

Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #4
Case No. 2025-00313
September 30, 2026

Executive Summary:

In accordance with the Kentucky Public Service Commission's ("PSC") order on December 4, 2025, in Case No. 2025-00313, Louisville Gas and Electric Company and Kentucky Utilities Company ("Companies") submits the fourth 60-day project update report for the Mill Creek Unit 6 ("MC6") Natural Gas Combined Cycle ("NGCC") project. This report provides an update on the project expenditures, engineering, and planning associated with the MC6 project, as well as an update on economic load growth in the Companies service territory. This report covers the period from July 1, 2026, to August 31, 2026, except where otherwise noted.

The global NGCC market continues to experience elevated volatility amid unprecedented demand for electricity, driven largely by rapid growth in data centers and other high-load industrial users. The volatility in the NGCC market is reflected in the approximate 50% increase in cost between Case Nos. 2022-00402 and 2025-00045, for nearly identical NGCC units. New advance class NGCC development projects, that have not executed gas turbine reservation agreements or initiated OEM/EPC contracting efforts, are seeing overnight project costs have increased from \$2,800/kW to exceeding \$3,000/kW. This demand growth reinforces the strategic importance of NGCC assets as reliable, dispatchable generation capable of supporting round-the-clock baseload requirements that intermittent generation sources alone cannot meet. While competition from renewables and storage continues to influence market dynamics, rising load growth from economic development and large load projects including data centers is tightening capacity margins in key regions and supporting the long-term relevance of NGCC generation despite near-term pricing pressure.

Activities within the reporting period have focused on procurement of long lead equipment, bidding the Engineering, Procurement, and Construction ("EPC") agreement, and supporting the Large Generator Interconnection ("Interconnection"). Because the demand for power equipment has extended the lead times on critical equipment, such as transformers, in order to maintain project schedules, such equipment has been ordered.

Current Activities:

The Companies are working with GE Vernova ("GEV") to advance the engineering, design, and procurement of the Power Island ("PI"). The Companies issued the EPC Request for Proposal ("RFP") on January 20, 2026, and received initial responses on May 29, 2026. The Companies, with the assistance of our Owners Engineer ("OE") HDR, performed an administrative review of the proposals and identified deficiencies. The EPC RFP was paused due to the results of the administrative review, and the Companies initiated a benchmarking effort with other Utilities and Owners Engineers. The benchmarking results indicated that the specifications for BR12 and MC6 were within market range, although they were near the upper end. Based on the benchmarking effort, the Companies identified opportunities to adjust the scope and align the projects more closely with the market median. The revised scope was issued to the bidders, who are preparing updated proposals for submission by the end of November 2026. The MC6 EPC RFP is

Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #4
Case No. 2025-00313
September 30, 2026

being performed in conjunction with the BR12 EPC RFP to capture economies of scale, while ensuring the units are as similar as possible. The Companies anticipate executing the EPC Agreements by the end of first quarter 2027.

Total project cost is trending above the estimate included in the CPCN filing, primarily due to changing market conditions and updated commercial pricing. The Companies expect the benchmarking effort to help alleviate some of the commercial pressures affecting the projects.

Although the project cost estimate is increasing, the unit cost is expected to remain competitive relative to recent market benchmarks for comparable new generation projects, which are generally estimated to range from \$3,000 to \$3,200/kW. The unit cost for the MC6 project continues to compare favorably to prevailing market estimates for similar facilities.

The Companies submitted an Interconnection request to the Independent Transmission Organization (“ITO”) on November 21, 2025. The Interconnection request was accepted by the ITO and assigned queue number LGE-CS2025-002. Initial results of the interconnection request were issued on August 19, 2026 and are currently being reviewed by our OE and internal subject matter experts.

Project Execution Timeline:

The work is on schedule to achieve the milestones shown in **Attachment 1**.

Financial:

Spend during the reporting period was \$0.3 million, bringing the total project spend to date to \$43.7 million. See **Attachment 2** for additional information.

As previously indicated, the current NGCC market remains highly volatile due to unprecedented demand for new natural gas generation from three global providers of advance class gas turbines as well as experienced EPC contractors. As a result of this volatility, the market is currently experiencing significant upward price pressures. Recent overnight indicative pricing reflects single-unit NGCC projects at \$3,000/kW, with the market seeing examples in excess of \$3,200/kW. The Companies are continuously monitoring the market to stay ahead of any step changes in the market.

