

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC MONITORING OF LOUISVILLE)	CASE NO.
GAS & ELECTRIC COMPANY AND KENTUCKY)	2025-00313
UTILITIES COMPANY'S MILL CREEK 6 UNIT)	

ORDER

On October 28, 2025, the Commission entered a final Order in Case No. 2025-00045.¹ As part of that Order, the Commission established a monitoring case for the construction of a natural gas combined cycle (NGCC) (Mill Creek 6) generation unit at Mill Creek Generating Station.² In addition, the Commission set forth several filing requirements related to the monitoring case in the final Order which will be discussed in more detail below.

BACKGROUND

In Case No. 2025-00045, the Commission approved the construction of Mill Creek 6 at the Mill Creek Generating Station, located in Jefferson County, which is currently operated by LG&E.³ The current Mill Creek Station consists of three coal boilers (Units Mill Creek 2, Mill Creek 3, and Mill Creek 4); coal, limestone, fly ash, powder activated carbon (PAC), and gypsum handling and storage operations; emergency

¹ Case No. 2025-00045, *Electronic Application of Kentucky Utilities Company and Louisville Gas and Electric Company for Certificates of Public Convenience and Necessity and Site Compatibility Certificates* (Ky. PSC Oct. 28, 2025), Order.

² Case No. 2025-00045, Oct. 28, 2025 Order at 166.

³ Case No. 2025-00045, Oct. 28, 2025 Order at 166.

equipment; miscellaneous organic liquids tanks; parts washers; cooling towers; general plant fugitive emissions; and numerous insignificant activities.⁴ The construction of Mill Creek 5, a new NGCC electric generating plant with a maximum power rating of approximately 680 gross megawatts (MW-g) within the central portion of the existing Mill Creek Station, is underway, proceeding according to plan, and is on track for commercial operation in the summer of 2027.⁵ The Mill Creek 6 unit will consist of the following:

one natural gas-fired gas combustion turbine (GT), a steam turbine (ST), and one heat recovery steam generator (HRSG) with natural gas-fired duct burners (DB) arranged in a one-on-one 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 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 (HP) emergency diesel driven fire pump, one 10-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.⁶

In the final Order of Case No. 2025-00045,⁷ the Commission set forth the following specific requirements for filings in this case:

- LG&E/KU shall provide written notice to the Commission one week prior to the actual start of construction of Mill Creek 6 in monitoring Case No. 2025-00313.

⁴ Case No. 2025-00045, Oct. 28, 2025 Order at 11–12.

⁵ Case No. 2025-00045, Oct. 28, 2025 Order at 11–12.

⁶ Case No. 2025-00045, Application, Mill Creek NGCC Site Assessment Report at 2–1.

⁷ Case No. 2025-00045, Oct. 28, 2025 Order at 166–171.

- LG&E/KU shall file written notice with the Commission of any increase to the cost of construction of Mill Creek 6 that exceeds five percent of the costs as filed in monitoring Case No. 2025-00313.
- LG&E/KU shall file with the Commission documentation of the total costs of the construction of Mill Creek 6 including the cost of construction and all other capitalized costs (e.g., engineering, legal, and administrative), within 60 days of the date that the construction of each facility is substantially completed in monitoring Case No. 2025-00313. Construction costs shall be classified into appropriate plant accounts in accordance with the USoA for electric utilities prescribed by the Commission.
- LG&E/KU shall provide semi-annual in-person construction, economic development, and load forecast updates to the Commission beginning in the second quarter of 2026 and ending in the second quarter of 2032 in monitoring Case No. 2025-00313.
- Prior to construction, LG&E/KU shall maintain a Complaint Resolution Plan to address any complaints from community members about the Mill Creek 6 construction. LG&E/KU shall also submit annually a status report associated with its Complaint Resolution Plan, providing, among other things, the individual complaints, how LG&E/KU addressed those complaints, and the ultimate resolution of those complaints identifying whether the resolution was to the complainant's satisfaction. LG&E/KU shall submit a final report within 30 days after commencement of electric generation, referencing the monitoring case number and filed in that case record.

- LG&E/KU shall seek Commission approval for long-term energy or capacity sale contracts.

