

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	
UTILITIES COMPANY FOR AN ADJUSTMENT OF	)	CASE NO.
ITS ELECTRIC RATES AND APPROVAL OF	)	2025-00113
CERTAIN REGULATORY AND ACCOUNTING	)	
TREATMENTS		


NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on November 3, 2025 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on November 3, 2025 in this proceeding; and
- A written log listing, *inter alia*, the date and time of where each witness's testimony begins and ends on the digital video recording of the evidentiary hearing conducted on November 3, 2025.

A copy of this Notice, the certification of the digital video record, and the hearing log has been served upon all persons listed at the end of this Notice. Parties may view the digital video recording of the hearing at <https://youtu.be/LHLbRz7ay7s>.

Done on this day, January 5, 2026.

  
\_\_\_\_\_  
Linda C. Bridwell, PE  
Executive Director

COMMONWEALTH OF KENTUCKY  
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UTILITIES COMPANY FOR AN ADJUSTMENT  
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CERTAIN REGULATORY AND ACCOUNTING  
TREATMENTS

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CASE NO.  
2025-00113

CERTIFICATION

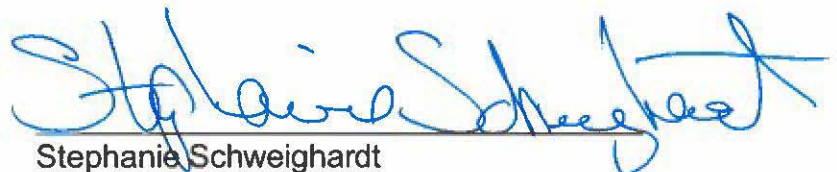
I, Candace H. Sacre, hereby certify that:

1. I am responsible for the preparation of the electronic files containing the recording of the Formal Hearing conducted in the above-styled proceeding on November 3, 2025. The Formal Hearing Log, Exhibits, and Exhibit list are included with the recording on November 3, 2025;
2. The recording accurately and correctly depicts the Formal Hearing of November 3, 2025; and
3. The Formal Hearing Log accurately and correctly states the events that occurred at the Formal Hearing on November 3, 2025, and the time at which each occurred.

Signed this 23<sup>rd</sup> day of December, 2025.



Candace H. Sacre  
Administrative Specialist Senior



Stephanie Schweighardt  
Kentucky State at Large ID# KYNP64180  
Commission Expires: January 14, 2027



## Session Report - Detail

2025-00113 and 2025-00114  
03Nov2025

### Kentucky Utilities Company (KU) and Louisville Gas and Electric Company (LG&E)

Date:	Type:	Location:	Department:
11/3/2025	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Robert Conroy

Judge: Angie Hatton; Mary Pat Regan; Andrew Wood

Clerk: Candace Sacre

Event Time	Log Event
9:03:01 AM	Session Started
9:03:06 AM	Chair Hatton Note: Sacre, Candace
9:03:24 AM	Chair Hatton Note: Sacre, Candace
9:03:32 AM	Chair Hatton Note: Sacre, Candace
9:03:56 AM	Chair Hatton Note: Sacre, Candace
9:04:00 AM	Chair Hatton Note: Sacre, Candace
9:04:23 AM	Atty Ingram KU/LG&E Note: Sacre, Candace
9:04:52 AM	Asst Atty General Cook Note: Sacre, Candace
9:04:56 AM	Asst Atty General Lacy Note: Sacre, Candace
9:05:00 AM	Atty Kurtz KIUC Note: Sacre, Candace
9:05:06 AM	Atty Childers Sierra Club Note: Sacre, Candace
9:05:26 AM	Atty Spenard KYSEIA Note: Sacre, Candace
9:05:36 AM	Atty Osterloh KBCA Note: Sacre, Candace
9:05:59 AM	Atty Gary Joint Intervenors Note: Sacre, Candace
9:06:22 AM	Atty Boehm Kroger Note: Sacre, Candace
9:06:50 AM	Staff Atty Hatcher PSC Note: Sacre, Candace
9:07:02 AM	Atty Grundman Walmart Note: Sacre, Candace

Preliminary remarks.

Introductions.

Hearing recommendations.

Purpose of hearing.

Entry of appearance of counsel.

Lindsey Ingram, with me Duncan Crosby, Mary Ellen Wimberly, Monica Braun, and Matt Parsons, and, also internal counsel Chris Tieke, Allyson Sturgeon, and Sarah Judd.

Lawrence Cook.

Toland Lacy.

For KIUC, Mike Kurtz and Jody Kyler Cohn.

Joe Childers and Nathaniel Shoaff.

David Spenard and Randy Strobo on behalf of Kentucky Solar Energy Industry Association.

On behalf of Louisville and Lexington, Todd Osterloh and Jim Gardner, along with Rebecca Price, enter her appearance for Kentucky Broadband and Cable Association, also have Sheppard Mullin, Hannah Wigger, and Paul Werner.

Byron Gary, Joint Intervenors, with me Shannon Fisk and Jacob Elkin.

Kurt Boehm here on behalf of Kroger Company.

Ashley Hatcher, Moriah Tussey, and John West.

Carrie Grundman on behalf of Walmart.

9:07:12 AM	Chair Hatton Note: Sacre, Candace	Public notice.
9:07:37 AM	Chair Hatton Note: Sacre, Candace	Public comment.
9:08:57 AM	Camera Lock Comment Activated	
9:10:43 AM	Camera Lock Deactivated	
9:10:48 AM	Camera Lock Comment Activated	
9:17:29 AM	Camera Lock Deactivated	
9:17:58 AM	Camera Lock PTZ Front Activated	
9:18:07 AM	Camera Lock Deactivated	
9:18:37 AM	Chair Hatton Note: Sacre, Candace	Outstanding motions.
9:20:32 AM	Atty Ingram KU/LG&E Note: Sacre, Candace	Stipulation filed end of July, hearing beginning of August, two proposed mechanisms, Mill Creek 6 and Mill Creek 2. CPCNs for Brown 12 and Mill Creek 2 and BESS. Joint Intervenors parties. Commission said parties brief issue whether mechanisms something Commission could authorize. Most parties indicated yes. Decision came out Tuesday, approved all CPCNs. Commission not say does not have authority to approve as proposed. Not enough evidence approve that, reading. Language clear indication file more information. Time not of essence for Mill Creek 6 mechanism. Mill Creek 2 time is of essence. Good thing for customers keep Mill Creek open, stay open costs being incurred by companies. Supplemental information. When Joint Intervenors asked included in this proceeding, not complicate or disrupt proceedings. What Joint Intervenors filed last night. Hearing ought to continue today.
9:32:49 AM	Chair Hatton Note: Sacre, Candace	Response?
9:33:05 AM	Atty Fisk Joint Intervenors Note: Sacre, Candace	Joint Intervenors have filed response Friday evening, Mill Creek 2 surcharge added. Time of essence, Mill Creek 2 surcharge, costs incurred recovered through normal route, companies trying to bolster case with surcharge, reporting requirements, chart purports show savings recovery rider, no evidence supporting it, urge motion be denied and move forward on hearing on record before Friday night.
9:38:54 AM	Chair Hatton Note: Sacre, Candace	Other parties weigh in?
9:39:01 AM	Atty Kurtz KIUC Note: Sacre, Candace	AG and KIUC filed testimony of Lane Collen, not a new issue added at last minutes, Joint Intervenors incorrect. October 20 stipulation filed, also addressed on September 31, issue in place almost two weeks. Getting cost recovery critical to stay-out. Need recover cost of Mill Creek 2. Undermine terms of settlement.
9:43:15 AM	Asst Atty General Cook Note: Sacre, Candace	Collecting more information rather than less. If behooves Commission approve file supplemental testimony, not make sense not allow it. Makes more sense allow testimony and allow hearing move forward.
9:44:50 AM	Atty Shoaff Sierra Club Note: Sacre, Candace	Party to stipulation, time for Commission make determination Mill Creek 2 cost recovery.
9:45:55 AM	Chair Hatton Note: Sacre, Candace	Any other party?



9:45:59 AM	Atty Kurtz KIUC Note: Sacre, Candace	Kollen testimony addressing mechanisms, pages 94 to 97.
9:46:12 AM	Chair Hatton Note: Sacre, Candace	Would Staff have an opinion?
9:46:16 AM	Staff Atty Hatcher PSC Note: Sacre, Candace	Not at this time.
9:46:20 AM	Chair Hatton Note: Sacre, Candace	Response?
9:46:23 AM	Atty Ingram KU/LG&E Note: Sacre, Candace	Commission always err on side of allowing additional evidence. Clear to me what should happen. We need to move forward today with this hearing.
9:47:29 AM	Atty Fisk Joint Intervenors Note: Sacre, Candace	Issue not a motion to terminate hearing, whether companies disrupt a proceeding adding new evidence. Hearing can and should move forward but on the basis of evidence. No public notice of new rider, new rate proposal.
9:49:42 AM	Chair Hatton Note: Sacre, Candace	Looked for additional dates, cannot find. Inclined admit the evidence and give weight it deserves. Could give you half a day? If I gave you until 2 pm today, not know if enough time but something.
9:52:12 AM	Chair Hatton Note: Sacre, Candace	DISCUSSION CONTINUES.
9:55:45 AM	Chair Hatton Note: Sacre, Candace	Take five and then rule.
9:55:59 AM	Session Paused	
10:04:49 AM	Chair Hatton Note: Sacre, Candace	Back on the record.
10:04:49 AM	Session Resumed	
10:04:51 AM	Chair Hatton Note: Sacre, Candace	Off-the-record discussion how deal with late evidence and additional time for Joint Intervenors. Normally ask questions. If half a day is useful. If work papers available, go long way making this useful. Opportunity be part of stipulation. Allow it be admitted. All parties four hours review that. No room delay hearing. Adjourn until 2 pm.
10:06:53 AM	Chair Hatton Note: Sacre, Candace	Anything further?
10:07:00 AM	Chair Hatton Note: Sacre, Candace	Adjourned until 2 pm.
10:07:12 AM	Session Paused	
2:00:43 PM	Chair Hatton Note: Sacre, Candace	Back on the record.
2:00:44 PM	Session Resumed	
2:00:56 PM	Chair Hatton Note: Sacre, Candace	At this time, stipulation swearing in. Staff have opinion about IRP and .245 case incorporate in its entirety?
2:01:32 PM	Staff Atty Hatcher PSC Note: Sacre, Candace	2025-00045 first report related to Mill Creek 2 on May 30. Think Staff recommend incorporate proceedings from May 30 onwards for 2025-00045.
2:01:46 PM	Chair Hatton Note: Sacre, Candace	May 30 onward for 2025-00045, any discussion?

2:02:01 PM	Chair Hatton Note: Sacre, Candace	At this time, stipulation/recommendation reached between applicants, Attorney General, Lexington/Fayette Urban County Government, Louisville Metro, Walmart, Dept of Defense, Sierra Club, and Kroger. Settlement filed into record July 29 2025. Understand KBCA, KYSEIA, and Joint Intervenors not party to stipulation. All correct?
2:03:01 PM	Atty Ingram KU/LG&E Note: Sacre, Candace	Except it was filed on October 20.
2:03:05 PM	Chair Hatton Note: Sacre, Candace	For all those who are present and participated, stand and raise right hand.
2:03:27 PM	Camera Lock PTZ Front Activated	
2:03:40 PM	Chair Hatton Note: Sacre, Candace	Terms of Stipulation.
2:04:53 PM	Camera Lock Deactivated	
2:04:54 PM	Chair Hatton Note: Sacre, Candace	Thank you.
2:05:04 PM	Chair Hatton Note: Sacre, Candace	Introduce some direct?
2:05:05 PM	Atty Ingram KU/LG&E Note: Sacre, Candace	Housekeeping, filed order of witnesses, changes to that, propose Bellar currently 8, move to third. Reason were able to provide work paper, go ahead and get him on. Lyons currently 5th move him down on list, may be one of last witnesses.
2:06:23 PM	Atty Ingram KU/LG&E Note: Sacre, Candace	With that, call Mr. Conroy, Mr. Crosby going to present Mr. Conroy.
2:06:37 PM	Camera Lock Witness Activated	
2:06:38 PM	Chair Hatton Note: Sacre, Candace	Witness is sworn.
2:06:45 PM	Chair Hatton - witness Conroy Note: Sacre, Candace	Examination. Name and business address?
2:07:09 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Direct Examination. Job title?
2:07:17 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Cause direct testimony, rebuttal testimony, joint stipulation testimony, and joint supplemental testimony be filed?
2:07:26 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Sponsor responses to data requests?
2:07:31 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Adopt and affirm prefiled testimony and responses as testimony here today?
2:07:39 PM	Atty Crosby KU/LG&E Note: Sacre, Candace	In accordance with permission granted earlier, short amount of direct with Conroy.
2:07:48 PM	Camera Lock Deactivated	
2:07:49 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Briefly summarize main provisions and benefits of stipulation and exhibits companies filed on October 20?
2:16:10 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Any other important provisions or benefits of stipulation?
2:19:12 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Summarize supplemental testimony companies filed on October 31st?