Project Design Basis:

MC6 NGCC will consist of one natural gas-fired gas combustion turbine, a steam turbine, and one heat recovery steam generator with natural gas-fired duct burners arranged in a one-on-one single shaft configuration. Ancillary support equipment will also be installed to support the NGCC operations, including one natural gas-fired boiler (Auxiliary Boiler) rated at 95.52 million British thermal units per

Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #4
Case No. 2025-00313
September 30, 2026

hour (“MMBtu/hr”) or less, one pipeline fuel gas (dewpoint) heater rated at 15.66 MMBtu/hr or less, one 2.18 MW emergency generator with diesel-fired engine, one 422 horsepower emergency diesel driven fire pump, one 12-cell mechanical draft cooling tower, lube oil system demister vents, raw and demineralized water storage tanks, aqueous ammonia storage and handling equipment, and other miscellaneous infrastructure. See **Attachment 3** for the current Mill Creek 5 (“MC5”) & Preliminary MC6 Site Arrangement.

Upcoming Activities:

The Companies will continue to work with GEV to advance the engineering, design, and procurement of the PI. Prior to execution of the EPC Agreement, the Companies will review preliminary submittals from GEV to maintain the project timeline.

The Companies will receive and review the updated EPC proposals by the end of November of 2026 and identify deficiencies and/or actionable value engineering opportunities. Pending identification or no deficiencies and incorporation of actional value engineering opportunities, the Companies anticipate executing the MC6 EPC Agreement by the end of the first quarter 2027, in conjunction with the BR12 EPC Agreement.

The Companies will continue to support the ITO in their review and analysis of our Interconnection request.

Economic Development:

The Economic Development pipeline is a dynamic repository of projects managed by the Economic Development, Key Accounts, and National Accounts teams. These projects include companies seeking to establish new operations in Kentucky, as well as existing companies within the LG&E and KU service territories that are considering expansions.

As part of the 2026 reporting process, it is important to note that at the beginning of each calendar year, projects are removed from the pipeline if they were marked as *announced* and placed into service during the prior year. A record of all *announced* projects is maintained through the end of each calendar year, at which point year-end results are reviewed. At the start of the subsequent year, *announced* projects that have executed a contract for service are handled as follows:

- Projects that have been placed into service are cleared from the pipeline.
- Projects that have not yet been placed into service remain active *announced* projects and continue to be tracked in the pipeline.

As stated in the previous KPSC Economic Development Bimonthly Report, as of June, there were 48 projects marked as *announced*, representing approximately 192 MW of peak demand for new and expanding operations. In the subsequent table titled “2026 Year-to-Date Stats,” the team has identified 54

Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #4
Case No. 2025-00313
September 30, 2026

projects announced in 2026, representing a combined 199 MW of peak demand—an increase of 6 projects and approximately 7 MW.

Importantly, over the period spanning much of Case No. 2025-00045 through August 31, 2026, a total of 137 projects has been marked as *announced*, representing approximately 291 MW of peak demand. Of those projects, 120 have been placed into service, accounting for approximately 186 MW of peak demand.

2026 Year-to-Date Stats: (as of 8/31/2026)

Stats (as of 8/31/2026)	Probability					Total
	Inquiry 10%	Suspect 20-30%	Prospect 50-65%	Imminent 80%	Announced 95-100%	
# of Existing Customer Expansion projects	19	4	8	13	26	70
Load (kW)	121,621	5,000	21,695	43,677	131,434	323,427
# of New Customer or National Account projects	6	3	16	10	23	58
Load (kW)	2,650	375	10,425	7,285	35,539	56,274
# of New non-Data Center Economic Development projects	65	2	5	0	5	77
Load (kW)	1,679,139	495,000	340,100	0	32,070	2,546,309
# of Data Center Projects	15	7	3	6	0	31
Data center load (kW)	7,255,000	1,845,000	1,550,000	1,822,000	0	12,472,000
# of Total Opportunities (Opps)	105	16	32	29	54	236
Total load (kW) - All Opps	9,058,410	2,345,375	1,922,220	1,872,962	199,043	15,398,010

Current pipeline statistics and highlights:

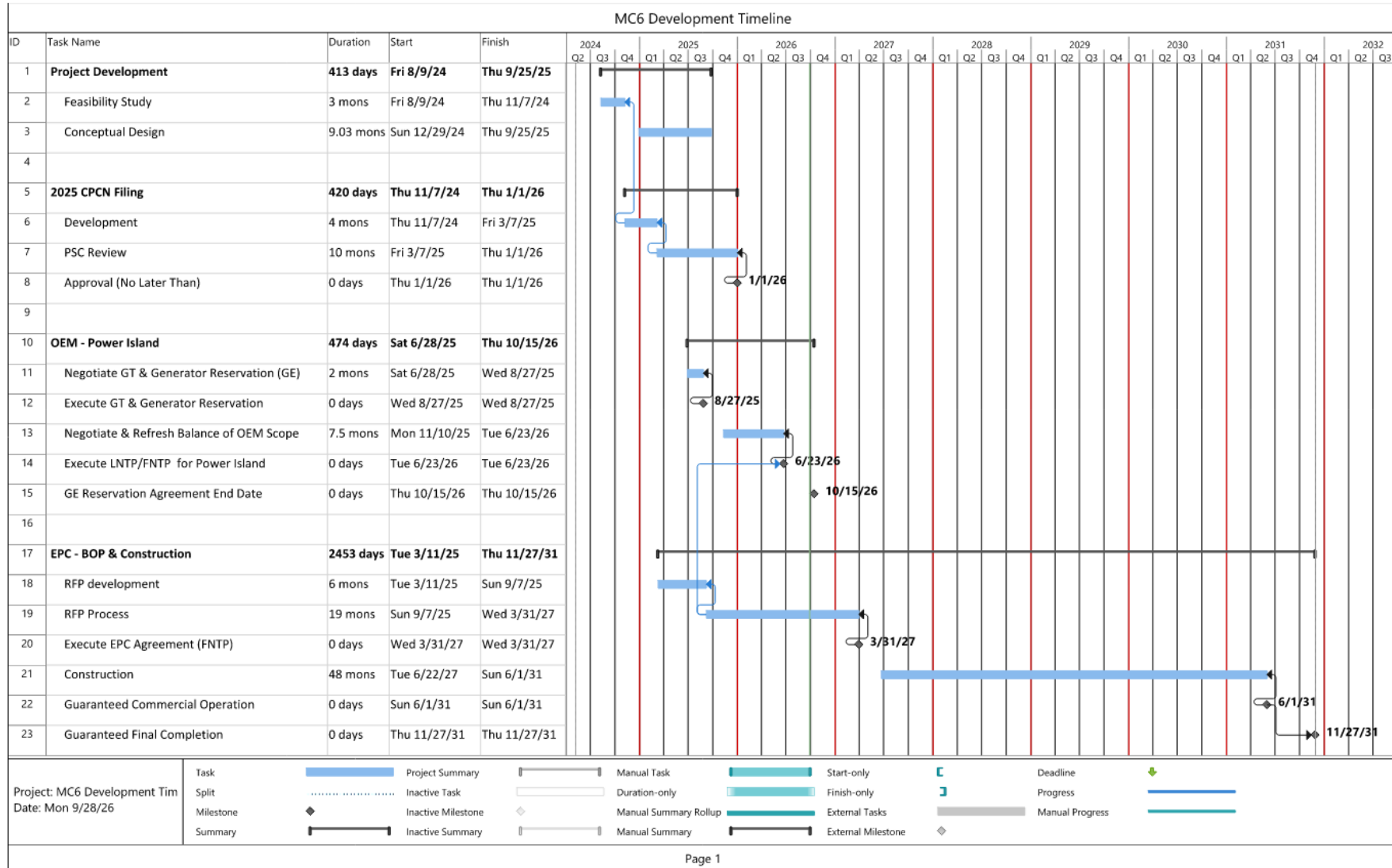
- The 2026 pipeline includes 236 total projects, of which 54 projects totaling 199 MW of peak demand have been announced. Of those announced projects, 37 projects totaling 93.8 MW of peak demand have been placed into service. Additionally, 61 of the remaining 199 projects are currently in the Prospect or Imminent stage and carry an estimated 50–80% probability of success. In total, 115 projects with a probability of success greater than 50% represent a cumulative peak demand of approximately 4.0 GW.
- Data centers continue to dominate the pipeline, accounting for approximately 12.5 GW of the 15.4 GW in total identified potential demand.
- A data center project (525 MW, Imminent stage) continues to advance toward execution of a tenant agreement, which would enable progression to a contract for electric service. Specifically:
 - LG&E is engaged in detailed discussions with builder and potential customers.
 - Construction has commenced to service the project site.
- Data center projects (totaling 137 MW, Imminent stage) continue to advance toward execution of a tenant agreement, which has enabled progression to a contract for electric service. Specifically:
 - LG&E and KU are engaged in detailed discussions with builder and potential customer.
 - Construction has commenced to service the project site.

Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #4
Case No. 2025-00313
September 30, 2026

- A data center project (360 MW, Imminent stage) has been executed with a reimbursement agreement and is now beginning discussions of execution of a tenant agreement, which would enable progression to a contract for electric service. Specifically:
 - KU is engaged in detailed discussions with builder.
 - Construction will be commencing soon regarding the project.
- A data center project (800 MW, Imminent stage) has been executed with a reimbursement agreement and is now beginning discussions of execution of a tenant agreement, which would enable progression to a contract for electric service. Specifically:
 - KU is engaged in detailed discussions with the potential end users.
 - Pre-engineering design has commenced to service the site.
- There are two large non-data center projects that have been publicly announced in Paducah that are in Prospect and Inquiry stage of our pipeline. They total 475MW of the 2,546MW in the non-data center Economic Development project pipeline. KU is engaged in detailed discussions with both customers regarding process and their Electric Service Contracts.

