

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.
CERTIFICATES OF PUBLIC CONVENIENCE)	2025-00045
AND NECESSITY AND SITE COMPATIBILITY)	
CERTIFICATES)	

ORDER

On February 28, 2025, Louisville Gas and Electric Company (LG&E) and Kentucky Utilities Company (KU) (jointly, LG&E/KU), pursuant to KRS Chapter 278, including KRS 278.020(1) and applicable sections of 807 KAR 5, filed an application for Certificates of Public Convenience and Necessity (CPCN) for the construction of two approximately 645 megawatt (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. Additionally, LG&E/KU requested, pursuant to KRS Chapter 278, including KRS 278.020(1) and applicable sections of 807 KAR 5, 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 requested, pursuant to KRS Chapter 278, including KRS 278.020(1) and applicable sections of 807 KAR 5, a CPCN to construct a selective catalytic reduction

(SCR) facility, technology that reduces nitrogen oxide (NOx) emissions, at its Ghent Generating Station in Carroll County, Kentucky for Ghent 2. LG&E/KU also requested, pursuant to KRS 278.216 and applicable sections of 807 KAR 5, site compatibility certificates for Brown 12, Mill Creek 6, and the Cane Run BESS.

In addition to the CPCN and site compatibility requests, LG&E/KU seek 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 (WACC) 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. LG&E/KU also requested 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. Similar to the first accounting request, LG&E/KU requested that post-in-service carrying costs be accrued using LG&E/KU's WACC.

The Commission, on its own motion, finds that a procedural schedule should be established for the orderly processing of this case. The procedural schedule is attached as an Appendix to this Order.

The Commission further finds that a hearing in this matter should be held on August 4, 2025, at 9 a.m. Eastern Daylight Time: and continuing until called from the bench by the presiding officer, in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky.

Additionally, any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant to 807 KAR 5:001, Section 2, if the hearing is not concluded on the designated day, the hearing may be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing. Hearings are held in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky. Witnesses who sponsor schedules, testimony, or responses to requests for information are expected to participate in person at a hearing.

In order to facilitate processing of this matter and minimize duplicative filings, the Commission, on its own motion, finds that it should incorporate, by reference pursuant to KAR 5:001, Section 11(5), the following cases into this case record: Case No. 2022-00402,¹ Case No. 2023-00123,² and Case No. 2024-00326³ up to the filings made on or before February 14, 2025. These cases contain relevant information to the present application and are material to the requested CPCNs.

IT IS THEREFORE ORDERED that:

1. The procedural schedule set forth in the Appendix to this Order shall be followed.

¹ Case No. 2022-00402, *Electronic Joint Application of Kentucky Utilities Company And Louisville Gas and Electric Company For Certificates of Public Convenience and Necessity and Site Compatibility Certificates and Approval of a Demand Side Management Plan and Approval of Fossil Fuel-Fired Generating Unit Retirements* (filed Jan. 6, 2023).

² Case No. 2023-00123, *Electronic Application of Kentucky Utilities Company for Approval of Special Contract Between Kentucky Utilities Company and Blueoval Sk, LLC* (filed Apr. 14, 2023).

³ Case No. 2024-00326, *Electronic 2024 Joint Integrated Resource Plan of Louisville Gas and Electric Company and Kentucky Utilities Company* (filed Oct. 18, 2024).

2. The following cases are incorporated by reference into this record: Case No. 2022-00402, Case No. 2023-00123, and Case No. 2024-00326 up to the filings made on or before February 14, 2025.

3. LG&E/KU shall respond to all requests for information propounded by Commission Staff, whether identified on the procedural schedule or otherwise, as provided in those requests.

4. A hearing in this matter shall be held on August 4, 2025, at 9 a.m. Eastern Daylight Time and continuing until called from the bench by the presiding officer, in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky.

5. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085⁴ regarding filings with the Commission.

6. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding that is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without undue

⁴ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

complicating or disrupting the proceedings. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts that the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest.

7. Any motion to intervene filed after the date established in the procedural schedule shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

8. LG&E/KU shall give notice of any scheduled hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2). In addition, the notice of hearing shall include the following statements: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov" and "Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do so by following the instructions listing on the PSC website, psc.ky.gov." At the time publication is requested, LG&E/KU shall forward a duplicate of the notice and request to the Commission.

9. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

10. Any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant to 807 KAR 5:001, Section 2, if the hearing is not concluded on the designated day, the hearing

shall be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing.

11. Witnesses who sponsor schedules, testimony, or responses to requests for information shall participate in person at any hearing scheduled in this matter.

12. LG&E/KU shall file a witness list at least ten days prior to the hearing date.

13. All motions related to the hearing must be in writing and filed at least ten days prior to the hearing date.

14. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video recording shall be made of the hearing.

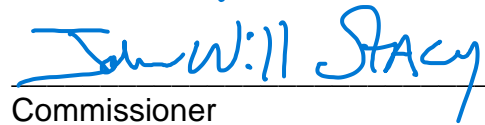
15. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

16. The Commission does not look favorably upon motions to substitute witnesses or excuse witnesses from testifying at Commission hearings. Accordingly, motions to substitute witnesses or excuse a witness from testifying at a Commission hearing or from testifying in person at a Commission hearing shall be made in writing at least 14 days prior to the hearing and will be granted only upon a showing of good cause.

PUBLIC SERVICE COMMISSION



Chairman



Commissioner



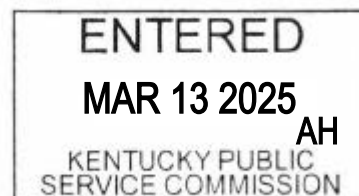
Commissioner

ATTEST:



RP

Executive Director



APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2025-00045 DATED MAR 13 2025

- Last day for intervention requests to be accepted..... 03/21/2025
- All initial requests for information to LG&E/KU shall be filed no later than 03/28/2025
- LG&E/KU shall file responses to initial requests for information no later than..... 04/17/2025
- All supplemental requests for information to LG&E/KU shall be filed no later than 05/02/2025
- LG&E/KU shall file responses to supplemental requests for information no later than 05/16/2025
- Intervenor testimony, if any, in verified prepared form shall be filed no later than 05/30/2025
- All requests for information to intervenors shall be filed no later than 06/13/2025
- Intervenors shall file responses to requests for information no later than..... 06/25/2025
- LG&E/KU shall file, in verified form, its rebuttal testimony no later than 07/11/2025
- Public hearing to be held at 9 a.m. Eastern Daylight Time in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of LG&E/KU and intervenors..... 08/04/2025
- Post-hearing briefs, if any..... To be scheduled

*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Robert Conroy
Vice President, State Regulation and Rates
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Honorable Allyson K Sturgeon
Vice President and Deputy General Counsel-
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Kentucky Utilities Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

*Honorable W. Duncan Crosby III
Attorney at Law
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 W Jefferson Street
Louisville, KENTUCKY 40202-2828

*Louisville Gas and Electric Company
220 W. Main Street
P. O. Box 32010
Louisville, KY 40232-2010

*John Horne
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Sara Judd
Senior Corporate Attorney
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202

*Larry Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Tolad Lacy
Office of the Attorney General
700 Capital Avenue
Frankfort, KENTUCKY 40601

*Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Rick E Lovekamp
Manager - Regulatory Affairs
LG&E and KU Energy LLC
220 West Main Street
Louisville, KENTUCKY 40202