2:19:22 PM	Atty Fisk Joint Intervenor Note: Sacre, Candace	Preserve objection on record submission of supplemental testimony.
2:19:36 PM	Chair Hatton Note: Sacre, Candace	Did you object earlier?
2:19:50 PM	Atty Crosby KU/LG&E - witness Conroy Note: Sacre, Candace	Direct Examination (cont'd). You may proceed.
2:28:31 PM	Chair Hatton Note: Sacre, Candace	Questions?
2:29:00 PM	Atty Kurtz KIUC - witness Conroy Note: Sacre, Candace	Cross Examination. Settlement of one very complicated case?
2:29:08 PM	Atty Spenard KYSEIA Note: Sacre, Candace	Object.
2:33:01 PM	Atty Fisk Joint Intervenor Note: Sacre, Candace	Join objection.
2:33:05 PM	Atty Kurtz KIUC Note: Sacre, Candace	Nothing read from stipulation prohibits me from cross. Conroy not my witness, not about friendly cross, about due process.
2:33:50 PM	Chair Hatton Note: Sacre, Candace	Contention is that it is cross?
2:33:58 PM	Chair Hatton Note: Sacre, Candace	Anybody else want to weigh in?
2:34:08 PM	Atty Osterloh LFUCG Note: Sacre, Candace	Questions relate to testimony filed Friday, not relate directly to stipulation. To extent play into decision, ask for opportunity to do that.
2:34:21 PM	Atty Kurtz KIUC Note: Sacre, Candace	Limit my questions in the same regard to what filed on Friday.
2:34:27 PM	Chair Hatton Note: Sacre, Candace	Does that eliminate your objection?
2:34:31 PM	Atty Spenard KYSEIA Note: Sacre, Candace	A lot of this is new to us, stipulation and recommendation filed on October 20, their witness. Anything filed on Friday not object. Anything to do with stipulation, continue to make objection.
2:35:18 PM	Chair Hatton Note: Sacre, Candace	Objection any questions pertains only to late-filed evidence on Friday?
2:35:34 PM	Atty Crosby KU/LG&E Note: Sacre, Candace	Respect to stipulation and signatories to it, signing stipulation not cause companies' witnesses become witnesses any other party. Premature cut off cross examination, better informed decision, allowing cross occur before objections occur.
2:36:21 PM	Atty Kurtz KIUC Note: Sacre, Candace	Be willing limit questions to late-filed testimony and documents.
2:36:32 PM	Chair Hatton Note: Sacre, Candace	Believe you have to, are these your witnesses now?
2:36:39 PM	Atty Kurtz KIUC Note: Sacre, Candace	No.
2:36:41 PM	Chair Hatton Note: Sacre, Candace	Staff?
2:36:47 PM	Asst Gen Counsel Tussey PSC Note: Sacre, Candace	Generally, see in stipulations when parties wave cross, specifically state within stipulation have waived cross.
2:37:14 PM	Atty Spenard KYSEIA Note: Sacre, Candace	Stipulation requires parties to support it, think have said enough.

2:37:25 PM	Chair Hatton Note: Sacre, Candace	Have any questions?
2:37:45 PM	Chair Hatton Note: Sacre, Candace	Limit questions to late-filed testimony, waiving right to cross unless new.
2:38:10 PM	Atty Grundman Walmart Note: Sacre, Candace	As matter of process, not agreeing waive cross; no cross for this witness.
2:39:00 PM	Chair Hatton Note: Sacre, Candace	Find nobody waived cross, and this is cross, objection preserved.
2:39:13 PM	Chair Hatton Note: Sacre, Candace	Mr. Kurtz?
2:39:14 PM	Atty Kurtz KIUC - witness Conroy Note: Sacre, Candace	Cross Examination. Indicated resolution of very complicated case, actually resolution of three very complicated separate rate cases?
2:39:34 PM	Atty Kurtz KIUC - witness Conroy Note: Sacre, Candace	Include offset for fuel adjustment savings customers receive from new power plant?
2:40:10 PM	Atty Kurtz KIUC - witness Conroy Note: Sacre, Candace	Bill impact include benefit of additional off-system sales margins which 75 percent go to customers?
2:40:21 PM	Atty Kurtz KIUC - witness Conroy Note: Sacre, Candace	Bill impact include economic development benefits of new load amortize fixed costs Mill Creek 5 power plant?
2:40:32 PM	Atty Fisk Joint Intervenor Note: Sacre, Candace	Object.
2:41:07 PM	Chair Hatton Note: Sacre, Candace	Ruled that it is cross, overrule objection, not get into redirecting.
2:41:27 PM	Atty Kurtz KIUC - witness Conroy Note: Sacre, Candace	Cross Examination (cont'd). Same set questions, bill impact extension Mill Creek 2 not include any of those customer benefits?
2:42:26 PM	Chair Hatton Note: Sacre, Candace	Sierra Club?
2:42:50 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	Cross Examination. Direct testimony today, Mill Creek 2 scheduled be in service mid 2027?
2:43:38 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	What is in-service date expect for Mill Creek 5?
2:43:53 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	Under stay-out clause, file new rate case August 1 2028?
2:44:16 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	January 1st of 2028, under proposed Mill Creek 2 adjustment clause, time limited in any way?
2:44:56 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	Does it have an end time?
2:45:05 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	Sometime in 2031 whenever Mill Creek 6 online?
2:45:19 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	Direct today stated, reading, accurate?
2:45:33 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	In testimony, supplemental on Friday, page 13, line 17-20, bill impact analysis based on reasonable assumptions?
2:46:03 PM	Atty Shoaff Sierra Club - witness Conroy Note: Sacre, Candace	What are those assumptions?

2:46:20 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Provided bill impact analysis, what assumptions were made, trying to understand?
2:46:51 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Where find incremental CPCN costs, included in assumptions?
2:47:05 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	How about modeling, what modeling run determine bill impact analysis Mill Creek 2 adjustment clause?
2:47:24 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	What was name of model run?
2:47:38 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Like Excel spreadsheet or something else?
2:47:57 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Spreadsheet company created?
2:48:10 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Testimony Mill Creek 2 recovery adjustment clause in response to Order?
2:48:39 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	So yes?
2:48:42 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Order in that case said either retire Mill Creek 2 or extend life of Mill Creek 2 and risk losing retirement authority?
2:49:16 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	With regard to options, retire existing retirement authority or extend life and risk losing retirement authority?
2:49:40 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Company made decision extend life Mill Creek 2 beyond in-service date Mill Creek 5 anticipated June 2027?
2:50:32 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	When current outage and costs incurred?
2:50:50 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Know if costs incurred before or after rebuttal testimony filed September 3rd?
2:51:06 PM	Atty Shoaff Sierra Club - witness Conroy	
	Note: Sacre, Candace	Companies already incurring costs keep Mill Creek 2 open beyond retirement time frame, but no decision made on whether keep open?
2:51:37 PM	Chair Hatton	
	Note: Sacre, Candace	Joint Intervenors?
2:51:49 PM	Atty Spenard KYSEIA	
	Note: Sacre, Candace	Talked about order, like to go before Joint Intervenors.
2:51:58 PM	Chair Hatton	
	Note: Sacre, Candace	Not have problem with that.
2:52:51 PM	Atty Spenard KYSEIA - witness Conroy	
	Note: Sacre, Candace	Cross Examination. Standard instructions, not asking offer legal opinions?
2:54:08 PM	Atty Spenard KYSEIA - witness Conroy	
	Note: Sacre, Candace	Seeking complete answer, includes get to elaborate, okay?
2:54:38 PM	Atty Spenard KYSEIA - witness Conroy	
	Note: Sacre, Candace	Some instances just say yes or no and can explain?
2:54:51 PM	Atty Spenard KYSEIA - witness Conroy	
	Note: Sacre, Candace	Two separate applications, one for Kentucky Utilities and another from LG&E?

2:54:59 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Filed testimony direct and also settlement and also extra settlement testimony all for inclusion?
2:55:23 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	With regard to components of rate cases, some of rates, rates can differ and do between companies?
2:55:50 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Work from 2025-00113 and make assumption if ask question applicable for KU and LG&E, two cases, material difference in response, let us know?
2:56:33 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	In terms of testimony in 2025-0113, have in front of you?
2:56:52 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Looking at page 2 of testimony, reading, overview of revenue increases in these proceedings?
2:57:25 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Turn to page 12 of testimony, what are conclusions and recommendations, read into record?
2:58:22 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	At this stage, hand out exhibit marked as KYSEIA Hearing Exhibit 1, information already in record, customer notice of rate reduction, turn to page 7 of testimony?
2:59:09 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Page 7, bottom, line 20, how supporting information required by 807 KAR 5:001, see that?
2:59:28 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Page 8, line 7, one of pieces of information, statement about customer notice?
2:59:41 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	What handed out customer notice associated with KU rate application?
3:00:10 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Have that in front of you?
3:00:20 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	In terms of your view, identifies and describes current residential service rate RS and basic service charge?
3:00:38 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	When talk in terms of current, is status quo?
3:00:49 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Proposed basic service charge rate RS?
3:00:58 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	What companies seeking?
3:01:09 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Page 2 notice, interested in next to last paragraph on page 2, reading, see that?
3:01:35 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Per notice, reading, see that?
3:01:49 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	In terms of evidence in record, why additional adjustment clause necessary or justified please provide testimony why this proposed change to tariff is reasonable?
3:03:12 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Ratemaking perspective, how change status quo?

3:03:33 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Proposing add adjustment clause, what is principle benefit of adding clause?
3:04:27 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Page 3, KYSEIA Exhibit 1?
3:04:52 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	My notes say associated with Section 16(1)(b)(5), Tab 7?
3:06:08 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If turn to page 3 of notice, includes other charges net metering service II bill credit, see that?
3:06:40 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	What companies propose for Net Metering Service-2 bill credit?
3:07:04 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Page 4 of customer notice, several rows SQFLQF, see those?
3:07:34 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Next to last row, page 4, entry for SQF/LQF, solar single axis tracking distribution, see that?
3:07:52 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	What current capacity rate on notice?
3:08:04 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Proposed capacity rate listed on notice?
3:08:22 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	In terms of application, filing requirement required submit side by side comparison tariff sheets, familiar?
3:10:11 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Have page 107 of 216 in front of you?
3:10:22 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	At bottom of each box, information regarding issued by?
3:10:32 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Issued by you, correct?
3:10:53 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Companies filed tariffs?
3:11:13 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Back to testimony page 12, reading, recall went over that?
3:11:37 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	When look at this, left-hand side of page current tariff provision?
3:12:32 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	On left-hand side, used phrase, left-hand side status quo?
3:12:55 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Left hand side that which approved by Commission and which governs relationship between companies and customers?
3:13:17 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Right-hand side provisions companies seek to have approved?
3:13:34 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If look on left-hand side, four types of technologies, capacity rate each seven year PPA distribution and transmission?
3:14:30 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Go to right-hand side, companies proposing to change capacity rates to zero?
3:14:55 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	With regard to tariff proposals, LG&E consistent with KU proposals eliminate capacity rate for these categories as well?
3:15:23 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Based on evidence, conclusion reasonable?



