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Linda C. Bridwell, PE Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40601-8294

February 28, 2025

RE: Electronic Joint Application of Kentucky Utilities Company and Louisville Gas and Electric Company for Certificates of Public Convenience and Necessity and Site Compatibility Certificates

Case No. 2025-00045

Dear Ms. Bridwell:

Please find enclosed and accept for filing pursuant to KRS Chapter 278, including KRS 278.020(1), and applicable sections of 807 KAR Chapter 5, Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company's ("LG&E") (collectively "the Companies") Joint Application seeking approval for Certificates of Public Convenience and Necessity ("CPCN") for the construction of two approximately 645 MW net summer rating natural gas combined cycle combustion turbine ("NGCC") facilities, one at KU's E.W. Brown Generating Station in Mercer County, Kentucky ("Brown 12") and the other at LG&E's Mill Creek Generating Station in Jefferson County, Kentucky ("Mill Creek 6"), including on-site natural gas and electric transmission construction associated with those facilities.

The Companies further apply to the Commission pursuant to KRS Chapter 278, including KRS 278.020(1) and applicable sections of 807 KAR Chapter 5, for a CPCN to construct a 400 MW, 4-hour (1600 megawatt hour ("MWh")) lithium-ion battery energy storage system ("BESS") facility at LG&E's Cane Run Generation Station in Jefferson County, Kentucky ("Cane Run BESS").

KU further applies to the Commission pursuant to KRS Chapter 278, including KRS 278.020(1) and applicable sections of 807 KAR Chapter 5, for a CPCN to construct a selective catalytic reduction ("SCR") facility at its Ghent Generating Station in Carroll County, Kentucky for Ghent 2.

The Companies further apply to the Commission pursuant to KRS 278.216 and applicable sections of 807 KAR Chapter 5 for site compatibility certificates for Brown 12, Mill Creek 6, and the Cane Run BESS.

The Companies are requesting the approval of regulatory asset treatment for the difference between allowance for funds used during construction ("AFUDC") accrued at the Companies' weighted average cost of capital and AFUDC accrued using the methodology approved by the Federal Energy Regulatory Commission ("FERC") during the construction periods of Brown 12, Mill Creek 6, and the Cane Run BESS. Regarding Brown 12, Mill Creek 6, and the Cane Run BESS, the Companies are also requesting regulatory asset treatment for post-in-service carrying costs, operating and maintenance expense, property taxes, investment tax credit amortization, and depreciation expense until such costs are fully reflected in the Companies' retail base rates or an applicable cost recovery mechanism. The Companies further request that post-in-service carrying costs be accrued using the Companies' weighted average cost of capital.

Included in this electronic filing is a Joint Petition for Confidential Protection regarding certain information submitted with this filing. Pursuant to 807 KAR5:001, Section 13(2)(e), the confidential material that is the subject of this Petition is not included in the electronic submission of this filing.

Also included in this electronic filing is a Joint Motion for Approval to Deviate from Rule to grant the Companies approval to deviate from the requirement that parties upload an electronic version of all papers, specifically Exhibit SAW-2 and Exhibit TAJ-2 filed in this case to the Commission's website using the Commission's E-Filing System.

In accordance with 807 KAR 5:001, Section 8 and the Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that the electronic filing has been transmitted to the Commission on February 28, 2025 and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

Should you have any questions regarding the enclosed, please contact me at your convenience.

Sincerely,

Rick E. Lovekamp