

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|---|----------|----------------------------|
| ELECTRONIC APPLICATION OF KENTUCKY |) | |
| UTILITIES COMPANY AND LOUISVILLE GAS |) | |
| AND ELECTRIC COMPANY FOR |) | CASE NO. 2025-00045 |
| CERTIFICATES OF PUBLIC CONVENIENCE |) | |
| AND NECESSITY AND SITE COMPATIBILITY |) | |
| CERTIFICATES |) | |

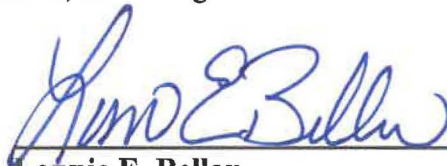
RESPONSE OF
KENTUCKY UTILITIES COMPANY
AND
LOUISVILLE GAS AND ELECTRIC COMPANY
TO
THE COMMISSION STAFF'S FOURTH REQUEST FOR INFORMATION
DATED JUNE 10, 2025

FILED: JUNE 27, 2025

VERIFICATION

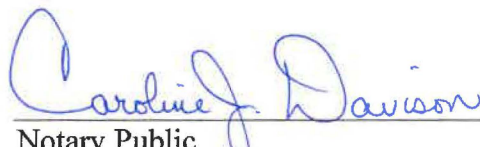
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Lonnie E. Bellar**, being duly sworn, deposes and says that he is Executive Vice President of Engineering, Construction and Generation for PPL Services Corporation and he provides services to Louisville Gas and Electric Company and Kentucky Utilities Company, 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 18th day of June 2025.



Notary Public


Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


John Bevington


Notary Public

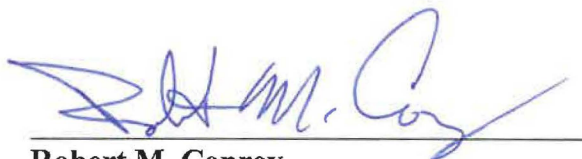
January 22, 2027



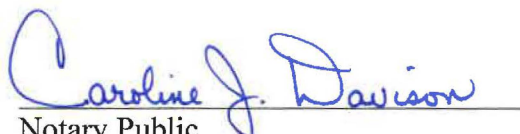
VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates, for Kentucky Utilities Company and Louisville Gas and Electric Company and an employee of LG&E and KU Services Company, 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.


Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 24th day of June 2025.


Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

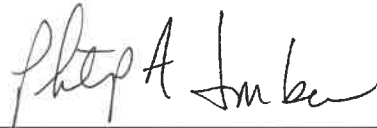
January 22, 2027



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Philip A. Imber**, being duly sworn, deposes and says that he is Director – Environmental Compliance for PPL Services Corporation and he provides services to Louisville Gas and Electric Company and Kentucky Utilities Company, 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.



Philip A. Imber

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 23rd day of June 2025.



Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


Tim A. Jones

Caroline J. Davison
Notary Public

January 22, 2027



COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)


Charles R. Schram

Caroline J. Davison
Notary Public
Notary Public ID No. KYNP63286

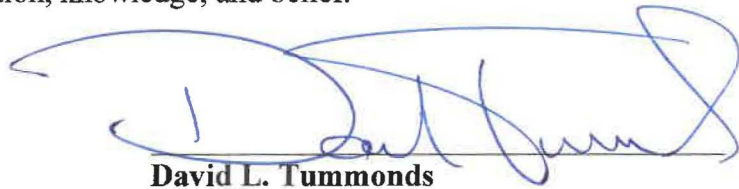
January 22, 2027



VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **David L. Tummonds**, being duly sworn, deposes and says that he is Senior Director - Project Engineering for Kentucky Utilities Company and Louisville Gas and Electric Company and is an employee of LG&E and KU Services Company, 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.


David L. Tummonds

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 18th day of June 2025.