3:15:54 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Fair to say aware of Schram testimony and agreeing with it?
3:16:48 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Page 110 of same side-by-side comparison, had chance to examine?
3:18:07 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Left-hand side current tariff, on right-hand side proposed rider?
3:18:28 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	For record, identify what initials SQF and LQF each stand for and what mean to each other?
3:19:14 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Section under Availability, last paragraph right-hand side, reading, see that?
3:19:59 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	You do see it?
3:20:09 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Difference between Availability currently have and proposed change on right-hand side of page, okay?
3:20:30 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Read into record, paragraph on right-hand side of page that includes change?
3:21:41 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Last sentence new text, that's the change, correct?
3:22:00 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	When companies say that, reading, buy all/sell all arrangement?
3:22:32 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If seller commit sell entire output to company, eliminate seller's ability to use own generation for own needs?
3:23:37 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Existing option seller enter into PPA with companies for sales of energy or energy and capacity or sell energy to company on as available basis?
3:24:48 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If proposal approved by Commission, eliminate ability of seller enter into PPA for sales of energy only?
3:25:26 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	KYSEIA Exhibit 4, application, page 111 of 216, chance to look at this page?
3:26:54 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	For section, Term of Contract, see that?
3:27:13 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	What is companies proposal changing term of contract provision?
3:27:49 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	In terms of how changes relationship, what companies seeking through this change, how this make things better?
3:28:23 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	As with Schram, when conclude reasonable based on assessment of another witness' testimony?
3:29:09 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If asking you detail regarding proposed change, not know and rather have another witness respond?
3:29:33 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Arrived at conclusion, understand change recommending change, understand Term of Contract provision?

3:30:09 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	KU response to KYSEIA Second Supplemental request for information dated Sept 12 2025, filed Sept 23, question 3, who witness?
3:31:33 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Co-sponsored with other witness, response includes statement, reading, see that?
3:32:05 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Also position, what in response your responsibility answering questions?
3:32:41 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Lay terms, saying when comes to mechanics battery storage, better for Schram?
3:33:14 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	When comes to answering question concerning flexibility with solar and battery storage, refer to Schram?
3:33:51 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Still have page 110 from side-by-side in front of you?
3:34:12 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Saying, reading, correct?
3:34:33 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	QF required in that scenario purchase all power needs of companies?
3:34:56 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	In terms of last paragraph Availability, QF required if sells both energy and capacity?
3:35:42 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	When QF selling entire output, sells both energy and capacity?
3:35:56 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Follow that capacity payments to QF only available to QFs that enter into PPA that is buy all/sell all?
3:36:30 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If had customer with QF, that customer, unless enters into PPA arrangement, cannot enter into PPA?
3:37:22 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Distribute another exhibit, 807 KAR 5:054 Small Power Production and Cogeneration, marked KYSEIA Hearing Exhibit 5, take a glance at it?
3:39:30 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Reason why reference, have in record indicated supplied response concerning statute more of perspective regarding regulation, okay?
3:40:30 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Section 6, Electric Utility Obligations, sub 1, read what it says?
3:41:27 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	For that utility, will KU proposal if accepted create situation in which utilities have structure to not willing purchase energy and capacity that QF makes available?
3:42:26 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Companies make energy only purchases if proposal accepted?
3:42:43 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Will companies purchase energy and capacity if proposal accepted other than seven-year PPA?
3:43:15 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Any other scenario in which companies purchase energy and capacity other than buy all/sell all seven-year PPA?

3:43:43 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If value demonstrated, sole way for QF purchase energy and capacity is enter into seven-year PPA buy all/sale all arrangement?
3:44:51 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Be for QF, exclusive means achieve capacity and energy sale to companies?
3:45:11 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Section 7, Purchase of Output Qualifying Facilities, sub 1, Qualifying Facilities, see that?
3:45:46 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Read into record Section 1?
3:46:28 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Used buy all/sell all, is 1(b) describing buy all/sell all?
3:47:03 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	With regard to statement Part A as available energy, what basis 807 KAR 5:054?
3:48:11 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Also case in order arrive at conclusion as available also have to make assumption otherwise no capacity value?
3:48:49 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Position energy only compensation under Part A premised assumption no capacity value when QF uses generation power needs then sells surplus?
3:50:00 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Page 106, if look at 106, looking left-hand side of page, energy rates for solar single axis tracking, energy rates higher or lower than rates for seven-year PPA?
3:52:03 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Regard transmission connected projects, two-year PPA price lower than seven-year price?
3:52:16 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Right side of page proposed energy rates, two-year PPA rates lower than seven-year PPA rates?
3:52:37 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Transmission projects, two-year PPA rates lower than seven-year PPA rates?
3:53:00 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	For qualifying facility not enter into seven-year PPA, energy rates be two-year PPA energy rates?
3:53:56 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	When QF wants to supply own needs, highest rates receive for energy be two-year PPA rates?
3:54:45 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	Unless enter into buy all/sell all arrangements see \$33.02 under two-year PPA?
3:55:46 PM	Atty Spenard KYSEIA - witness Conroy Note: Sacre, Candace	If have opinion, from companies' standpoint, structured recommended SQF and LQF tariff provisions to incent buy all/sell all arrangements?
3:56:55 PM	Atty Spenard KYSEIA Note: Sacre, Candace	At this stage, KYSEIA tendered five hearing exhibits, move introduction all five.
3:56:56 PM	KYSEIA HEARING EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY SPENARD KYSEIA - WITNESS CONROY KENTUCKY UTILITIES CUSTOMER NOTICE OF RATE ADJUSTMENT

3:56:57 PM	KYSEIA HEARING EXHIBIT 2 Note: Sacre, Candace Note: Sacre, Candace	ATTY SPENARD KYSEIA - WITNESS CONROY PSC NO. 21, ORIGINAL SHEET NO. 55.1, SQF, RATES FOR PURCHASES FROM SELLER UNDER PPA
3:56:58 PM	KYSEIA HEARING EXHIBIT 3 Note: Sacre, Candace Note: Sacre, Candace	ATTY SPENARD KYSEIA - WITNESS CONROY PSC NO. 21, ORIGINAL SHEET NO. 56, LQF, STANDARD RATE RIDER LARGE CAPACITY COGENERATION AND LARGE POWER PRODUCTION QUALIFYING FACILITIES
3:56:59 PM	KYSEIA HEARING EXHIBIT 4 Note: Sacre, Candace Note: Sacre, Candace	ATTY SPENARD KYSEIA - WITNESS CONROY PSC NO. 21, ORIGINAL SHEET NO. 56.1, LQF, RATES FOR PURCHASES FROM SELLER UNDER PPA
3:57:00 PM	KYSEIA HEARING EXHIBIT 5 Note: Sacre, Candace Note: Sacre, Candace	ATTY SPENARD KYSEIA - WITNESS CONROY 507 KAR 5:054, SMALL POWER PRODUCTION AND COGENERATION
3:57:00 PM	Chair Hatton Note: Sacre, Candace	Any objection?
3:58:10 PM	Atty Spenard KYSEIA Note: Sacre, Candace	Ask for right, if necessary, speak with Conroy again.
3:58:30 PM	Chair Hatton Note: Sacre, Candace	Break ten minutes.
3:59:35 PM	Session Paused	
4:17:52 PM	Session Resumed	
4:17:55 PM	Chair Hatton Note: Sacre, Candace	Back on the record.
4:18:03 PM	Chair Hatton Note: Sacre, Candace	Joint Intervenors?
4:18:10 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Cross Examination. Questions about joint stipulation testimony and supplemental filed Friday night, cosponsoring both of those with Garrett?
4:18:52 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Portions of testimony you more responsible than Garrett?
4:19:12 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Also have stipulation itself?
4:19:22 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	My understanding from supplemental asked Commission approve Mill Creek 2 incremental stay open cost recovery adjustment clause?
4:19:47 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Be to have monthly surcharge through which recover cost keeping Mill Creek 2 open beyond 2027?
4:20:11 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	That mechanism not included in initial filing?
4:20:22 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Not included any witnesses' initial or rebuttal testimony?
4:20:32 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Not included as part of nonunanimous stipulation filed on Oct 20?
4:20:46 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Yes, it was not included?
4:20:49 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	Turn to stipulation, Section 10.4, on page 22, references, reading?
4:21:14 PM	Atty Fisk Joint Intervenors - witness Conroy Note: Sacre, Candace	No longer accurate now requesting approval of MC 2 mechanism?

4:21:46 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	In companies' opinion, stipulation no longer resolve all issues?
4:22:00 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	But not resolve all issues?
4:22:02 PM	Atty Crosby KU/LG&E	
	Note: Sacre, Candace	Asked and answered.
4:22:04 PM	Chair Hatton	
	Note: Sacre, Candace	Do believe answered.
4:22:07 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Cross Examination (cont'd). If Mill Creek 2 mechanism not approved, companies could file separate proceeding?
4:22:37 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Also recover through next rate case?
4:23:09 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Reason could not seek recovery next rate case?
4:23:22 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Delay recovery but not like could not seek recovery future rate case?
4:23:35 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Recover capital costs in future rate case?
4:23:55 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Reason Mill Creek 2 not included in future test year?
4:24:07 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Next rate case, Mill Creek 2 included in future test case, future test year?
4:24:32 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	But if Mill Creek 2 included future test year cost keeping open be recoverable?
4:24:57 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	2028 is when first able recover them?
4:25:09 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	What costs already being incurred?
4:25:30 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Bellar would know details?
4:25:39 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Currently for current operation of Mill Creek 2, costs being recovered?
4:26:01 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	And cost included in test year include capital and O&M costs?
4:26:34 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	If could turn to Exhibit 5 to supplemental testimony, rate impact analysis, both you and Garrett identified as authors?
4:27:11 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	What your role creating exhibit?
4:27:23 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	When exhibit created?
4:27:43 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Before Friday, companies evaluated what estimated residential customer impact of Mill Creek 2 mechanism be?
4:28:08 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	On exhibit, line 9, Annual Jurisdictional, see that?
4:28:19 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Amounts of costs flow through Mill Creek 2 mechanism approved?
4:28:46 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Amounts that would be recovered from customers?

4:29:03 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Those costs repeated on line 15 for Group 2?

4:29:30 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Amounts on line 9 and 25, total divided between Group 1 and Group 2?

4:30:01 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Group 1 just mostly residential and local government?

4:30:22 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace What kind of customers are those?

4:30:32 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Group 2, what kind of customers are those?

4:30:59 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Scroll down to line 67, General Service under Group 2, I believe?

4:31:31 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Annual jurisdictional revenues line 9 calculated from second tab on exhibit?

4:31:49 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Tab labeled MC2LGE?

4:31:57 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Only deals with LG&E?

4:32:10 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Line 9, first tab totals of line 16 second tab?

4:32:52 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Know what source of capital and O&M costs reflected in this impact analysis is?

4:33:30 PM Atty Fisk Joint Intervenor  
Note: Sacre, Candace Put exhibit up on screen.

4:33:52 PM Atty Fisk Joint Intervenor  
Note: Sacre, Candace Mark as Joint Intervenor Hearing Exhibit 1.

4:33:52 PM Wireless Presentation Activated

4:34:07 PM Video Conference Deactivated

4:34:08 PM JOINT INTERVENORS HEARING EXHIBIT 1  
Note: Sacre, Candace ATTY FISK JOINT INTERVENORS - WITNESS CONROY  
Note: Sacre, Candace MODELING MILL CREEK 2 LIFE EXTENSION AS A RESOURCE PLANNING ALTERNATIVE

4:34:19 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Seen document before?

4:34:27 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace From CPCN docket 2025-00045?

4:34:34 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Mill Creek 2 life extension modeling analysis?

4:34:41 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Have involvement in this document?

4:34:49 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Page 5, Table 1, Mill Creek 2 stay open and life extension costs?

