

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

**In the Matter of:**

<b>ELECTRONIC 2024 JOINT INTEGRATED</b>	)	
<b>RESOURCE PLAN OF LOUISVILLE GAS AND</b>	)	<b>CASE NO. 2024-00326</b>
<b>ELECTRIC COMPANY AND KENTUCKY</b>	)	
<b>UTILITIES COMPANY</b>	)	

**RESPONSE OF**  
**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**AND**  
**KENTUCKY UTILITIES COMPANY**  
**TO**  
**THE ATTORNEY GENERAL'S SUPPLEMENTAL REQUESTS FOR**  
**INFORMATION**  
**DATED JANUARY 22, 2025**

**FILED: February 11, 2025**

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 Services 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*  
\_\_\_\_\_  
**Lonnie E. Bellar**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 5<sup>th</sup> day of February 2025.

*Caroline J. Davison*  
\_\_\_\_\_  
Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027









VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF JEFFERSON )

The undersigned, **Elizabeth J. McFarland**, being duly sworn, deposes and says that she is Vice President, Transmission for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness, and the answers contained therein are true and correct to the best of her information, knowledge, and belief.

*Elizabeth J. McFarland 2/7/25*

\_\_\_\_\_  
**Elizabeth J. McFarland**

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 7<sup>th</sup> day of February 2025.

*Caroline J. Davison*  
Notary Public

Notary Public ID No. KYNP 63286

My Commission Expires:

January 22, 2027





VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF JEFFERSON )

The undersigned, **Stuart A. Wilson**, being duly sworn, deposes and says that he is Director, Energy Planning, Analysis & Forecasting for LG&E and KU Services 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.

Stuart A. Wilson

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 5<sup>th</sup> day of February 2025.

Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



**LOUISVILLE GAS AND ELECTRIC COMPANY**  
**AND**  
**KENTUCKY UTILITIES COMPANY**

**Response to Attorney General’s Supplemental Requests for Information**  
**Dated January 22, 2025**

**Case No. 2024-00326**

**Question No. 1**

**Responding Witness: John Bevington / Tim A. Jones / Elizabeth J. McFarland /  
Stuart A. Wilson**

Q-1. See [https://www.wdrb.com/in-depth/developers-unveil-plans-for-large-techdata-center-in-louisville-the-1st-of-its-kind/article\\_e7adef68-c92f-11ef-b262-bf1780db36c6.html](https://www.wdrb.com/in-depth/developers-unveil-plans-for-large-techdata-center-in-louisville-the-1st-of-its-kind/article_e7adef68-c92f-11ef-b262-bf1780db36c6.html) for an article entitled, Developers unveil plans for large tech data center in Louisville, the 1st of its kind in Kentucky.

- a. Provide detailed information regarding the generation, transmission, and distribution needs for the project described therein including information related to cost and timelines.
- b. Will the needs specified in response to Section (a), require any reconsideration of the plans specified in the IRP or is this additional load tolerated by the capacity of the system planned for in the filed IRP?

A-1.

- a. The Companies have not evaluated generation needs for this project specifically. However, the results of the Companies’ 2024 IRP Resource Adequacy Analysis indicate that the Companies would need more generation resources than currently planned to serve the combination of this load (402 MW) and the second phase of BlueOval SK (120 MW). With currently planned resources, the Companies’ loss-of-load expectation will exceed the 1-in-10 standard (i.e., 1 day in 10 years) if more than 490 MW of new economic development loads are added.<sup>1</sup>

Regarding transmission needs for this project, the Companies have submitted two (2) Transmission Service Requests (TSRs)—one for a

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<sup>1</sup> To determine minimum reserve margin requirements in their resource adequacy analysis, the Companies evaluated loss-of-load expectations (“LOLE”) for their 2028 portfolio over a range of load scenarios. The 2028 portfolio includes CPCN-approved resources like Brown BESS, Mill Creek 5, and more dispatchable DSM. With 1,050 MW of new economic development load, the Companies LOLE is 10.84 days in 10 years, 10 times the 1-in-10 standard (see Table 5 on page 14 of the 2024 IRP Resource Adequacy Analysis). With 490 MW of economic development load (i.e., 1,050 MW less 560 MW), LOLE is 1 day in 10 years.