Notary Public

Notary Public, ID No. KYNP4577

My Commission Expires:

April 1, 2028



VERIFICATION

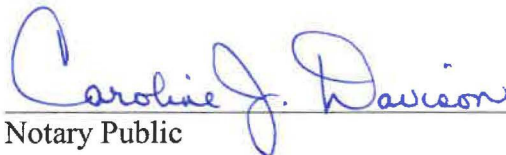
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Stuart A. Wilson**, being duly sworn, deposes and says that he is Director – Power Supply for Kentucky Utilities Company and Louisville Gas and Electric Company and is an employee of LG&E and KU Services Company, 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 18th day of June 2025.


Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 22, 2027



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

**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 1

Responding Witness: John Bevington

- Q-1. Refer to LG&E/KU's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 14(a). Explain the basis of the weightings and probabilities used to determine the economic development queue. As part of the response, include any scoring templates, rubrics, or other related material utilized in determining the economic development queue.
- A-1. See the responses to AG-KIUC 2-20 and SC 3-17. The Companies do not use a scoring template, rubric, or other related material in assigning the stage of economic development projects. For further context on the stages of the economic development queue, see the responses to PSC 1-18(c), PSC 2-17, and PSC 2-18 in this proceeding and JI 1-16 in Case No. 2024-00326.

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

**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 2

Responding Witness: Lonnie E. Bellar / Robert M. Conroy / Stuart A. Wilson

- Q-2. Refer to LG&E/KU's response to Staff's Second Request, Item 48. The response states that LG&E/KU would not commit to serve a new load unless it could do so "reliably". Explain specifically what "reliably" means in this context. Provide the quantitative measure that would be used to assess reliability in this case.
- A-2. The Companies can serve a new load reliably if their existing generation resources or planned resources result in a system with a loss of load expectation ("LOLE") less than the industry standard LOLE for reliability of 1 day in 10 years. If their LOLE with a new load would significantly exceed that standard, then the Companies would potentially attempt to acquire additional resources or delay serving the new load until additional resources could be added to the system. This is consistent with how the Companies have analyzed resources required to serve customers reliably throughout this proceeding and the 2024 IRP case.¹

¹ See, e.g., Direct Testimony of Stuart A. Wilson, Exh. SAW-1 at 34-35; Companies' Supplemental Response to KCA 1-4, Attachment 1 at 12; Case No. 2024-00326, IRP Vol. III, 2024 IRP Resource Adequacy Analysis; Case No. 2024-00326.

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

**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 3

Responding Witness: Tim A. Jones / Stuart A. Wilson

- Q-3. Refer to LG&E/KU's response to the Attorney General's and Kentucky Industrial Utility Customers' Second Request for Information, Item 18(a). LG&E/KU evaluated the uncertainty in the economic development load by assessing the impact of a +/-280 MW variation in the load. Provide the basis of the 280 MW used for this assessment and explain whether other load points were considered.
- A-3. Data center load is assumed to be added in 70 MW blocks, and the 140 MW difference between load scenarios comprises two 70 MW blocks. The decision to evaluate two higher and two lower load scenarios (and not more) was based largely on the significant amount of time required to evaluate each load scenario. At the time the analysis was completed, 25 PLEXOS runs (five load scenarios times five fuel price scenarios) was the maximum number of runs that the Companies could complete in parallel with the computing resources available. As noted in the referenced response, the Companies did not evaluate a larger range of data center load because they believe 1,750 MW is a reasonable estimate for economic development load growth. The Companies evaluated a scenario with 1,050 MW of data center load in their 2024 IRP and a scenario with 1,002 MW of data center load in response to PSC 2-1.

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

**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 4

Responding Witness: Lonnie E. Bellar / Robert M. Conroy

- Q-4. Refer to the Direct Testimony of Lonnie Bellar, page 11, lines 7-11:
- a. Explain whether the Unit Reservation Agreement payment of \$25 million is recoverable if the Brown 12 NGCC project is not approved.
 - b. Provide a summary of all other unrecoverable costs, including preliminary engineering costs that LG&E/KU have committed to during the Certificate of Public Convenience and Necessity (CPCN) Application process.

- A-4. It is unclear what “recoverable” and “unrecoverable” mean in this request. If they refer to recoverability of costs through rates, all prudently incurred costs are recoverable, and all the described costs have been or will be prudently incurred.