4:34:58 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Have familiarity with numbers listed there?

4:35:30 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Know when newer estimates created?

4:35:40 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace Table 1 stay open and life extension costs, two different categories?

4:35:58 PM Atty Fisk Joint Intervenor - witness Conroy  
Note: Sacre, Candace My understanding Mill Creek 2 question extend plant's life to 2031 or past 2031?

4:36:37 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Regards to proposed MC 2 cost recovery mechanism, companies seeking approval cost recovery get plant to 2031 or for any costs necessary keep plant going?
4:37:29 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Stay open costs from '27 to 2031 or stay open costs beyond that included in analysis?
4:37:59 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Way mechanism works, as LG&E incurs costs put into rate recovery mechanism recovered from customers and post recovery review?
4:38:51 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	If Commission approves MC 2 mechanism, next chance review costs recovered be after costs recovered?
4:39:54 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	And that annual review not occur until after costs recovered?
4:40:33 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Pre-recovery reporting just a here's the cost put into this monthly surcharge?
4:41:00 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Prudency review not occur until after costs recovered?
4:41:34 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	If mechanism approved, costs needed to continue plant's life beyond 2031, companies view approval as allowing include in surcharge cost needed extend life of unit past 2031?
4:42:17 PM	Atty Ingram KU/LG&E Note: Sacre, Candace	Asked and answered, information provided.
4:43:14 PM	Atty Fisk Joint Intervenor Note: Sacre, Candace	Understand provided bill impact analysis, what not answered whether if plant continues beyond that authorization include 2031, 2032, 2033 costs through surcharge.
4:43:35 PM	Atty Ingram KU/LG&E Note: Sacre, Candace	Conroy testified Mill Creek 2 adjustment clause be in place for life of Mill Creek 2 whenever ends.
4:44:08 PM	Chair Hatton Note: Sacre, Candace	I believe that answers your question, do you believe answers question?
4:44:27 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Cross Examination (cont'd). Earlier said stipulation has stay-out provision?
4:44:39 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Commitment by companies not file rate increase until Jan 1 2028?
4:44:58 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Also testified without stipulation companies need come back for another rate case in 10 months?
4:45:14 PM	Video Conference Activated	
4:45:17 PM	Wireless Presentation Deactivated	
4:45:22 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	By November 2026?
4:45:26 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Stay-out another 13 months past that?
4:45:49 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	But without stay-out not be filing, would be filing in about a year?
4:46:06 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Without stay-out file in Nov 2026, with stay-out could file Jan 2028?



4:46:23 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Looking at stipulation testimony, page 11, line 12, reading, right?
4:47:05 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	LG&E's proposed revenue requirement increase reduced by \$49 million?
4:47:19 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Look at Supplemental Testimony Exhibit 1, GCR cost recovery, estimated bill impact generation cost recovery rider?
4:47:55 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	When analysis created?
4:48:09 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Before document created, evaluated estimated rate impact to residential customers DCR rider?
4:48:28 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Looking at line 9 again, have annual jurisdictional cost?
4:48:41 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	For LG&E approximately \$52 million in 2027?
4:48:59 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	For 2028, \$82 million?
4:49:02 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Both figures higher than proposed reduction in revenue requirement increase?
4:49:48 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	But, for 2027 and 2028, reduction in annual revenue requirements provided by stipulation less than increased revenue companies recover through GCR?
4:50:35 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Similarly, looking at page 1 of Supplemental Testimony Exhibit 1, line 9, \$64 million in 2027?
4:50:59 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	\$110 million in 2028?
4:51:11 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Those two amounts averaged together approximately same as reduction in proposed revenue requirement increase?
4:51:59 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Proposed to be recovered?
4:52:05 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Commission have to approve it?
4:52:11 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Looking at page 12, stipulation testimony, line 14, listing of various reductions in companies' requested revenue requirement?
4:52:50 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Includes reduction in vegetation management expenses?
4:53:07 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	And depencaking expenses?
4:53:22 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Stipulation includes deferral accounting for those expenses?
4:53:55 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Turn to page 10 of stipulation, deferral accounting request?
4:54:20 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Is, if actual expenses above or below expense levels agreed to, regulatory asset created for those?
4:54:46 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	And level embedded in base rates reflected in what included in stipulation?

4:54:55 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	If vegetation management expenses higher than reduced amount, put in regulatory asset and seek recovery next rate case?
4:56:08 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	If end up spending more on vegetation management, excess amount recovered through next rate case?
4:57:12 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	And that prudency review excess cost in next rate case?
4:58:00 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Sharing mechanism proposed in stipulation, page 8, stipulation testimony, sharing mechanism provides, if companies earn more than 10.15 return on equity, be refund to customers, earn less extra charge to customers?
4:59:21 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	9.9 return on equity, increase over ROE which is 9.55?
4:59:49 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	In ECR mechanism, propose 9.35?
5:00:08 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	For mechanism proposed here?
5:00:18 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Proposing to change 9.35 in environmental compliance recovery mechanism?
5:00:38 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Now asking for 9.9 percent for ECR mechanism also?
5:00:49 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Where stipulation apply that to ECR?
5:01:43 PM	Atty Ingram KU/LG&E	
	Note: Sacre, Candace	Page 5.
5:01:53 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Cross Examination (cont'd). Means no longer proposing 9.35 percent return on equity proposed in 2025-00173?
5:03:05 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	For sharing mechanism, guarantees for customers companies not earn ROE above 10.15 percent?
5:04:08 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Guarantees for customers companies not earn above 10.15 during sharing mechanism period?
5:04:34 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Guarantees unless Commission deny refunds to customers?
5:04:48 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Guarantee not earn above 10.15 percent?
5:04:59 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Bottom side, guarantee not earn less than 9.4 percent?
5:05:18 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Assuming GCR approved, revenues flow through surcharge count towards determining sharing mechanism triggered?
5:05:58 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Where is that stated?
5:06:17 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Page 9, line 10 to 12?
5:07:19 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	That is any of mechanisms excluded both costs and revenues?
5:07:37 PM	Atty Fisk Joint Intervenor - witness Conroy	
	Note: Sacre, Candace	Trying to clarify, non-base rate mechanisms, based on rate base?

5:08:10 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Looking at stipulation testimony page 10, line 5, talking about Commission review?
5:08:28 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	What be process for review?
5:09:27 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Know what review standard for that type proceeding is?
5:09:55 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Company carried out projections whether anticipates adjustment clause sharing mechanism lead to refund or additional charge?
5:10:33 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	When say you have not done, but someone else may have?
5:10:50 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	If look at stipulation testimony at page 14, line 22, says, reading, see that?
5:11:20 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Not see anything in sharing mechanism says that?
5:12:03 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Statement not explained elsewhere?
5:12:25 PM	Atty Fisk Joint Intervenor Note: Sacre, Candace	At a good stopping point.
5:12:35 PM	Chair Hatton Note: Sacre, Candace	If all the same to you, go ahead another 15 minutes?
5:12:56 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Cross Examination (cont'd). Change topics EHLF provision, Extremely High Load Factor proposal, right?
5:13:00 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Stipulation testimony at page 22, line 14, reading, see that?
5:13:38 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Stipulation modifies that to say only applies to new customers?
5:14:29 PM	Video Conference Deactivated	
5:14:55 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	If open new data center, new customer?
5:15:08 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Language in stipulation testimony is all customers EHLF, mean EHLF mandatory for any customer that meets qualifications?
5:16:01 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Any customer meets 50 MVA and 85 percent average monthly load factor covered under EHLF?
5:16:21 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Companies committing to not provide service to one of those customers?
5:16:58 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Approval of EHLF rule out qualifying customer served under economic development rider?
5:17:31 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Currently not have excess load?
5:17:38 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	But will if unit approved in CPCN. once on line?
5:17:50 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Customer could be served under EHLF but still receive favorable rates of EDR?
5:18:22 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Stipulation at page 18, section 8.2, also adds provision about if customer attempts circumvent minimum capacity thresholds?

5:18:53 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	This ensure customer wanted to build 90 MVA facility but evade EHLF could build two 45 MVA?
5:19:45 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Curious about phrasing, if customer attempts to circumvent, require showing deliberately trying avoid rate?
5:20:34 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Know what colocation data center is?
5:20:50 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Know if a data center multiple tenants provision ensure those tenants all covered?
5:21:23 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Even if had multiple different tenants, aggregate totals?
5:21:52 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Know individual tenants of larger facilities sign up for transmission service?
5:22:27 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Camp Ground Road proposal facility would have multiple tenants?
5:23:03 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Turn to section 8.3 of stipulation, renewable energy goals, see that?
5:23:19 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	First sentence says, reading, correct?
5:23:36 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	What provision mean in practice?
5:24:03 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Renewable energy goal provision not referencing actually EHLF tariff?
5:24:25 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Not in tariff itself?
5:24:34 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	How EHLF customer be made aware of it if not in tariff?
5:24:55 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Language refers to reasonably accommodate, what does or does not qualify?
5:25:12 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Companies committing enter agreements EHLF customer requests?
5:25:36 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	What sort of agreements needed to accommodate?
5:25:58 PM	Atty Fisk Joint Intervenor - witness Conroy Note: Sacre, Candace	Stipulation also says, reading, know how those things be addressed?
5:26:38 PM	Atty Ingram KU/LG&E Note: Sacre, Candace	Object to any more questions about this paragraph. Paragraph in the stipulation, commitment made as part of stipulation. Work with EHLF customers.
5:27:37 PM	Chair Hatton Note: Sacre, Candace	Good stopping point.
5:27:49 PM	Chair Hatton Note: Sacre, Candace	See everyone at 9 am.
5:28:11 PM	Session Ended	



## Exhibit List Report

2025-00113 and 2025-00114  
03Nov2025

**Kentucky Utilities Company (KU)  
and Louisville Gas and Electric  
Company (LG&E)**

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<b>Name:</b>	<b>Description:</b>
JOINT INTERVENORS HEARING EXHIBIT 1	MODELING MILL CREEK 2 LIFE EXTENSION AS A RESOURCE PLANNING ALTERNATIVE
KYSEIA HEARING EXHIBIT 1	KENTUCKY UTILITIES COMPANY CUSTOMER NOTICE OF RATE ADJUSTMENT
KYSEIA HEARING EXHIBIT 2	PSC NO. 21, ORIGINAL SHEET NO. 55.1, SQF, RATES FOR PURCHASES FROM SELLER UNDER PPA
KYSEIA HEARING EXHIBIT 3	PSC NO. 21, ORIGINAL SHEET NO. 56, LQF, STANDARD RATE RIDER LARGE CAPACITY COGENERATION AND LARGE POWER PRODUCTION QUALIFYING FACILITIES
KYSEIA HEARING EXHIBIT 4	PSC NO. 21, ORIGINAL SHEET NO. 56.1, LQF, RATES FOR PURCHASES FROM SELLER UNDER PPA
KYSEIA HEARING EXHIBIT 5	807 KAR 5:054 SMALL POWER PRODUCTION AND COGENERATION

# Modeling Mill Creek 2 Life Extension as a Resource Planning Alternative



PPL companies

Generation Planning & Analysis

June 2025

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## 1 Summary

In this analysis, the Companies update their Stage One resource assessment to evaluate a long-term Mill Creek 2 life extension as an alternative in PLEXOS. It demonstrates that a long-term Mill Creek 2 life extension, i.e., one that would extend its life beyond both its approved 2027 retirement date and the 2031 commercial operation date of the proposed Mill Creek 6 natural gas combined-cycle ("NGCC") unit, would not be economical.

Importantly, a long-term Mill Creek 2 life extension—if environmental constraints would allow it, which is unclear—would require significant capital investments in the unit, adding Selective Catalytic Reduction ("SCR"), and most importantly forgoing the proposed Mill Creek 6, the latter of which would impair the Companies' ability to serve projected load and would likely foreclose the opportunity to construct the unit for years due to pipeline capacity constraints. Thus, as the Companies have previously demonstrated, the direct and indirect cost of a long-term Mill Creek 2 life extension is over \$500 million. The Companies' PLEXOS analysis confirms the intuition that the cost of such a life extension is too high to be economical.