335MW load and another for an additional 67MW for the same site. The first TSR shows the following needed projects:

Project	Cost	Expected Time to Construct
Increase Maximum Operating Temperature of 1.53 mi of 795 MCM 26X7 ACSR conductor in the Cane Run Switching to International Tap 138kV to 176/212°F.	\$445,160	Complete
Replace 954 MCM 37X station conductor at the Watterson Substation with 954 MCM 45X7 ACSR or better.	\$87,041	12 months
Replace Paddy's West 345/138kV low-side terminal equipment rated less than 2293 A with equipment rated 2293 A or better.	\$619,128	12 months

The first TSR also showed that either a nine-breaker interconnection at an approximate cost of \$29,113,536 or a twelve-breaker interconnection at an approximate cost of \$34,701,167 would be needed. The Companies expect to have this construction complete during or before the third quarter of 2026.

The second TSR has only completed the System Impact Study, but results from that study show only the need for one project to replace terminal equipment with a cost of \$593,400 which would require up to 24 months to complete.

Once service for new loads or generation is granted by the Company's Independent Transmission Organization (required by the LG&E/KU Open Access Transmission Tariff), the new load or generation is included in ongoing analysis to ensure the load or generation can be served with any applicable changes to the transmission system since the ITO studies.

This particular customer will be served at Transmission level voltage. All required distribution infrastructure will be the responsibility of the customer.

- b. No reconsideration is needed. See the response to PSC 2-8.

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**Case No. 2024-00326**

**Question No. 2**

**Responding Witness: Lonnie E. Bellar / Philip A. Imber**

- Q-2. See Response to AG Data Request 1-8 where it states "LG&E's and KU's actions contribute to and help inform PPL's emission goals." See also Response to AG Data Request 1-9 where links are provided to PPL's "Climate Action" website. Confirm that PPL has a self-described "ambitious goal to achieve net-zero carbon emissions by 2050," and targets a 70% emissions reduction by 2035.
- a. Discuss how LG&E/KU can simultaneously pursue the specified goals while at the same time complying with the policy of the Commonwealth of Kentucky as specified in KRS 164.1807 which states in part, "[t]he energy needs of the Commonwealth are best met by continuing to engage in an all-of-the-above approach to electric generation resources, including but not limited to coal, oil, natural gas, wind, solar, hydropower, nuclear, and any future or emerging technologies like hydrogen power."
  - b. Inasmuch as, pursuant to KRS 164.1807(k), it is the policy of the Commonwealth that, "[f]urther retirement of fossil fuel-fired electric generating resources is not necessary for the protection of the environment or the health, safety, and welfare of the citizens of the Commonwealth," confirm that PPL's goal, which LG&E/KU is directly contrary to the law and policy of the Commonwealth.
  - c. The Companies gave substantial treatment to environmental regulation in its IRP. See Volume I at 6-7 through 6-11. Please specify where in the IRP the Companies gave consideration to Kentucky laws relating to energy and the environment.
  - d. If LG&E/KU failed to consider Kentucky policy and law in the IRP process, explain why they failed to do so.
  - e. If LG&E/KU considered Kentucky policy and law in the IRP process but failed to discuss that consideration in the filing, discuss why it failed to do so.
- A-2. Confirmed.