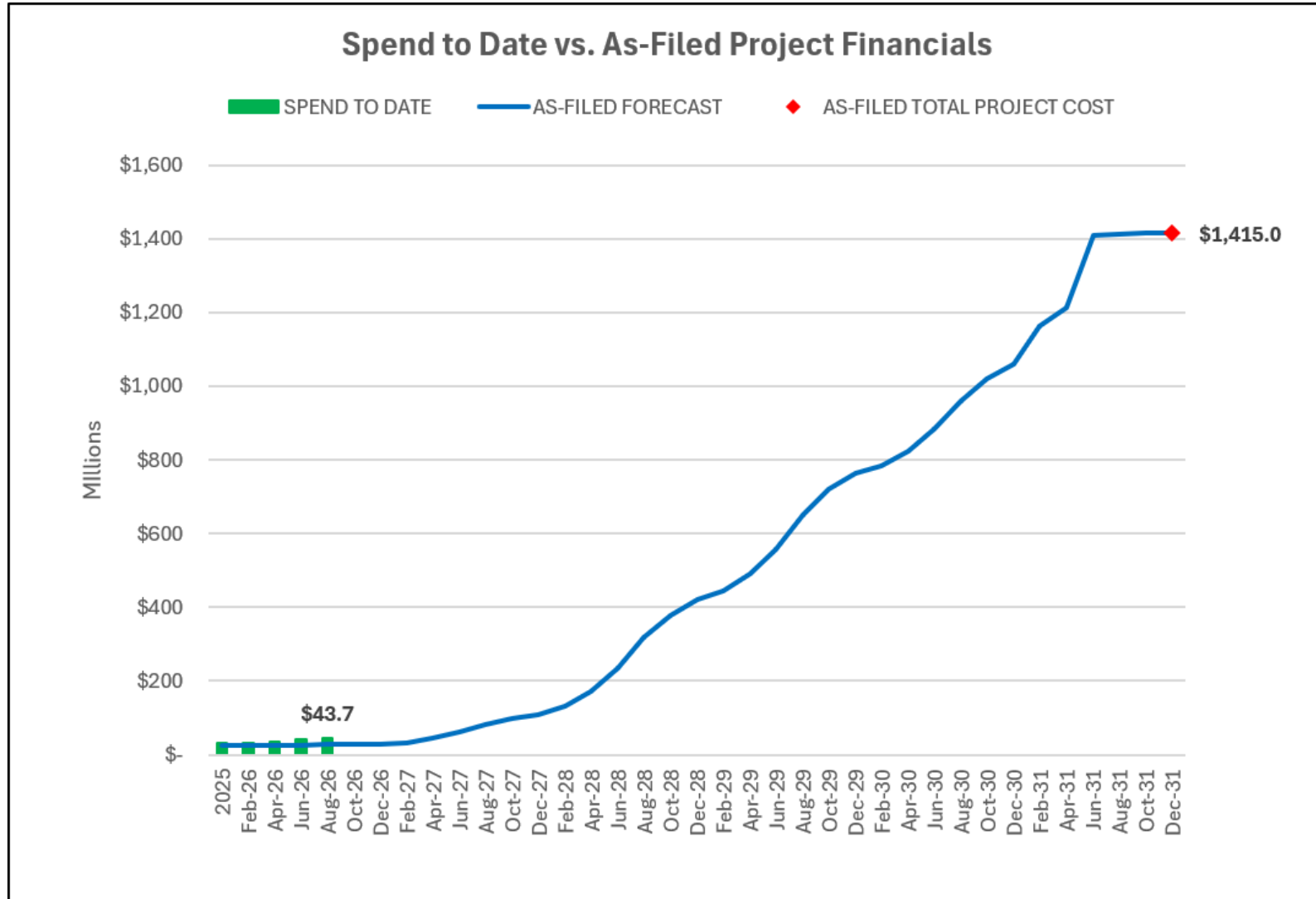
Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #3
Case No. 2025-00313
September 30, 2026

Attachment 1 – Project Execution Timeline



Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #3
Case No. 2025-00313
September 30, 2026

Attachment 2 – Project Financials



**Louisville Gas and Electric Company and Kentucky Utilities Company
Mill Creek Unit 6 – 60-Day Project Update #3
Case No. 2025-00313
September 30, 2026**

Attachment 3 – MC5 & Preliminary MC6 Site Arrangement