Stage One, Step One of this analysis allowed PLEXOS to create least-cost resource plans subject to reserve margin and other constraints for each of 75 scenarios with different fuel price, load, and relevant economic input assumptions: (1) the same five fuel-price scenarios the Companies have used throughout this case; (2) five economic development load addition scenarios ranging from 1,470 MW to 2,030 MW in 140 MW increments; and (3) three economic input assumptions that differ from the Companies' original analysis ((i) a 40% Investment Tax Credit ("ITC") for renewables and batteries; (ii) a 40% ITC and a 30% trade tariff impact on renewables and batteries; and (iii) a full repeal of all ITC and Production Tax Credits ("PTC") for batteries and renewables).

In Stage One, Step Two, the Companies used PROSYM to evaluate the 25 portfolios for each of the three trade tariff and tax incentive scenarios with detailed production costs over each of the five fuel price scenarios to determine which resource plan for a given load scenario has the lowest PVRR on average across all fuel price scenarios (i.e., a total of 15 portfolios, one for each combination of five load scenarios and three trade tariff and tax credit scenarios). This final step of the analysis showed:

- **A long-term Mill Creek 2 life extension is not least-cost in any of the 15 scenarios.** Also, the cost of a short-term Mill Creek 2 life extension (\$72 million) is not warranted as a means of deferring battery energy storage systems ("BESS") resources.
- **With a 40% ITC for BESS and no trade tariffs, the Companies' recommendation is unchanged.** All load scenarios include Brown 12, Mill Creek 6, the Ghent 2 SCR, and between 225 and 925 MW of BESS (including Brown BESS).
- **With a 30% tariff or full repeal of the ITC and PTC, BESS is no longer least-cost and is replaced with SCCT capacity or a third NGCC at Green River.** All load scenarios include Brown 12 and Mill Creek 6. In the load scenarios with 1,470 MW, 1,610 MW, and 1,750 MW of data center load, BESS capacity is replaced with simple-cycle combustion turbine ("SCCT") capacity. In the load scenarios with 1,890 MW and 2,030 MW of data center load, BESS capacity is replaced with the Green River 5 NGCC.

In sum, this analysis demonstrates long-term Mill Creek 2 life extension is uneconomical, and BESS and solar resources are predictably sensitive to trade tariffs and tax credits.

## **2 Updated Resource Assessment to Consider (a) Mill Creek 2 Life Extension and (b) Trade Tariff and Tax Incentive Uncertainties**

The Companies updated their Stage One resource assessment to evaluate a Mill Creek 2 life extension as an alternative in PLEXOS. In addition, as noted in Sections 4.1 and 4.2 of the May 2025 Analysis of Mill Creek Unit 2 Life Extension as an Option to Support Economic Development While Managing Tariff, ITC, Gas Transport Availability, and Load Risk filed in response to KCA 1-4 in Case No. 2025-00045 ("May Analysis"), trade tariff and tax incentive uncertainties have potentially the largest impact on the economics of renewable and BESS resources. Therefore, in addition to the load and fuel price scenarios evaluated in Exhibit SAW-1, the Companies developed least-cost resource plans for three trade tariff and tax credit scenarios. Additional details regarding these scenarios, Mill Creek 2's life extension costs, other model updates, and non-quantified costs and risks are discussed below.

### **2.1 Trade Tariff and Tax Incentive Scenarios**

The Companies evaluated the load and fuel prices scenarios from Exhibit SAW-1 across three trade tariff and tax incentive scenarios:

1. **40% ITC for BESS.** This scenario assumes a 40% ITC for BESS and no incremental tariffs. While a 50% ITC is still possible, the Companies now believe a 40% ITC is more likely. Compared to a 50% ITC, a 40% ITC effectively increases the cost of BESS by 20%. Unlike the 2025 Resource Assessment, Brown BESS is modeled as a selectable resource in this scenario.
2. **40% ITC for BESS + 30% Tariff.** This scenario assumes a 40% ITC for BESS as well as a 30% tariff for BESS and all renewables except Mercer County Solar (see summary in May Analysis Section 4.1). Unlike the 2025 Resource Assessment, Brown BESS and Marion Solar are modeled as selectable resources in this scenario.
3. **Full Repeal of ITC and PTC.** This scenario assumes no ITC for BESS, no PTC for renewables, and no incremental tariffs. Unlike the 2025 Resource Assessment, Brown BESS and Marion Solar are modeled as selectable resources in this scenario.

### **2.2 Mill Creek 2 Life Extension Costs**

As discussed in May Analysis Section 2, the Companies have been tapering capital spending and maintenance on Mill Creek 2 in anticipation of its retirement in June 2027. Extending Mill Creek 2's life to 2031 when Mill Creek 6 is commissioned will require capital investments of approximately \$72 million.<sup>1</sup> Due to the long lead times for materials needed for such maintenance work, e.g., boiler tubes, the Companies likely cannot perform the necessary maintenance until after Mill Creek 5 is commissioned.

To evaluate a long-term Mill Creek 2 life extension, the Companies developed stay-open costs for Mill Creek 2 and life extension costs needed to operate Mill Creek 2 beyond 2031. A summary of Mill Creek 2 stay-open and life extension costs through 2035 is shown in Table 1. This analysis assumes operating Mill Creek 2 beyond 2031 would require an SCR and additional life extension investments for various replacements or refurbishments, including superheaters, headers, the rotating blades and shaft assembly of the high-pressure and intermediate-pressure turbines and inner casings, GSU, and capital spares.<sup>2</sup> The

<sup>1</sup> The estimate of \$72 million reflects the sum of life extension capital costs in 2026 and on-going capital through 2030.

<sup>2</sup> As stated in May Analysis Section 3.1, an SCR may be needed even for a short-term life extension of Mill Creek 2 beyond its currently planned retirement in 2027.

SCR cost and additional life extension costs between 2030 and 2034 would total approximately \$214 million.<sup>3</sup>

**Table 1: Mill Creek 2 Stay-Open and Life Extension Costs (\$M, Nominal)**

Cost Item	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Ongoing Capital	25.4	2.2	8.9	4.8	7.2	12.0	24.0	1.4	21.5	6.4
Ongoing O&M	18.8	5.0	15.9	10.0	16.2	8.8	17.4	9.0	25.0	9.5
Life Extension Capital	24.1	-	-	-	22.9	-	-	2.5	25.1	-
SCR Construction Capital	-	0.1	4.8	34.4	83.3	40.5	-	-	-	-
SCR Ongoing Capital / O&M	-	-	-	-	-	1.3	1.4	1.4	1.4	1.4

As noted in May Analysis Section 3.3, the Companies likely cannot obtain a Title V permit to allow Mill Creek 2-6 to operate simultaneously in Jefferson County. Therefore, operating Mill Creek 2 beyond 2031 and installing a second NGCC (i.e., one in addition to Brown 12) would require forgoing Mill Creek 6 and constructing the second NGCC at the Green River Generating Station (the Green River 5 NGCC). While Green River is favorable as the Companies' next likely site for adding NGCC capacity, the cost of Green River 5 is higher than Mill Creek 6 due to incremental transmission costs (approximately \$156 million in 2025 dollars) and the need for a new natural gas pipeline to connect to an interstate pipeline and direct interconnections (about 11 miles of new pipeline with a cost of approximately \$138 million in 2031 dollars) with uncertain availability of the pipeline and firm gas transportation services.<sup>4</sup> In addition, annual operation and maintenance cost is \$5 million per year higher in 2028 dollars for Green River 5 than Mill Creek 6 due to the economies of scale of adding incremental labor to an existing site (Mill Creek) compared to a site with no active generating units (Green River).<sup>5</sup> Table 2 compares the costs of Brown 12, Mill Creek 6, and Green River 5.

<sup>3</sup> The estimate of \$214 million reflects the estimated \$163 million SCR cost along with life extension capital for projects from 2030 to 2034.

<sup>4</sup> The incremental transmission capital of \$156 million in 2025 dollars reflects the difference between the transmission capital of the Companies' proposed portfolio in the CPCN case, which includes 400 MW of Cane Run BESS, Mill Creek 5, and no Mill Creek 2 (\$70 million in 2025 dollars, from Scenario 2 in the transmission study referenced in Table 22 of Exhibit SAW-1) and a portfolio that contemplates continued operation of Mill Creek 2, construction of Green River 5 in place of Mill Creek 6, and no Cane Run BESS (\$226 million in 2025 dollars). The incremental interstate pipeline and direct interconnection costs of \$138 million were taken directly from the Companies' cost estimate of Green River 5 filed as part of the CPCN.

<sup>5</sup> The labor cost estimate for Green River 5 is approximated at twice the incremental labor cost for Brown 12. This cost of \$8.3 million in 2028 dollars is comparable to an estimated labor cost of \$7.3 million in 2028 dollars for Cane Run 7, which does not have any other active generating units at the site. Incremental labor for Mill Creek NGCCs is estimated at \$3.7 million in 2028 dollars in the CPCN analysis.

**Table 2: NGCC Costs (2030 Installation; 2030 Dollars)**

	<b>Brown 12</b>	<b>Mill Creek 6</b>	<b>Green River 5</b>
Summer Capacity (MW) <sup>6</sup>	645	645	645
Winter Capacity (MW) <sup>6</sup>	660	660	660
Capital Cost (\$/kW) <sup>7</sup>	2,120	2,138	2,352
Fixed O&M (\$/kW-yr) <sup>8</sup>	7.8	7.1	14.5
Firm Gas Cost (\$/kW-yr) <sup>9</sup>	15	27	27
Earliest In-Service Year <sup>10</sup>	2030	2031	2032

Table 3 contains a summary of incremental capital associated with a long-term extension of the life of Mill Creek 2. Due to environmental permitting constraints at Mill Creek, the Companies configured PLEXOS to not allow for the selection of Mill Creek 6 until Mill Creek 2 is retired. Importantly, with this constraint, continuing to operating Mill Creek 2 does not require the addition of Green River 5; rather, the incremental costs of Green River 5 compared to Mill Creek 6 are incurred only if they are least-cost.

**Table 3: Incremental Capital Associated With Mill Creek 2 Life Extension**

<b>Cost Item</b>	<b>Capital (\$M)</b>
Direct Capital	
Life Extension (2030-2034)	51
SCR (2031 Commissioning)	163
<b>Total Direct Capital</b>	<b>214</b>
Indirect Capital	
Green River 5: Incremental Transmission System Upgrades	156
Green River 5: Incremental Pipeline Costs	138
<b>Total Indirect Capital</b>	<b>294</b>
<b>Total Direct and Indirect Capital</b>	<b>508</b>

For this analysis, the Companies updated their planned maintenance schedule to include planned maintenance for Mill Creek 2 beyond its currently planned retirement in 2027. This includes performing its upcoming turbine overhaul in 2026 and maintaining turbine overhauls on an eight-year cycle; however, the Companies may not have sufficient lead time to secure needed parts for a 2026 turbine overhaul and may need to defer some major maintenance until after Mill Creek 5 is commissioned in 2027.

<sup>6</sup> Capacity is the net installed capacity.

<sup>7</sup> Capital cost is the overnight capital expenditure required to achieve commercial operation. Cost of financing is modeled through construction profiles for each resource type.

<sup>8</sup> Fixed operation and maintenance costs are operation and maintenance costs that do not vary with generation output. For NGCC resources, fixed O&M includes fixed costs for a long-term service agreement ("LTSA").

<sup>9</sup> Firm gas transportation costs are costs associated with reserving firm gas-line capacity. Estimates for Mill Creek 6 and Green River 5 reflect the need for new interstate pipeline infrastructure, are likely conservative, and are assumed to decrease to \$10/kW-yr after 20 years.

<sup>10</sup> Earliest in-service year is the first year the Companies expect a resource can be feasibly built based on permitting and construction timelines and lead times for electrical equipment such as generator step-up transformers.