- a. KRS 164.1807 does not exist; the Companies assume the request intended to cite KRS 164.2807(1)(c). The Companies' objective is to provide safe and reliable service at the lowest reasonable cost, which is consistent with the Commission's IRP regulation. Similarly, the Companies' 2024 IRP is consistent with the text in quotes.
- b. KRS 164.1807(k) does not exist; the Companies assume the request intended to cite KRS 164.2807(1)(k). The Companies object to this request as irrelevant, argumentative, and seeking a legal opinion. Without waiving these objections, KRS 164.2807(1)(k) does not preclude or prohibit "[f]urther retirement of fossil fuel-fired electric generating resources"; rather, it states that such retirements are "not necessary for the protection of the environment or the health, safety, and welfare of the citizens of the Commonwealth." Indeed, KRS 164.2807(1)(l) clearly contemplates that such retirements might be appropriate, stating, "The health, happiness, safety, economic opportunity, and general welfare of the citizens of the Commonwealth ... would be harmed by the *premature* retirement of those generating resources[.]"<sup>2</sup> This implies there are times when such retirements are appropriate rather than premature.
- c. The cited portion of Volume I of the Companies' IRP is in Section 6, which addresses the requirements of 807 KAR 5:058 Section 6, "Significant Changes."<sup>3</sup> In particular, the cited portion of the IRP begins with the statement, "Significant changes to environmental regulations since the 2021 IRP are briefly summarized in the following sections." The Companies are unaware of any significant changes to Kentucky environmental regulations since the 2021 IRP, whereas there have been a number of significant changes in federal environmental regulations, which the cited text addresses.

Moreover, the Commission's IRP regulation does not require utilities to discuss state environmental law *per se*, but the regulation does require utilities to address "[a]ctions to be undertaken during the fifteen (15) years covered by the plan to meet the requirements of the Clean Air Act amendments of 1990[.]"<sup>4</sup> The Companies satisfied that requirement.<sup>5</sup>

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<sup>2</sup> Emphasis added.

<sup>3</sup> 807 KAR 5:058 Section 6 states in relevant part, "Significant Changes. All integrated resource plans shall have a summary of significant changes since the plan most recently filed. This summary shall describe, in narrative and tabular form, changes in load forecasts, resource plans, assumptions, or methodologies from the previous plan."

<sup>4</sup> 807 KAR 5:058 Sec. 8(5)(f).

<sup>5</sup> See IRP Vol. I at 8-37 to 8-49.

Finally, it is unclear to which “Kentucky laws relating to energy” the request intends to refer. IRP Volumes I and III explicitly refer to KRS 278.264 as a relevant constraint on fossil fuel-fired unit retirements.<sup>6</sup> Also, Volume I cites KRS 278.466,<sup>7</sup> and Volume III refers to KRS 278.610.<sup>8</sup>

- d. Not applicable.
- e. Not applicable.

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<sup>6</sup> IRP Vol. I at 8-47; IRP Vol. III, 2024 IRP Resource Assessment at 14 and 24.

<sup>7</sup> IRP Vol. I at 5-20.

<sup>8</sup> IRP Vol. III, 2024 IRP Technology Update at 16.

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**Question No. 3**

**Responding Witness: Lonnie E. Bellar**

Q-3. See Response to AG Data Request 1-12.

- a. Discuss why LG&E/KU fail to specifically prefer in-state generation when the General Assembly has stated the Commonwealth's policy that, "[i]t is in the interest of the Commonwealth that it be able to generate sufficient electricity within its borders to serve its own industrial, residential, and commercial demand and to power its own economy." See KRS 164.1807(f).
- b. Discuss whether it is appropriate for a public utility that has been granted a service territory by the Commonwealth to disregard the energy and environmental policies of the same Commonwealth that granted that monopoly.

A-3.

- a. KRS 164.1807(f) does not exist; the Companies assume the request intended to cite KRS 164.2807(1)(f). The Companies object to this request as irrelevant and argumentative. Without waiving these objections:
  1. On its own terms, the quoted text applies to the Commonwealth as a whole, not to any particular utility.
  2. The Companies are able to generate sufficient electricity from resources they own inside their certified service territories in Kentucky to serve the demands of their own industrial, residential, and commercial customers.
  3. All of the IRP least-cost resource plans, the 2024 IRP Recommended Resource Plan (Mid Load), and the Enhanced Solar Resource Plan (Mid Load) would result in the Companies being able to generate sufficient electricity from their own resources inside Kentucky to serve the demands of their own industrial, residential, and commercial customers.

4. This is an IRP review proceeding, not a case in which any resource retirement or acquisition decisions are being made.
- b. The Companies object to this request as irrelevant, argumentative, and seeking a legal opinion. Without waiving these objections, see the response to part a.