If this request intends “recoverable” and “unrecoverable” to refer to whether the Companies can obtain refunds for or otherwise recoup expended funds or resources, see the responses below.

- a. See the response to PSC 1-34(a).
- b. In summary, costs incurred for these projects other than the Unit Reservation Agreement referenced in part a) total \$2.63 million at the time of this response as detailed in the table below. Consistent with previous CPCN filings, these incurred costs fund necessary engineering studies and the interconnection process.

| | |
|-------------------|----------------|
| Brown 12 NGCC | \$1.01 million |
| Mill Creek 6 NGCC | \$0.57 million |
| Cane Run BESS | \$0.39 million |
| Ghent 2 SCR | \$0.66 million |

**KENTUCKY UTILITIES COMPANY
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**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 5

Responding Witness: Charles R. Schram

- Q-5. Refer to the Direct Testimony of Charles Schram. Provide the incremental increased cost to provide natural gas service to support the Mill Creek Unit 6 and Brown Unit 12 Natural Gas Combined Cycle (NGCC) projects.
- A-5. See the response to JI 1-71 for the modeled annual gas transportation costs for Brown 12 and Mill Creek 6.

**KENTUCKY UTILITIES COMPANY
AND
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**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 6

Responding Witness: Philip A. Imber

- Q-6. Refer to the Direct Testimony of Phillip Imber, page 9, lines 15-16. Recognizing that the Environmental Protection Agency (EPA) Administrator Lee Zeldin continues to refine the recommended modifications to the Current EPA Ozone National Ambient Air Quality Standards (NAAQS) regulations, provide the latest EPA position as it relates to the current 2015 Ozone NAAQS regulations.
- A-6. The Companies are not aware of any communication from the EPA that contemplates “deregulation” of the 2015 Ozone National Ambient Air Quality Standard (NAAQS) of 70 parts per billion. On April 9, 2025, EPA Administrator Lee Zeldin announced 31 deregulatory actions that coincided with the publication of various Executive Orders such as *Reinvigorating America’s Beautiful Clean Coal Industry*, *Protecting American Energy from State Overreach*, and *Strengthening the Reliability and Security of the United States Electric Grid*. Relaxing the 2015 Ozone NAAQS has been consistently absent from campaign promises, executive actions, agency actions, and judicial actions. There is no perception or perspective that the 2015 Ozone NAAQS is under scrutiny or challenge. The Good Neighbor Plan is stayed; nonetheless, the EPA must finalize State Implementation Plans (“SIP”) or implement a Federal Implementation Plan addressing significant contributions under the good neighbor provision of the Clean Air Act. Kentucky is currently evaluated as a significant contributor, and the EPA has not communicated the requirements of an approvable SIP. Implementing Reasonably Achievable Control Technology on Ghent 2 would ensure flexible operation under an approvable Kentucky SIP.

**KENTUCKY UTILITIES COMPANY
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**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 7

Responding Witness: David L. Tummonds

- Q-7. Refer to the Direct Testimony of David Tummonds, page 7: Recognizing the anticipated long construction period associated with the Mill Creek Unit 6 and Brown Unit 12 projects, provide a detailed description of the receipt inspection and secure storage process that the Engineering, Construction and Procurement (EPC) will utilize during construction.
- A-7. The Companies do not expect the timeline from site mobilization to commercial operation for the referenced units to differ substantially from either the current construction of Mill Creek 5 or industry standard. Deviation between the generally expected duration noted and that on page 8 of the referenced testimony consists of incremental time from contract execution to site mobilization because the current market demands earlier contract execution for the same construction effort.

Consistent with previous construction projects executed under an EPC contract, receipt inspection and secure storage of all equipment will remain the responsibility of the EPC vendor. The Companies will maintain awareness of EPC methodologies but will not take responsibility for this requirement until the commercial operation date ("COD") because this would invalidate important protection provided by the EPC contract.