### 2.3 Other Updates to Inputs and Modeling Assumptions

In addition to the inputs and modeling assumptions discussed above, the Companies made relatively minor updates to other inputs and modeling assumptions:

- **SCCT Capital Cost:** The Companies updated their assumption for the capital cost of SCCT from \$1,636/kW to \$1,901/kW in 2030 dollars based on more recent cost estimates.
- **Green River 5 NGCC:** In the 2025 Resource Assessment, the Companies did not model Green River 5 NGCC as a resource option because it was more expensive than Mill Creek 6. Because the long-term extension of Mill Creek 2 would require foregoing Mill Creek 6, the Green River 5 NGCC is included as an option in this analysis (see Table 2 for cost assumptions).
- **Generic NGCC:** In the 2025 Resource Assessment, the Companies assumed future generic NGCC resources would have costs identical to Mill Creek 6. In this analysis, the Companies assume future generic NGCC resources would have costs identical to Green River 5.
- **Minimum Reserve Requirements:** The Companies updated their minimum winter reserve requirements from 29% to 27% based on the results of the Stage Two analysis in Exhibit SAW-1. This reduction reflects the addition of high load-factor, weather-insensitive economic development load (i.e., data centers).
- **Owned Solar Capital Costs:** In the 2025 Resource Assessment, the Companies modeled RFP responses for owned solar projects with capital costs as proposed. In this analysis, the Companies updated capital costs for three build-transfer solar projects to be equal to the average of the Companies' most recent cost estimates for Marion County and Mercer County solar projects (\$2,015/kW).<sup>11</sup>
- **Solar PTC Escalation Rate:** The Companies updated their assumption for the escalation rate of the production tax credit from 0 to 2.3 percent.
- **BESS Dispatch Mode in PROSYM:** The Companies updated the BESS dispatch logic from "fast dynamic" to "normal dynamic" in PROSYM.
- **Gas Conversion Option:** Four of the 75 PLEXOS model runs in this analysis did not complete due to unspecified infeasibilities during execution. This problem is not unusual given the appropriately complex nature of the models. To resolve this problem and make the models less complex, the Companies updated these models to exclude gas conversion for existing coal units, an option not selected in any other model runs.<sup>12</sup>
- **BESS Priority:** The Brown BESS is required to be built before any other battery storage may be selected.

All other inputs and modeling assumptions are unchanged from the 2025 CPCN Resource Assessment.

<sup>11</sup> The Companies updated capital costs for RFP Proposal Nos. 1, 20, and 22 in Table 29 of Appendix B – RFP Proposals in Exhibit SAW-1.

<sup>12</sup> The specific models run without coal-to-gas conversion options are named 6R6\_CPCN\_1470\_GNP\_NoLFC\_MC2\_NoIRA\_NoTar\_HGMR, 6R6\_CPCN\_1470\_GNP\_NoLFC\_MC2\_40ITC\_NoTar\_LGHR, 6R6\_CPCN\_1610\_GNP\_NoLFC\_MC2\_40ITC\_NoTar\_LGHR, and 6R6\_CPCN\_1750\_GNP\_NoLFC\_MC2\_40ITC\_NoTar\_HGMR.



## 2.4 Non-Quantified Costs and Risks

Notably, this analysis does not consider the following costs and risks:

- **Environmental Permitting Risk:** As discussed in May Analysis Section 3.3, even a short-term Mill Creek 2 life extension would require addressing a number of environmental regulatory issues.
- **Future Environmental Regulation Risk:** The Companies' 2024 IRP demonstrated that NGCC and BESS are least-cost long-term resources across a wide range of environmental scenarios. The same is not true for Mill Creek 2.
- **Landfill Capacity Constraints:** Any delay in Mill Creek 2's retirement will accelerate the need to address the landfill capacity constraint at the Mill Creek Generating Station.
- **Lost Efficiencies:** Constructing Green River 5 in lieu of Mill Creek 6 would eliminate operational efficiencies associated with having two NGCCs of the same model at Mill Creek.
- **Detrimental Effects on Ability to Serve New Load:** Constructing Green River 5 in lieu of Mill Creek 6 would delay the availability of Green River 5 until at least 2032, which diminishes the Companies' near-term ability to support economic development.
- **Mill Creek 6 Gas Transport Risk:** Crucially, as discussed in May Analysis Section 3.3, foregoing Mill Creek 6 now would likely drive up its cost and delay its availability for years due to gas pipeline constraints.

## 2.5 Analytical Framework Is Unchanged from 2025 CPCN Resource Assessment

For each trade tariff and tax incentive scenario, the Companies determined the optimal mix of resources for serving economic development load using the same two-step process involving PLEXOS and PROSYM they used in the Stage One analysis of the 2025 CPCN Resource Assessment. To ensure an optimal mix of resources, the Companies first used PLEXOS to develop resource plans with no technology availability constraints and with the assumption that economic development loads are added in 2030. The Companies did this for each of the five load scenarios and five fuel price scenarios evaluated in the 2025 CPCN Resource Assessment, resulting in 25 total resource plans per trade tariff and tax incentive scenario. From these resource plans, the Companies determined the most viable portfolios for serving economic development load based on the resources added in 2030 ("2030 portfolios"). Then, for each trade tariff and tax incentive scenario, the Companies evaluated each of these portfolios with detailed production costs in PROSYM beginning in 2030 over each of the fuel price scenarios (resulting in 125 cases, or 25 cases per load scenario) to determine which portfolio for a given load scenario is lowest cost on average across all fuel price scenarios.

### 2.5.1 Stage One, Step One: Resource Plan Development and Screening with PLEXOS

The first step of Stage One consisted of allowing PLEXOS to create least-cost resource plans subject to reserve margin and other constraints for each load scenario and each of the five fuel price scenarios. As noted above, to ensure an optimal mix of resources for serving economic development load, the Companies developed these resource plans with no unit availability constraints and with the assumption that economic development loads are added in 2030. In addition, to determine which renewable resources are least-cost in the near-term, the Companies allowed PLEXOS to choose any renewable resource at any time after the earliest availability date indicated by the corresponding RFP response. In the 2025 CPCN Resource Assessment, the Companies developed resource plans with and without landfill constraints, demonstrated that landfill constraints have little impact on the analysis, and ultimately

focused on the resource plans developed without landfill constraints. This analysis also focuses on resource plans developed without landfill constraints.

Table 3 through Table 6 contain the 2030 portfolios developed for each of the three trade tariff and tax incentive scenarios.<sup>13</sup> As seen in Table 4, with a 40% ITC for BESS and no trade tariffs, a significant amount of BESS continues to be least-cost in most scenarios. However, with the addition of a 30% tariff or a full repeal of the ITC and PTC, Brown BESS (but no other BESS) is added in limited scenarios to meet minimum reserve margin requirements. Finally, the favorability of extending the life of Mill Creek 2 predictably correlates with fuel costs. Mill Creek 2 is retired in almost all low fuel price scenarios, not retired in almost all high fuel prices, and the results in the mid fuel price scenarios are mixed.

<sup>13</sup> Appendix A contains the resource plans for all scenarios through 2040.



**Table 4: 2030 Portfolios (40% ITC for BESS)<sup>14</sup>**

Data Center Load in Load Scenario	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2,030 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  925 MW 4hr BESS  100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 625 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  Green River 5; 625 MW 4hr BESS; 539 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1025 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  Green River 5; 625 MW 4hr BESS; 539 MW Solar
1,890 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  725 MW 4hr BESS;  100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 425 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  Green River 5; 425 MW 4hr BESS; 539 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  725 MW 4hr BESS;  100 MW CSR	GH2 Non-Ozone; Brown 12;  Green River 5; 425 MW 4hr BESS; 564 MW Solar
1,750 MW (2025 CPCN Load Forecast)	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  525 MW 4hr BESS;	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  525 MW 4hr BESS;	GH2 Non-Ozone; Brown 12;  Green River 5; 225 MW 4hr BESS; 539 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  625 MW 4hr BESS	Add GH2 SCR; Brown 12;  1025 MW 4hr BESS; 220 MW Solar
1,610 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 425 MW 4hr BESS	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 425 MW 4hr BESS	Retire MC2; GH2 Non-Ozone; Brown 12; Mill Creek 6; 425 MW 4hr BESS; 449 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 425 MW 4hr BESS	Add GH2 SCR; Brown 12;  825 MW 4hr BESS; 220 MW Solar
1,470 MW	Add GH2 SCR; Brown 12;  625 MW 4hr BESS	Add GH2 SCR; Brown 12;  625 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  525 MW 4hr BESS; 539 MW Solar; 100 MW CSR	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 225 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  625 MW 4hr BESS; 460 MW Solar

<sup>14</sup> PLEXOS was configured to add NGCC (660 net winter MW) and SCCT (258 net winter MW) in one-unit increments and BESS in 100 MW increments after selecting Brown BESS (125 MW). Solar and wind additions represent proposals from the Companies' May 2024 RFP. "GH2 Non-Ozone" indicates that Ghent 2 is operated only in the non-ozone season. All portfolios contain additional dispatchable DSM as described in Section 3.1 of Exhibit SAW-1.

**Table 5: 2030 Portfolios (40% ITC for BESS + 30% Tariff)<sup>14</sup>**

Data Center Load in Load Scenario	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2,030 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar
1,890 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT; 125 MW 4hr BESS; 120 MW Solar
1,750 MW (2025 CPCN Load Forecast)	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT
1,610 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar
1,470 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar

**Table 6: 2030 Portfolios (Full Repeal of ITC and PTC)<sup>14</sup>**

Data Center Load in Load Scenario	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2,030 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar
1,890 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT; 125 MW 4hr BESS; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT; 125 MW 4hr BESS; 120 MW Solar
1,750 MW (2025 CPCN Load Forecast)	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT
1,610 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;   3 SCCT
1,470 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar

### 2.5.2 Stage One, Step Two: Least-Cost Portfolios Over All Fuel Price Scenarios

In the second step of Stage One, the Companies used PROSYM to evaluate the 2030 portfolios for each trade tariff and tax incentive scenario with detailed production costs over each of the five fuel price scenarios to determine which resource plan for a given load scenario has the lowest PVRR on average across all fuel price scenarios.

Table 7 shows the least-cost 2030 portfolio for each load scenario. Importantly, as noted in Section 2.4, this analysis ignores a number of costs and risks associated with the long-term operation of Mill Creek 2. The following are key conclusions from this analysis:

- **With a 40% ITC for BESS and the availability of Mill Creek 2, the Companies' recommendation is unchanged.** Mill Creek 2 is retired in all load scenarios. All load scenarios include Brown 12, Mill Creek 6, the Ghent 2 SCR, and between 225 and 925 MW of BESS (including Brown BESS). In the load scenario with 1,750 MW of data center load, for example, the least-cost portfolio includes Brown BESS (125 MW) and Cane Run BESS (400 MW). With a 40% ITC and no trade tariffs, the cost of a short-term Mill Creek 2 life extension (\$72 million) is not warranted as a means of deferring the BESS resources.
- **With a 30% tariff or full repeal of the ITC and PTC and the availability of Mill Creek 2, BESS is no longer least-cost and is replaced with SCCT capacity or a third NGCC at Green River.** Mill Creek 2 is retired in all load scenarios. All load scenarios include Brown 12 and Mill Creek 6. Not surprisingly, significant cost increases to BESS would render it uneconomic. In the load scenarios with 1,470 MW, 1,610 MW, and 1,750 MW of data center load, BESS capacity is replaced with SCCT capacity. In the load scenarios with 1,890 MW and 2,030 MW of data center load, BESS capacity is replaced with the Green River 5 NGCC.

