# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In	the	M	atter	οf·

<b>ELECTRONIC APPLICATION OF KENTUCKY</b>	)	
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 LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AND LEXINGTON-FAYETTE URBAN COUNTY'S SECOND REQUEST FOR INFORMATION DATED MAY 2, 2025

FILED: MAY 16, 2025

COMMONWEALTH OF KENTUCKY	)
	)
COUNTY OF JEFFERSON	í

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

Notary Public

Notary Public ID No. KYNP 63286

My Commission Expires:

Jamary 22, 2027

COMMONWEALTH OF KENTUCKY	)
	)
COUNTY OF JEFFERSON	)

The undersigned, **John Bevington**, being duly sworn, deposes and says that he is Senior Director – Business and Economic Development 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.

John Bevington

Notary Public

Notary Public ID No. KINP 63286

My Commission Expires:

Jamary 22, 2027

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, 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.

Robert M. Conroy

Notary Public Llyy

Notary Public ID No. KYNP61560

My Commission Expires:

November 9, 2026



COMMONWEALTH OF KENTUCKY	)
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	,
COUNTY OF JEFFERSON	)

The undersigned, **Tim A. Jones**, being duly sworn, deposes and says that he is Senior Manager – Sales Analysis and 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.

Tim A. Jones

Notary Public

Notary Public ID No. KYNP63286

My Commission Expires:

January 32, 2027

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, 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.

David L. Tummonds

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 15th day of 2025.

Notary Public

Notary Public, ID No. KYNP4577

My Commission Expires:

April 1, 2028



COMMONWEALTH OF KENTUCKY	)
	)
COUNTY OF IEEEEDSON	′
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, 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

Notary Public

Notary Public ID No. KYNP 63286

My Commission Expires:





# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### Question No. 1

Responding Witness: John Bevington / Tim A. Jones

- Q-1. Refer to LG&E/KU's response to Commission Staff's First Request for Information, Item 1.b., regarding the certainty of the 600 MW data center proposed to be located Oldham County. An article published in the Courier Journal on April 15, 2025, reported objections from Oldham County residents against the project at its current proposed location. State whether LG&E/KU's response to Commission Staff's First Request for Information, Item 1.b., has changed in light of the contents of that media coverage.
- A-1. It has not. The Companies did not state that the load was certain in the referenced response, but that more certainty had been added than before the announcement: "These announcements have added more certainty to a significant portion of the economic development load forecast." This project remains in the prospect phase, but the fact that the developer has publicly announced plans and studies makes the project more likely to come to fruition.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Ouestion No. 2**

### **Responding Witness: John Bevington**

- Q-2. Refer to LG&E/KU's response to Commission Staff's First Request for Information, Item 18.c.
  - a. For the economic development project stages labeled as "Inquiry," "Suspect," or "Prospect," identify the projects associated with each category along with the load and potential location of each of those projects.
  - b. For the "Prospect" stage, identify the project(s) that is/are closest to being transitioned to the "Imminent" stage.

#### A-2.

- a. See the attachment to PSC 2-17(g).
- b. The Companies' economic development tracking system includes five stages and does not include subcategories within those stages. Accordingly, the Companies cannot provide the requested information.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Question No. 3**

### **Responding Witness: John Bevington**

- Q-3. Refer to LG&E/KU's response to Commission Staff's First Request for Information, Item 28.c., provide further details of what minimum contract duration, minimum contract demand, and credit support, assurance, or security requirements would entail.
- A-3. See the response to PSC 1-28(b).

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

### **Question No. 4**

**Responding Witness: Robert M. Conroy** 

- Q-4. Refer to LG&E/KU's response to Commission Staff's First Request for Information, Item 96, regarding economic development discount rates. State whether LG&E/KU intend to offer economic development discount rates to any of the potential data centers that are projected to located within their service territories.
- A-4. The Company's Economic Development Rider ("EDR") is open to all customers who meet the requirements of both its tariff and Admin Case 327. As one of the requirements to participate within the EDR is for the Company to have excess generation capacity, this rider is currently not available to any customer.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Question No. 5**

Responding Witness: Lonnie E. Bellar / Stuart A. Wilson

- Q-5. Refer to LG&E/KU's response to Kentucky Coal Association's First Request for Information, Item 4. State when the results of the analysis on the continued operation of Mill Creek Unit 2 are expected to be completed.
- A-5. See the response to PSC 2-47.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

Question No. 6

**Responding Witness: Robert M. Conroy** 

- Q-6. Metro-LFUCG's First Request for Information, Item 1 asked "how current ratepayers are protected if the load forecasted for projected development does not occur." The Companies' response simply cross-referenced the response to PSC 1-28. The Companies' response to PSC 1-28 does not appear to address how current ratepayers will be protected if the load forecasted for projected development does not occur regardless of the likelihood of whether the load forecasted for projected development does not occur. Please explain how current ratepayers are protected if the load forecasted for projected development does not occur.
- A-6. See the response to AG-KIUC 2-22(f).

