In turn, integrating flexible, dispatchable resources that quick-start and fast-ramp will be paramount as penetration of renewable resources increases.*** Gas-burning generation is more flexible than the coal-burning unit at East Bend, with a lower cycling cost. Operated on gas, Duke would be more able to commit the unit economically, instead of as "must-run", and therefore save customers money.")(***emphasis added***).

[121] Tucker Direct Testimony pp. 20-21.

excessive investment in relation to productivity or efficiency, and an unnecessary multiplicity of physical properties."[122] In order to demonstrate that the proposed generation units do not result in wasteful duplication, the Commission held that the applicant must demonstrate that a thorough review of all reasonable alternatives was performed.[123] The Commission also found that even if a proposed project ultimately costs more than an alternative, this does not necessarily result in wasteful duplication.[124]

Pursuant to KRS 278.030(2), EKPC has an obligation to furnish adequate, efficient and reliable service to its Owner-Members. As evidenced by the 2024 LTLF, EKPC has inadequate generation and will not be able to provide the service necessary without either construction of generation resources or relying on market purchases. EKPC provided evidence throughout the proceeding that the Liberty RICE facility, with the additional generation resources presented in Case No. 2024-00370, are the least costly and most reasonable options for the generation EKPC needs. EKPC has an immediate need for additional generation and the RICE engines will help fulfill EKPC's need for generation and start to fill a void in EKPC's generation portfolio.

While EKPC did not issue an RFP for the generators in this application, EKPC did evaluate all of its options when considering how to move forward to procure the additional generation needed to serve its Owner-Members.[125] Beginning with the 2022 IRP process, EKPC evaluated

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[122] *Kentucky Utilities*, Case No. 2022-00066, at 14-15 citing *Kentucky Utilities Co*. at 890

[123] *Kentucky Utilities*, Case No. 2022-00066, p. 15, citing *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for the Construction of Transmission Facilities in Jefferson, Bullitt, Meade, and Hardin Counties, Kentucky*, Case No. 2005-00142, Order. (Ky. P.S.C. Sept. 8, 2005).

[124] *Kentucky Utilities,* Case No. 2022-00066, p. 15, citing *Kentucky Utilities Co. v. Pub. Serv. Comm'n*, 390 S.W.2d 168, 175 (Ky. 1965); *See also* Case No. 2005-00089, *The Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity to Construct a 138 kV Electric Transmission Line in Rowan County, Kentucky* (Ky. P.S.C. Aug. 19, 2005).

[125] HVT at 10:02:05.

all the available generation options to meet EKPC's needs, including nuclear, coal-fired, and intermittent resources.[126] Additionally, the amount of capacity needed is far greater than what can be achieved through demand-side programs.[127] Adding to the complexity of how to respond to the increased demand is the ever-increasing amount of renewable generation. The renewable resources require support from a generation facility that can start quickly and follow load when the intermittent renewable projects are not available.[128] RICE units meet all environmental requirements, start quickly, and are fully dispatchable at all load levels.[129] The RICE units have very efficient heat rates at even low load levels.[130] The increasing use of solar throughout the PJM system will also make the Liberty RICE facility economically important because it will be dispatched into the market often.[131]

The Commission expressed the desire for utilities to have sufficient "steel in the ground" to adequately serve its native load. Without the additional generation that will be supplied by the Liberty RICE facilities, EKPC will be forced to purchase additional capacity through market purchases. These market purchases would subject EKPC, and ultimately the end use members, to much higher prices than if EKPC had its own generation. Also, the Commission disallowed market purchases to cover a utility's needs when it does not have sufficient generation of its own.[132] The

[126] Application, Exhibit 3, Direct Testimony of Julia J. Tucker at 20.

[127] Application, Exhibit 3, Tucker Direct Testimony p. 20.

[128] Application, Exhibit 3, Tucker Direct Testimony p. 19.

[129] Application, Exhibit 3, Tucker Direct Testimony p. 21.

[130] Application, Exhibit 3, Tucker Direct Testimony p. 21.

[131] Tucker Direct Testimony p. 21.

[132] *Electronic Application of Kentucky Power Company for an Order Approving Accounting Practices to Establish a Regulatory Asset Related to the Extraordinary Fuel Charges Incurred by Kentucky Power Company in Connection with Winter Storm Elliott In December 2022,* Case No. 2023-00145, June 23, 2023 Order (Ky. PSC June 23, 2023).

Commission found that market purchases are not extraordinary and eligible for recovery when the utility could have planned for them.[133] Since EKPC is aware of its continuing all-time peaks, it must have sufficient generation to avoid wasteful, more expensive market purchases.

C. EKPC Satisfied its Burden of Proof for the Issuance of a Site Compatibility Certificate

EKPC provided a Site Assessment Report ("SAR") that contained the information required for the issuance of a Site Compatibility Certificate for the proposed Liberty Rice facility.[134] EKPC also provided its United States Department of Agriculture ("USDA") Rural Utility Service ("RUS") National Environmental Policy Act ("NEPA") Environmental Assessment.[135] While, KRS 278.216 only requires a SAR or the NEPA Environmental Assessment, EKPC sought to provide the Commission with as much detail about the Liberty Rice Project as possible.

The SAR details various aspects of the project, including the proposed site development plan, compatibility with scenic surroundings, property value impacts, anticipated noise levels, impact on road and railways, and multiple mitigation measures.[136] The proposed site development plan includes a comprehensive description of the facility layout, surrounding land uses, legal boundaries, access control, facility buildings, utilities, and noise evaluation.[137] The project's compatibility with scenic surroundings was evaluated, highlighting the fact the project is located in a rural area with little traffic, and the proposed mitigation measures that will obscure the

[133] Case No. 2023-00145, June 23, 2023 Order at 12.