**Table 7: Stage One Results (Least-Cost Portfolios)<sup>15</sup>**

<b>Data Center Load in Load Scenario</b>	<b>40% ITC for BESS</b>	<b>40% ITC for BESS + 30% Tariff</b>	<b>Full Repeal of ITC and PTC</b>
2,030 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  925 MW 4hr BESS;  100 MW CSR	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  1 SCCT
1,890 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  725 MW 4hr BESS;  100 MW CSR	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar
1,750 MW (2025 CPCN)	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 525 MW 4hr BESS	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR
1,610 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 425 MW 4hr BESS	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar
1,470 MW	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 225 MW 4hr BESS	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT

<sup>15</sup> PLEXOS was configured to add NGCC (660 net winter MW) and SCCT (258 net winter MW) in one-unit increments and BESS in 100 MW increments after selecting Brown BESS (125 MW). Solar and wind additions represent proposals from the Companies' May 2024 RFP. "GH2 Non-Ozone" indicates that Ghent 2 is operated only in the non-ozone season. "End OVEC ICPA" indicates that the Companies' Inter-Company Power Agreement comes to an end on June 30, 2040. All portfolios contain additional dispatchable DSM as described in Section 3.1 of Exhibit SAW-1.

### 3 Appendix A – Stage One, Step One Resource Plans

As noted in Section 2.5.1, the Companies used PLEXOS to develop resource plans in this update to their Stage One, Step One analysis. The tables in this section contain these resource plans.

#### 3.1 Resource Plans: 40% ITC for BESS

**Table 8: PLEXOS Resource Plans (1,470 MW Data Center Load; 40% ITC for BESS)<sup>16</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Add GH2 SCR; Brown 12; 625 MW 4hr BESS	Add GH2 SCR; Brown 12; 625 MW 4hr BESS	GH2 Non-Ozone; Brown 12; 525 MW 4hr BESS; 539 MW Solar; 100 MW CSR	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 225 MW 4hr BESS	GH2 Non-Ozone; Brown 12; 625 MW 4hr BESS; 460 MW Solar
2031					
2032					
2033					
2034					
2035	100 MW 4hr BESS	100 MW 4hr BESS		100 MW 4hr BESS	
2036		220 MW Solar	414 MW Solar		393 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA;	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 200 MW Solar	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 300 MW Solar

<sup>16</sup> PLEXOS was configured to add NGCC (660 net winter MW) and SCCT (258 net winter MW) in one-unit increments and BESS in 100 MW increments after selecting Brown BESS (125 MW). Solar and wind additions represent proposals from the Companies' May 2024 RFP. "GH2 Non-Ozone" indicates that Ghent 2 is operated only in the non-ozone season. "End OVEC ICPA" indicates that the Companies' Inter-Company Power Agreement comes to an end on June 30, 2040. All portfolios contain additional dispatchable DSM as described in Section 3.1 of Exhibit SAW-1.

**Table 9: PLEXOS Resource Plans (1,610 MW Data Center Load; 40% ITC for BESS)<sup>16</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 425 MW 4hr BESS	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 425 MW 4hr BESS	Retire MC2; GH2 Non-Ozone; Brown 12; Mill Creek 6; 425 MW 4hr BESS; 449 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 425 MW 4hr BESS	Add GH2 SCR; Brown 12; 825 MW 4hr BESS; 220 MW Solar
2031					
2032					
2033					
2034					
2035	100 MW 4hr BESS	100 MW 4hr BESS		100 MW 4hr BESS	
2036		220 MW Solar	289 MW Solar		518 MW Solar
2037					
2038					
2039			115 MW Solar		
2040	End OVEC ICPA;	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 300 MW Solar	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 315 MW Solar

**Table 10: PLEXOS Resource Plans (1,750 MW Data Center Load; 40% ITC for BESS)<sup>16</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  525 MW 4hr BESS;	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  525 MW 4hr BESS;	GH2 Non-Ozone; Brown 12;  Green River 5; 225 MW 4hr BESS; 539 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  625 MW 4hr BESS	Add GH2 SCR; Brown 12;  1025 MW 4hr BESS; 220 MW Solar
2031					
2032					
2033					
2034					
2035				100 MW 4hr BESS	
2036		220 MW Solar	414 MW Solar		518 MW Solar
2037					
2038					
2039					215 MW Solar
2040	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 800 MW Solar

**Table 11: PLEXOS Resource Plans (1,890 MW Data Center Load; 40% ITC for BESS)<sup>16</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  725 MW 4hr BESS;  100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 425 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  Green River 5; 425 MW 4hr BESS; 539 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  725 MW 4hr BESS;  100 MW CSR	GH2 Non-Ozone; Brown 12;  Green River 5; 425 MW 4hr BESS; 564 MW Solar
2031					
2032					
2033					
2034					
2035					
2036		220 MW Solar	414 MW Solar		289 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 100 MW 4hr BESS	End OVEC ICPA; 200 MW 4hr BESS; 200 MW Solar	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 200 MW 4hr BESS; 200 MW Solar

**Table 12: PLEXOS Resource Plans (2,030 MW Data Center Load; 40% ITC for BESS)<sup>16</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  925 MW 4hr BESS; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5; 625 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  Green River 5; 625 MW 4hr BESS;  539 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1025 MW 4hr BESS	GH2 Non-Ozone; Brown 12;  Green River 5; 625 MW 4hr BESS;  539 MW Solar
2031					
2032					
2033					
2034					
2035				100 MW 4hr BESS	
2036		220 MW Solar	414 MW Solar		414 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 200 MW 4hr BESS; 800 MW Solar	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 200 MW Solar



### 3.2 Resource Plans: 40% ITC for BESS 30% Tariff

**Table 13: PLEXOS Resource Plans (1,470 MW Data Center Load; 40% ITC for BESS + 30% Tariff)<sup>17</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar
2031					
2032					
2033					
2034					
2035					
2036			449 MW Solar		449 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA;	End OVEC ICPA;	End OVEC ICPA; 1 SCCT	End OVEC ICPA;	End OVEC ICPA; 1 SCCT

<sup>17</sup> PLEXOS was configured to add NGCC (660 net winter MW) and SCCT (258 net winter MW) in one-unit increments and BESS in 100 MW increments after selecting Brown BESS (125 MW). Solar and wind additions represent proposals from the Companies' May 2024 RFP. "GH2 Non-Ozone" indicates that Ghent 2 is operated only in the non-ozone season. "End OVEC ICPA" indicates that the Companies' Inter-Company Power Agreement comes to an end on June 30, 2040. All portfolios contain additional dispatchable DSM as described in Section 3.1 of Exhibit SAW-1.

**Table 14: PLEXOS Resource Plans (1,610 MW Data Center Load; 40% ITC for BESS + 30% Tariff)<sup>17</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar
2031					
2032					
2033					
2034					
2035					
2036			220 MW Solar		220 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT

**Table 15: PLEXOS Resource Plans (1,750 MW Data Center Load; 40% ITC for BESS + 30% Tariff)<sup>17</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  1 SCCT	Add GH2 SCR; Brown 12;  Green River 5;  1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  1 SCCT
2031					
2032					
2033					
2034					
2035					
2036			444 MW Solar		340 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT

**Table 16: PLEXOS Resource Plans (1,890 MW Data Center Load; 40% ITC for BESS + 30% Tariff)<sup>17</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT; 125 MW 4hr BESS; 120 MW Solar
2031					
2032					
2033					
2034					
2035					
2036			324 MW Solar		324 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA;	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA;	End OVEC ICPA; 1 SCCT

**Table 17: PLEXOS Resource Plans (2,030 MW Data Center Load; 40% ITC for BESS + 30% Tariff)<sup>17</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar
2031					
2032					
2033					
2034					
2035					
2036			449 MW Solar		449 MW Solar
2037					
2038					
2039					
2040	End OVEC ICPA;	End OVEC ICPA;	End OVEC ICPA; 1 SCCT	End OVEC ICPA;	End OVEC ICPA; 1 SCCT

### 3.3 Resource Plans: Full Repeal of ITC and PTC

**Table 18: PLEXOS Resource Plans (1,470 MW Data Center Load; Full Repeal of ITC and PTC)<sup>18</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; 1 SCCT	Add GH2 SCR; Brown 12;  2 SCCT; 120 MW Solar
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039			215 MW Solar		115 MW Solar
2040	End OVEC ICPA;	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 800 MW Solar	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 300 MW Solar

<sup>18</sup> PLEXOS was configured to add NGCC (660 net winter MW) and SCCT (258 net winter MW) in one-unit increments and BESS in 100 MW increments after selecting Brown BESS (125 MW). Solar and wind additions represent proposals from the Companies' May 2024 RFP. "GH2 Non-Ozone" indicates that Ghent 2 is operated only in the non-ozone season. "End OVEC ICPA" indicates that the Companies' Inter-Company Power Agreement comes to an end on June 30, 2040. All portfolios contain additional dispatchable DSM as described in Section 3.1 of Exhibit SAW-1.

**Table 19: PLEXOS Resource Plans (1,610 MW Data Center Load; Full Repeal of ITC and PTC)<sup>18</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Add GH2 SCR; Brown 12;  Green River 5;  120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  1 SCCT; 120 MW Solar; 100 MW CSR	Add GH2 SCR; Brown 12;    3 SCCT
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					815 MW Solar
2040	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 200 MW 4hr BESS; 315 MW Solar	End OVEC ICPA; 1 SCCT	End OVEC ICPA;

**Table 20: PLEXOS Resource Plans (1,750 MW Data Center Load; Full Repeal of ITC and PTC)<sup>18</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  1 SCCT	Add GH2 SCR; Brown 12;  Green River 5;  1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  2 SCCT; 100 MW CSR	Add GH2 SCR; Brown 12;  Green River 5;  1 SCCT
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039			215 MW Solar		
2040	End OVEC ICPA; 1 SCCT	End OVEC ICPA;	End OVEC ICPA;	End OVEC ICPA; 1 SCCT	End OVEC ICPA; 215 MW Solar

**Table 21: PLEXOS Resource Plans (1,890 MW Data Center Load; Full Repeal of ITC and PTC)<sup>18</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5;  120 MW Solar	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT; 125 MW 4hr BESS; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6;  3 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 1 SCCT; 125 MW 4hr BESS; 120 MW Solar
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039			215 MW Solar		
2040	End OVEC ICPA;	End OVEC ICPA; 125 MW 4hr BESS	End OVEC ICPA; 200 MW 4hr BESS; 200 MW Solar	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 415 MW Solar

**Table 22: PLEXOS Resource Plans (2,030 MW Data Center Load; Full Repeal of ITC and PTC)<sup>18</sup>**

Year	Expected CTG Ratio			Atypical CTG Ratio	
	Low Gas, Mid CTG	Mid Gas, Mid CTG	High Gas, Mid CTG	Low Gas, High CTG	High Gas, Low CTG
2030	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar	Retire MC2; Add GH2 SCR; Brown 12; Mill Creek 6; Green River 5; 1 SCCT	Add GH2 SCR; Brown 12;  Green River 5; 2 SCCT; 120 MW Solar
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039			215 MW Solar		215 MW Solar
2040	End OVEC ICPA;	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 800 MW Solar	End OVEC ICPA;	End OVEC ICPA; 200 MW 4hr BESS; 200 MW Solar

## CUSTOMER NOTICE OF RATE ADJUSTMENT

PLEASE TAKE NOTICE that, in a May 30, 2025, Application, Kentucky Utilities Company ("KU") is seeking approval by the Kentucky Public Service Commission of an adjustment of its electric rates and charges to become effective on and after July 1, 2025.