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### Question No. 7

**Responding Witness: David L. Tummonds** 

- Q-7. Refer to LG&E/KU's response to Metro-LFUCG's First Request for Information, Item 6. Confirm whether the difference in timing of the contracts for labor and materials is the only factor as to why the Companies believe that the EPC bids will reflect some cost efficiency for Brown 12 and an escalated difference for Mill Creek 6. If there are other factors, please describe what those factors are.
- A-7. The Companies do not expect that the difference in timing of the contracts will drive cost efficiency for any units. That cost efficiency will be driven by having greater than one unit across which to spread common costs, such as engineering and procurement efforts. The Companies do expect that escalation for largely identical material and labor from Brown 12 to Mill Creek 6 will be driven by timing as some material and labor for Mill Creek 6 cannot be procured at the same time as that for Brown 12.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Question No. 8**

### Responding Witness: Lonnie E. Bellar / David L. Tummonds

- Q-8. Refer to LG&E/KU's response to Metro-LFUCG's First Request for Information, Item 11.
  - a. State whether the Companies have developed a scoring rubric to evaluate proposals submitted by prospective EPC contractors. If yes, provide a copy of that scoring rubric. If not, explain if and when they will develop such a rubric.
  - b. Provide copies of any scoring rubric developed or used by the Companies over the last five years for evaluating EPC contractors on generation facilities.

A-8.

a.-b. With new generation construction work, the Companies do not use a scoring rubric (or a specific scoring guide) for evaluating such EPC work. Rather the Companies will evaluate the bids both technically and commercially. As part of this evaluation process, the differences among the scopes proposed by the bidders will be normalized to appropriately identify select bidders. Upon normalizing the scope of such bidders, Generation Planning will run proposals through their screening model over the course of the unit's estimated life modeling the installation costs, unit attributes, and expected ongoing capital, O&M, and fuel costs. The bid option with the lowest total cost is the chosen bid option from the qualified and select bidders unless it has been subsequently determined such bid will not be viable commercially or technically.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Question No. 9**

**Responding Witness: David L. Tummonds** 

- Q-9. Refer to LG&E/KU's response to Metro-LFUCG's First Request for Information, Item 19. The item asked whether the costs associated with the Companies' two owned solar projects are currently projected to be higher than anticipated as of the date the Companies originally requested Commission approval in Case No. 2022-00402. The Response referred to the testimony of Lonnie Bellar at pages 8-9, which indicates that costs for the Marion County Solar project have increased \$35 million since the estimate provided in Case No. 2022-00402. Mr. Bellar does not provide a similar comparison for Mercer County Solar. Please state whether the costs associated with the Companies' Mercer County Solar project are currently projected to be higher than anticipated as of the date the Companies originally requested Commission approval in Case No. 2022-00402, and if so, quantify the anticipated increase.
- A-9. Consistent with the referenced testimony and Metro-LFUCG's First Request for Information, Item 19, the costs associated with the Companies' Mercer County Solar project are currently projected at \$243 million consistent with the final evaluated expected costs in Case No. 2022-00402.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Question No. 10**

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

- Q-10. Please explain how the term "economic development load" is defined, as used in the Companies' application. Include in your response whether the Companies have tracked actual or forecasted projected economic development load prior to the preparation of the most recent Integrated Resource Plan and this case. (Note: This question corrects the term identified in MetroLFUCG's First Request for Information, Item 27.)
- A-10. As used in the Companies' application, economic development load generally means load associated with current large commercial and industrial customer expansions or projects considering new locations in the Companies' service territories. The Companies have long included economic development load in their load forecasts, well before the 2024 IRP. The Companies do not track the percentage of economic development prospects that become customers or the usage of those customers over time.

# Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Question No. 11**

### **Responding Witness: John Bevington**

- Q-11. Refer to LG&E/KU's response to Metro-LFUCG's First Request for Information, Items 32 and 37.
  - a. State whether the Companies plan to communicate with data centers regarding their renewable capacity requirements.
  - b. If data centers have renewable capacity requirements, explain how the Companies will satisfy those requirements.
  - c. State whether it is possible that a data center would choose not to locate in the territory of an electric utility if the electric utility cannot satisfy the data center's renewable capacity requirements.

#### A-11.

- a. Yes, when requested by the customer, the Companies will discuss the customer's renewable capacity requirements.
- b. Data centers can utilize the Companies' Green Tariff offerings, as well as the Companies' Solar Share Program and qualifying facility tariff provisions.
- c. The Companies acknowledge that may be possible, but it is not something the Companies have experienced.

### Response to Louisville/Jefferson County Metro Government and Lexington-Fayette Urban County's Second Request for Information Dated May 2, 2025

Case No. 2025-00045

#### **Question No. 12**

### **Responding Witness: Robert M. Conroy**

- Q-12. Refer to LG&E/KU's response to Metro-LFUCG's First Request for Information, Item 45 and LG&E/KU's response to Commission Staff's First Request for Information, Item 28b. State whether the Companies will propose requirements for participation in DSM programs in new tariff provisions for large, high load factor customers. If not, please explain why not.
- A-12. No. The Companies' response to Metro-LFUCG 1-45 provides the requested explanation.