DISCUSSION AND FINDINGS

The Commission finds, as set forth in the final Order of Case No. 2025-00045, that this case should be established to monitor LG&E/KU's compliance with its own commitments, both Stipulation and otherwise, as well as the expectations set forth by the Commission in that case. The Commission notes that this is unusual, but extraordinary circumstances that require transparency to demonstrate reasonableness and prudence in investments to the public. The Commission expects LG&E/KU to comply with each of the ordering paragraphs set forth above. In addition, the Commission will require monthly project updates every 60 days, including but not limited to expenditures, engineering, planning as well as the economic load growth.

LG&E/KU should respond to any requests for information propounded by Commission Staff according to the date set forth in the request. In addition, LG&E/KU committed to semi-annual in-person updates⁸ regarding certain topics: construction, economic development, and load forecast. With 30 days of receipt of this Order, LG&E/KU should file a proposed date for the first semi-annual in-person update. However, the Commission notes that, at any time, it may adjust the timing or topics of these updates to make the meetings informative and substantive. LG&E/KU should comply with each ordering paragraph set forth above as part of this monitoring case.

The Stipulation also noted that all parties granted intervention in Case No. 2025-00045 should be permitted to participate in the in-person updates agreed to as a term of

⁸ Case No. 2025-00045, LG&E/KU's Stipulation (filed July 29, 2025) at 5, 1.6.

the Stipulation.⁹ The Commission also noted in 2025-0045 that the parties in this case will be granted intervention in the monitoring case, should they choose to request intervention, in that proceeding.¹⁰ In order to facilitate part of the agreement, the Commission finds that all parties¹¹ granted intervention in Case No. 2025-00045 should be served with a copy of this opening Order. Within 30 days after receipt of the Order, any party granted intervention in Case No. 2025-00045 wishing to intervene in this case, should file notice of representation and indicate that they wish to be a party to this monitoring case to facilitate notice of filings and in-person meetings. Any other persons wishing to intervene shall file a request for intervention to be accepted is December 31, 2025.

Nothing in this opening Order should be construed as restricting the Commission from entering further Orders setting forth schedules and expectations or requiring additional monitoring filings as circumstances change.

IT IS THEREFORE ORDERED that:

1. This case is established to monitor the necessity and expenditures related to Mill Creek 6 as set forth in Case No. 2025-00045.
2. LG&E/KU shall respond to all requests for information from Commission Staff whether set forth in a procedural schedule or not.

⁹ Case No. 2025-00045, LG&E/KU's Stipulation (filed July 29, 2025) at 5, 1.6.

¹⁰ Case No. 2025-0045, Oct. 28, 2025 Order at 98.

¹¹ The Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General); (2) Kentucky Industrial Utility Customers, Inc. (KIUC); (3) Sierra Club; (5) Metropolitan Housing Coalition, Kentuckians for the Commonwealth, Kentucky Solar Energy Society, and Mountain Association (collectively, Joint Intervenors); (6) Louisville/Jefferson County Metropolitan Government and Lexington-Fayette County Urban County Government (jointly, Louisville Metro/LFUCG); (7) Kentucky Coal Association, Inc. (KCA); and (8) Southern Renewable Energy Association (SREA) were intervening parties in Case No. 2025-00045.

3. With 30 days of receipt of this Order, LG&E/KU should file a proposed date for the first semi-annual in-person update.

4. A copy of this opening Order should be served to all parties granted intervention in Case No. 2025-00045 as set forth in footnote 10 on page 5 of this Order.

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. 2020-000851 regarding filings with the Commission.

6. As set forth in 807 KAR 5:001, Section 4(11), 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 unduly 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. The last day for intervention requests to be accepted is December 19, 2025.

8. Any party from Case No. 2025-00045 wishing to participate in this matter shall file a notice of participation as well as have an attorney file an entry of appearance with 30 days of receipt of the opening Order.

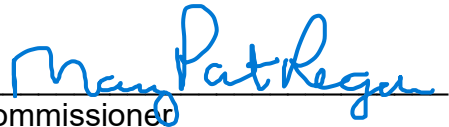
9. LG&E/KU shall file monthly project updates every 60 days, including but not limited to expenditures, engineering, planning as well as the economic load growth. This Order shall not be construed as preventing further Orders in this matter.

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PUBLIC SERVICE COMMISSION


Chairman


Commissioner


Commissioner

ATTEST:


Executive Director



Case No. 2025-00313

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