**KENTUCKY UTILITIES COMPANY
AND
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**Response to Commission Staff's Fourth Request for Information
Dated June 10, 2025**

Case No. 2025-00045

Question No. 8

Responding Witness: Lonnie E. Bellar / John Bevington / Tim A. Jones

- Q-8. Refer to the June 2, 2025 WDRB article titled Group Scraps Oldham County data center plan in favor of new site, smaller project. https://www.wdrb.com/indepth/group-scraps-oldham-county-data-center-plan-in-favor-of-new-site-smallerproject/article_618befd2-e634-443e-b3ab-5309483cc1c0.html. Refer also to Stuart Wilson's Direct Testimony at 4. Refer also to LG&E/KU's Application, pages 6-7. Refer also to LG&E/KU's response to Commission Staff's First Request for Information, Item 1(b).
- a. State whether LG&E/KU is aware of the article and its contents. If not, state whether LG&E/KU are aware of the Oldham County Data Center Project, titled Project Lincoln, news that it intends to relocate and downsize the proposed data center.
 - b. If LG&E/KU are aware of the news regarding Project Lincoln, state if, and when, LG&E/KU were informed of the Project regarding its intention to downsize.
 - c. State whether LG&E/KU know what size, in MW, the new projected load will be for Project Lincoln.
 - d. State whether LG&E/KU believe that, based on the news article referenced above or other conversations with Project Lincoln developers, Project Lincoln will be delayed. If so, provide the closest estimate the Companies have for the completion of Project Lincoln and when LG&E/KU believe they will be required to serve the data center load.
 - e. State what, if any, impact a reduction in load from the Project Lincoln data center has on LG&E/KU's load forecast including the economic development load forecast. As part of the response, discuss whether any impact on the load forecast because of the Project Lincoln reported reduction would be material.

A-8.

- a. Yes, the Companies are aware of the article and its contents.
- b. The developer informed the Companies of a potential relocation from the Highway 53 site on June 1, 2025. The developer did not communicate an intent to downsize the project.
- c. The Project Lincoln developer previously submitted a 100 MW TSR for the drive-in theater site to which the cited WDRB story refers. Although that TSR has expired, the developer and community leaders have agreed to refocus the plans on the former drive-in site and it is anticipated that the TSR application submitted previously will be resubmitted to the ITO. The Companies understand the developer is considering additional locations beyond the publicly announced drive-in theater for the balance of the planned 600 MW.
- d. The Companies believe it is too early to alter the schedule because alternative sites are being evaluated by the customer, such as the publicly announced drive-in theater.
- e. The recent announcement concerning Project Lincoln has no effect on the Companies' 2025 CPCN Load Forecast for several reasons.

First, as noted above, the Companies have received no information that the developer intends to reduce the project's total 600 MW load.

Second, as the Companies stated in response to PSC 1-17(a), "The 1,750 MW of data center load included in the 2025 CPCN Load Forecast does not consist of specific data center projects; rather, it is a reasonable estimate of how much of the more than 6,000 MW of potential data center load in the Companies' current queue will come to fruition in the near term."² The Companies' load forecast is thus not tied to any specific data center project or projects; rather, any of the more than 6,000 MW of data center projects in the Companies' economic development queue could be part of the 1,750 MW the Companies currently anticipate being able to serve reliably with existing, approved, and requested resources. For example, since Project Lincoln's announcement, other projects have already submitted or plan to submit TSRs that, in combination with Project Lincoln's existing 100 MW TSR for the drive-in site, already exceed 600 MW (an additional 123 MW for the Camp Ground Road data center, Project Pineville (350 MW), and Project Strataspac (45 MW)).

Third, it is important to bear in mind that data center load can come online much faster than the Companies can obtain resources to serve it. Data centers can proceed from groundbreaking to beginning to take significant

² See also Companies' responses to JI 1-5(b) and AG-KIUC 3-3(a).

amounts of service in just 18 months, and thereafter can add large amounts of new load per month. In contrast, Brown 12 will not be in service until 2030, and Mill Creek 6 will not be in service until 2031. Therefore, a possibly temporary setback for one data center project does not and should not affect the load forecast five to six years from now; there are over 6,000 MW of data center projects in the Companies' economic development queue, and others that are not yet in the queue can and will arise before 2030, especially if the Companies are authorized to proceed with the proposed resources.