[134] Application, Exhibit 4, Direct Testimony of Brad Young, Attachment BY-2 Volume 1 and Application, Exhibit 4, Direct Testimony of Brad Young, Attachment BY-2 Volume 2 (collectively "SAR").

[135] Updated Response to Joint Intervenors' Third Request for Information, Item 9 (filed April 2, 2025).

[136] SAR.

[137] SAR at 2-1 – 2-5.

facility.[138] In addition, the property value assessment found there would be no negative impacts on adjoining property values.[139]

The SAR contains a Sound Study Report that evaluates the peak and average noise levels of the Liberty RICE facility.[140] The report is based upon the United States Environmental Protection Agency ("EPA") guidelines that state a sound limit level at nearby sound receptors should be lower than 48.6 dBA for the comfort of nearby residents.[141] Through modeling it was determined that there are two residential noise receptors where the sound level would be 52 dBA during operation.[142] EKPC requested the noise modeling be done for the loudest sound levels possible. The noise modeling in the report assumes all twelve of the Wartsila engines will be operating at the same time and without the additional sound mitigation EKPC has planned,[143] such as exhaust silencers and resonator silencers for the RICE engines.[144] EKPC is also planning on precast concrete walls around the engines and ridge fence silencers.[145] With these additional noise suppression measures the noise level at the two close receptors should be below the EPA guidelines.

[138] SAR at 3-1.

[139] SAR, Appendix B at 1 and 40.

[140] SAR, Appendix D.

[141] Sar, Appendix D at 2-1.

[142] HVT at 10:43:15.

[143] HVT at 10:43:30.

[144] HVT at 10:45:02.

[145] HVT at 10:45:02.

In addition to the Sound Study Report, the SAR contained a Traffic Study.[146] The Traffic Study concluded that there would be additional traffic near the Liberty RICE facility during the construction phase of the project, which would then decrease during operations.[147] During operations the additional traffic would be slight and would not degrade the roads or cause traffic that is heavier than already experienced on the roads around the project.[148] It was noted that delivery of the Wartsila engines will cause the most challenges for the roadways in the area.[149] EKPC is confident that the contractor transporting the engines has the expertise to overcome any issues with the roadways.[150] Additionally, EKPC will work with the Kentucky Department of Transportation and county officials to ensure the safety and integrity of the local roadways.[151]

EKPC is planning to obtain 500 acres for the Liberty RICE facility.[152] This will allow EKPC to maintain 1,000-foot setbacks for the facility and plan for any future expansion.[153] EKPC negotiated options to buy the necessary properties and will not be executing leases.[154] EKPC designed the site so that there are no residences within 1,000 feet of the RICE engines as required by KRS 278.704(2).[155] The average distance from the RICE engines to residences is 1,262 feet.[156]

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[146] SAR, Appendix E.

[147] SAR, Appendix E at 6.

[148] SAR, Appendix E at 5-6.

[149] HVT at 10:55:02. **CONFIDENTIAL SESSION.**

[150] HVT at 11:01:20. **CONFIDENTIAL SESSION.**

[151] HVT at 11:07:15. **CONFIDENTIAL SESSION.**

[152] HVT at 10:24:10

[153] HVT at 10:24:15

[154] EKPC's Responses to Commission Staff's Second Request for Information, Item 16 and HVT at 10:25:20.

[155] SAR, Appendix B at 6.

[156] SAR, Appendix B at 1.

The average distance from the planned switchyard to residences is 1,340 feet.[157] These distances plus the vegetative screening will aid in the Liberty RICE facility blending with the local surroundings.

None of the intervenors in this matter provided any evidence that EKPC has not met its burden to be granted a Site Compatibility Certificate. The Sierra Club and the Joint Intervenors asked general questions at the hearing about the site location; however, neither party presented written evidence regarding the site. Even if the Sierra Club or the Joint Intervenors provided evidence, KRS 278.216 does not permit the Commission to consider the best use of a particular piece of land. Nor does KRS 278.216 allow the Commission to select a different location for the project. KRS 278.216 requires the Commission to only consider if the requirements of KRS 278.708 have been met. EKPC provided a complete record supported by sworn testimony from qualified professionals and expert evidence that meets the requirements of KRS 278.216 and the Commission should issue a Site Compatibility Certificate for the Liberty RICE facility.

VI. CONCLUSION

The Liberty RICE Facility is needed, will not result in wasteful duplication, and a Site Compatibility Certificate should be granted. Aside from providing the additional generation EKPC needs, there are other benefits that will be derived from the RICE engines including adding a generation asset that will help diversify EKPC's generation portfolio, assist with the penetration of renewable resources within the electric grid, aid in economic development, and provide reliable energy at a competitive price.

[157] *Id.*

WHEREFORE, on the basis of the foregoing, EKPC respectfully requests the Commission grant the CPCN to allow EKPC to construct the Liberty RICE Facility, issue a Site Compatibility Certificate, and provide any other relief to which EKPC may be entitled.

This the 11th day of April 2025.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing was transmitted to the Commission on April 11, 2025, and that there are no parties that the Commission has excused from participation by electronic means in this proceeding. Pursuant to prior Commission Orders, no paper copies of this filing will be made.

Counsel for East Kentucky Power Cooperative, Inc.