## **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 CERTIFICATES	)	CASE NO.
OF PUBLIC CONVENIENCE AND NECESSITY	)	2025-00045
AND SITE COMPATIBILITY CERTIFICATES	)	

# REBUTTAL TESTIMONY OF PHILIP A. IMBER DIRECTOR, ENVIRONMENTAL COMPLIANCE ON BEHALF OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY

Filed: July 18, 2025

# TABLE OF CONTENTS

INTRODUCTION	1
ENSURING COMPLIANCE WITH OZONE NAAQS REQUIRES CONSTRUCTING THE GHENT 2 SCR	1
CARBON REGULATIONS MAKE NGCC MORE VALUABLE	3
DELAYING THE RETIREMENT OF MILL CREEK 2 WOULD REQUIRE CITY AND STATE APPROVAL	3
CONCLUSION	4

1		<b>INTRODUCTION</b>
2	Q.	Please state your name, position, and business address.
3	A.	My name is Philip A. Imber. I am the Director of Environmental Compliance for PPL
4		Services Corporation, which provides services to Kentucky Utilities Company ("KU")
5		and Louisville Gas and Electric Company ("LG&E") (collectively, the "Companies").
6		My business address is 820 West Broadway, Louisville, Kentucky 40202.
7	Q.	What is the purpose of your rebuttal testimony?
8	A.	I respond to concerns regarding environmental regulation in the Direct Testimonies of
9		Chelsea Hotaling on behalf of Sierra Club, Emily Medine on behalf of the Kentucky
10		Coal Association, Inc., and Sean O'Leary on behalf of Joint Intervenors. I also briefly
11		address the permitting of Mill Creek 5.
12 13		ENSURING COMPLIANCE WITH OZONE NAAQS REQUIRES CONSTRUCTING THE GHENT 2 SCR
14	Q.	Do you agree with Ms. Hotaling and Ms. Medine that the Good Neighbor Plan is
15		currently stayed and does not apply to Kentucky? <sup>1</sup>
16	A.	Yes, I do. I discussed the status of the Good Neighbor Plan in my direct testimony and
17		agree it does not apply to Kentucky, and the EPA must now act to approve or deny the
18		Kentucky state implementation plant ("SIP").
19	Q.	What obligations remain for the EPA and for Kentucky under the Clean Air Act?
20	A.	The EPA has a statutory obligation under the Clean Air Act to ensure nationwide
21		attainment and maintenance of the 2015 Ozone NAAQS, regardless of the legal status
22		of the Good Neighbor Plan in any particular state. While the Good Neighbor Plan was
23		one mechanism for addressing interstate transport, its absence does not absolve

<sup>&</sup>lt;sup>1</sup> Hotaling Testimony at 4, 47; Medine Testimony at 8.

1 Kentucky or the EPA of their broader clean air responsibilities. EPA is still obligated 2 to drive attainment of the 70 parts per billion ("ppb") ozone standard of the 2015 Ozone 3 NAAQS, including any state's significant contribution to downwind states' 4 nonattainment or interference with any state's maintenance of attainment. Even 5 without the Good Neighbor Plan applying to Kentucky, the EPA must still enforce the 6 statutory "good neighbor" provision by ensuring that emissions from Kentucky do not 7 significantly contribute to downwind ozone problems. Simultaneously, Kentucky must 8 maintain a SIP that complies with all applicable CAA requirements.

9

#### Q. Is Kentucky at risk of nonattainment with these obligations?

A. Yes. As I described in my direct testimony, Kentucky and the Louisville-Jefferson
County area are at risk for nonattainment with the 2015 Ozone NAAQS. Ghent 2 is
one of a small minority of coal-fired generating units not expected to retire in the next
few years that lacks SCR, making it a likely measure to be required by any revised SIP
or Kentucky-specific federal implementation plan ("FIP").

# Q. Ms. Hotaling asserts that the SCR is only needed if the Good Neighbor Plan is ultimately upheld.<sup>2</sup> Do you agree?

A. No. The Good Neighbor Plan does not apply in Kentucky, but the Companies must
currently comply with ozone season NOx mass emissions allowances. The 2015 Ozone
NAAQS has attainment deadlines that have passed. While the EPA has been
challenged in performing its duties to eliminate significant impacts to downwind states,
reasonably available control technology should have been installed by 2026. The EPA
can perform a NOx SIP call or implement other regulations to immediately reduce

<sup>&</sup>lt;sup>2</sup> Hotaling Testimony at 49-50.

1	NOx. Implementing the Ghent 2 SCR ensures our flexibility to allow Ghent 2 to
2	continue to operate year-round.

3		CARBON REGULATIONS MAKE NGCC MORE VALUABLE
4	Q.	Do you agree with Mr. O'Leary that the construction of new natural gas
5		generation makes the Companies vulnerable to future carbon risk? <sup>3</sup>
6	A.	No. To the contrary, NGCC units provide firm, dispatchable generation with materially
7		lower emissions, making them an important component of carbon mitigation strategies.
8		Accordingly, carbon regulations like Sections 111(b) and (d) of the CAA make NGCC
9		generation more valuable and important, not less so, as Mr. Wilson's analysis in the
10		Companies' 2024 Integrated Resource Plan demonstrated. <sup>4</sup>
11	Q.	Why would NGCC units be more valuable under the carbon-regulated framework
12		Mr. O'Leary anticipates?
13	A.	NGCC units can achieve high efficiency and relatively low emissions per megawatt-
14		hour, especially when operating at optimal load. Under carbon constraints, this
15		positions NGCC as a compliance-friendly generation option that balances reliability
16		with emission reductions. Thus, further carbon regulation does not diminish the value
17		of NGCCs—it reinforces it.
18 19		DELAYING THE RETIREMENT OF MILL CREEK 2 WOULD REQUIRE CITY AND STATE APPROVAL
20	Q.	Would extending the life of Mill Creek 2 require city and state environmental

permitting approval?<sup>5</sup> 21

<sup>&</sup>lt;sup>3</sup> O'Leary Testimony at 9-11. <sup>4</sup> *See, e.g.,* Case No. 2024-00326, IRP Vol. III, 2024 IRP Resource Assessment at 48. <sup>5</sup> *See, e.g.,* Medine at 4 ln. 4-5.

9	Q.	Does this conclude your testimony?
8		CONCLUSION
7		determine whether new controls are required.
6		of the Clean Water Act, which the Kentucky Division of Water must assess to
5		District Board. The Companies must also provide updated calculations under 316(b)
4		permit, which requires approval from the Louisville Metro Air Pollution Control
3		retirement date for Mill Creek 2 would require modifying the Title V construction
2		Mill Creek 2 will retire in conjunction with Mill Creek 5 operation. Extending the
1	A.	Yes. The Title V construction permit for Mill Creek 5 includes the assumption that

10 A. Yes, it does.

#### VERIFICATION

# COMMONWEALTH OF KENTUCKY ) ) COUNTY OF JEFFERSON )

The undersigned, **Philip A. Imber**, being duly sworn, deposes and says he is the 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 foregoing testimony, and the answers contained therein are true and correct to the best of his information, knowledge, and belief.

they -

Philip A. Imber

Subscribed and sworn to before me, a Notary Public in and before said County and

State, this <u>940</u> day of <u>July</u> 2025.

Notary Public

Notary Public ID No. KPNP 63286

My Commission Expires:

January 22, 2027