### KU CURRENT AND PROPOSED RESIDENTIAL ELECTRIC RATES



#### Residential Service – Rate RS

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Day:	\$ 0.53	\$0.64
Plus an Energy Charge per kWh:		
Infrastructure:	\$ 0.06880	\$0.08034
Variable:	\$ 0.03653	\$0.03863
Total:	\$ 0.10533	\$0.11897

#### Residential Time-of-Day Energy Service - Rate RTOD-Energy

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Day:	\$ 0.53	\$0.64
Plus an Energy Charge per kWh:		
Off-Peak Hours (Infrastructure):	\$ 0.03560	\$0.04152
Off-Peak Hours (Variable):	\$ 0.03653	\$0.03863
Off-Peak Hours (Total):	\$ 0.07213	\$0.08015
On-Peak Hours (Infrastructure):	\$ 0.18813	\$0.21942
On-Peak Hours (Variable):	\$ 0.03653	\$0.03863
On-Peak Hours (Total):	\$ 0.22466	\$0.25805

#### Residential Time-of-Day Demand Service - Rate RTOD-Demand

	<u>Current</u>	<u>Proposed</u>
Basic Service Charge per Day:	\$ 0.53	\$0.64
Plus an Energy Charge per kWh (Infrastructure):	\$ 0.01600	\$0.01866
Plus an Energy Charge per kWh (Variable):	\$ 0.03653	\$0.03863
Plus an Energy Charge per kWh (Total):	\$ 0.05253	\$0.05729
Plus a Demand Charge per kW:		
Base Hours	\$ 3.92	\$4.57
Peak Hours	\$ 10.13	\$11.81

KU is also proposing changes to the rates for other customer classes. These customer classes and their associated annual revenue changes are listed in the tables shown below. KU is also proposing to change the text of some of its rate schedules and other tariff provisions. KU's proposed rates reflect a proposed annual increase in electric revenues of approximately 11.5%.

The estimated amount of the annual change and the average monthly bill to which the proposed electric rates will apply for each electric customer class are as follows:

<b>Electric Rate Class</b>	<b>Average Usage (kWh)</b>	<b>Annual \$ Increase</b>	<b>Annual % Increase</b>	<b>Monthly Bill \$ Increase</b>	<b>Monthly Bill % Increase</b>
Residential	1,085	99,997,335	13.55	18.15	13.55
Residential Time-of-Day	1,245	23,833	13.05	18.53	13.05
General Service	1,657	25,335,181	9.21	24.41	9.22
General Time-of-Day	19,507	2,400	8.22	198.49	8.22
All Electric School	25,620	1,449,553	10.91	314.15	10.91
Power Service	30,651	17,655,788	9.15	349.93	9.15
Time-of-Day Secondary	189,538	17,929,669	10.87	1,846.64	10.87
Time-of-Day Primary	1,242,574	33,834,832	11.15	10,609.74	11.15
Retail Transmission	7,387,224	13,634,683	11.00	54,105.89	11.00
Extremely High Load Factor	New Rate Schedule				
Fluctuating Load Service	44,229,667	2,528,016	6.90	210,667.98	6.90
Outdoor Lights	51	3,624,095	11.37	1.67	11.40
Lighting Energy	2,473	42,734	11.14	21.99	11.14
Traffic Energy	146	26,391	10.58	1.91	10.60
Outdoor Sports Lighting	4,627	(37)	(0.04)	(0.52)	(0.04)
Rider – CSR	N/A	0	0.00	0.00	0.00

KU is proposing to expand the number of customers limit of GTOD-E and GTOD-D customers to a maximum of 500 customers combined.

KU is proposing to migrate all PS customers from a maximum load charge per kW to kVA. In addition, KU is proposing to transition all PS customers from a seasonal maximum load charge to a time-differentiated 3-tier maximum load charge, similar to the TODS, TODP, and RTS rate schedules. New PS service initiated on or after January 1, 2026 will be required to enter into a contract for an initial term of one year.

KU is proposing a new rate schedule titled Extremely High Load Factor Service. This rate schedule will be for customers contracting for capacity greater than 100 MVA and an average monthly load factor above 85%.

KU is proposing to split its wireline pole attachment charge into two charges, a two-user wireline pole attachment charge and a three-user wireline pole attachment charge.

KU is proposing to add an adjustment clause called Renewable Power Purchase Agreement. This adjustment clause will recover the cost of renewable generation power purchase agreements approved by the Commission.

KU is proposing to add an optional program called Pre-Pay. This program will give residential customers with AMI meters the option of moving from traditional post-paid service to a deposit-free pre-paid service.



KU is proposing to expand the Terms and Conditions rules for Deposits. This expansion looks to provide clarity to the business processes surrounding deposits and makes deposits mandatory for customers taking service under TODS, TODP, RTS, FLS and EHLF.

KU is proposing to modify the Terms and Conditions related to Billing by making paperless billing the default option for new customers and for those whom the Company has an email address.

KU is proposing a new tariff in its Terms and Conditions for Rules for Transmission-Level Retail Electric Service Studies and Related Implementation Costs. This will apply to any proposed retail electric service requiring KU to submit a Transmission Service Request to its Independent Transmission Organization.

KU is proposing new terms and conditions for Net Metering Service Interconnection Guidelines.

### **Other Charges**

KU is proposing the following revisions to other charges in the tariff:

<b>Other Charges</b>	<b>Current Charge</b>	<b>Proposed Charge</b>
Wireline Pole Attachment	\$7.25	Removed
Two-User Wireline Pole Attachment	New	\$10.13
Three-User Wireline Pole Attachment	New	\$10.46
Linear Foot of Duct	\$0.81	\$1.22
Wireless Facility at Top of Company Pole	\$36.25	\$51.46
Net Metering Service-2 Bill Credit	\$0.07534	\$0.03859
Returned Payment Charge	\$3.50	\$3.00
Meter Test Charge	\$79.00	\$89.00
Meter Pulse Charge	\$21.00	\$24.00
Disconnect/Reconnect Service Charge w/o remote service switch	\$37.00	\$87.00
Disconnect/Reconnect Service Charge w/ remote service switch	\$0.00	\$0.00
Unauthorized Connection Charge – without meter replacement	\$45.00	\$57.00
Unauthorized Connection Charge – for single-phase standard meter replacement	\$66.00	\$78.00
Unauthorized Connection Charge – for single-phase AMR meter replacement	\$87.00	\$99.00
Unauthorized Connection Charge – for single-phase AMI meter replacement	\$149.00	\$151.00
Unauthorized Connection Charge – for three-phase meter replacement	\$154.00	\$167.00
Unauthorized Connection Charge – for three-phase AMI meter replacement	New	\$256.00
Advanced Meter Opt-Out Charge (One-Time)	\$39.00	\$74.00
Advanced Meter Opt-Out Charge (Monthly)	\$15.00	\$24.00
Redundant Capacity - Secondary	\$1.33	\$2.26
Redundant Capacity - Primary	\$0.90	\$1.65
EVSE – Networked (Option A) Single Charger	\$132.09	\$191.81
EVSE – Networked (Option A) Dual Charger	\$193.62	\$330.34

EVSE – Networked (Option B) Single Charger	New	\$161.21
EVSE – Networked (Option B) Dual Charger	New	\$254.60
EVSE – Non-Networked Single Charger	\$80.14	\$85.01
EVSE-R – Networked (Option A) Single Charger	\$121.79	\$144.03
EVSE-R – Networked (Option A) Dual Charger	\$173.02	\$234.79
EVSE-R – Networked (Option B) Single Charger	New	\$113.44
EVSE-R – Networked (Option B) Dual Charger	New	\$159.05
EVSE-R – Non-Networked Single Charger	\$30.58	\$37.24
EVC-L2 – Charge per kWh	New	\$0.25
EVC-FAST – Charge per kWh	\$0.25	\$0.25
Solar Share Program Rider (One-Time)	\$799.00	\$799.00
Solar Share Program Rider (Monthly)	\$5.55	\$5.55
Excess Facilities – with no CIAC	1.14%	1.27%
Excess Facilities – with CIAC	0.46%	0.51%
TS – Temporary-to-Permanent	15%	15%
TS – Seasonal	100%	100%
SQF/LQF Solar: Single-Axis Tracking; Distribution; 2-Year PPA; Energy	\$30.43	\$33.02
SQF/LQF Solar: Single-Axis Tracking; Distribution; 7-Year PPA; Energy	\$32.16	\$38.50
SQF/LQF Solar: Single-Axis Tracking; Transmission; 2-Year PPA; Energy	\$29.05	\$31.52
SQF/LQF Solar: Single-Axis Tracking; Transmission; 7-Year PPA; Energy	\$30.71	\$36.75
SQF/LQF Solar: Fixed Tilt; Distribution; 2-Year PPA; Energy	\$30.73	\$33.05
SQF/LQF Solar: Fixed Tilt; Distribution; 7-Year PPA; Energy	\$32.56	\$38.59
SQF/LQF Solar: Fixed Tilt; Transmission; 2-Year PPA; Energy	\$29.33	\$31.55
SQF/LQF Solar: Fixed Tilt; Transmission; 7-Year PPA; Energy	\$31.09	\$36.84
SQF/LQF Wind; Distribution; 2-Year PPA; Energy	\$29.27	\$32.07
SQF/LQF Wind; Distribution; 7-Year PPA; Energy	\$31.55	\$36.59
SQF/LQF Wind; Transmission; 2-Year PPA; Energy	\$27.94	\$30.62
SQF/LQF Wind; Transmission; 7-Year PPA; Energy	\$30.12	\$34.93
SQF/LQF Other Technologies; Distribution; 2-Year PPA; Energy	\$29.39	\$31.99
SQF/LQF Other Technologies; Distribution; 7-Year PPA; Energy	\$31.96	\$37.06
SQF/LQF Other Technologies; Transmission; 2-Year PPA; Energy	\$28.05	\$30.54
SQF/LQF Other Technologies; Transmission; 7-Year PPA; Energy	\$30.51	\$35.38
SQF/LQF Solar: Single-Axis Tracking; Distribution; 2-Year PPA; Capacity	\$0	\$0
SQF/LQF Solar: Single-Axis Tracking; Distribution; 7-Year PPA; Capacity	\$12.81	\$0
SQF/LQF Solar: Single-Axis Tracking; Transmission; 2-Year PPA; Capacity	\$0	\$0

SQF/LQF Solar: Single-Axis Tracking; Transmission; 7-Year PPA; Capacity	\$12.03	\$0
SQF/LQF Solar: Fixed Tilt; Distribution; 2-Year PPA; Capacity	\$0	\$0
SQF/LQF Solar: Fixed Tilt; Distribution; 7-Year PPA; Capacity	\$15.42	\$0
SQF/LQF Solar: Fixed Tilt; Transmission; 2-Year PPA; Capacity	\$0	\$0
SQF/LQF Solar: Fixed Tilt; Transmission; 7-Year PPA; Capacity	\$14.49	\$0
SQF/LQF Wind; Distribution; 2-Year PPA; Capacity	\$0	\$0
SQF/LQF Wind; Distribution; 7-Year PPA; Capacity	\$10.10	\$0
SQF/LQF Wind; Transmission; 2-Year PPA; Capacity	\$0	\$0
SQF/LQF Wind; Transmission; 7-Year PPA; Capacity	\$9.49	\$0
SQF/LQF Other Technologies; Distribution; 2-Year PPA; Capacity	\$0	\$0
SQF/LQF Other Technologies; Distribution; 7-Year PPA; Capacity	\$8.93	\$18.94
SQF/LQF Other Technologies; Transmission; 2-Year PPA; Capacity	\$0	\$0
SQF/LQF Other Technologies; Transmission; 7-Year PPA; Capacity	\$8.39	\$17.80

A detailed notice of all proposed revisions and a complete copy of the proposed tariffs containing the proposed text changes, terms and conditions and rates may be obtained by submitting a written request by e-mail to [myaccount@lge-ku.com](mailto:myaccount@lge-ku.com) or by mail to Kentucky Utilities Company, ATTN: Rates Department, 2701 Eastpoint Parkway, Louisville, Kentucky, 40223, or by visiting KU's website at <https://lge-ku.com/ku-2025-rate-case>.

A person may examine KU's application at KU's office at One Quality Street, Lexington, Kentucky, 40507, and at KU's website at <https://lge-ku.com/ku-2025-rate-case>. A person may also examine this application at the Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m. or may view and download the application through the Commission's Web site at <http://psc.ky.gov>.

Comments regarding the application may be submitted to the Public Service Commission by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, or by email to [psc.info@ky.gov](mailto:psc.info@ky.gov). All comments should reference Case No. 2025-00113.

The rates contained in this notice are the rates proposed by KU, but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602 establishing the grounds for the request including the status and interest of the party. If the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of this notice, the Commission may take final action on the application.

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## Kentucky Utilities Company

P.S.C. No. 20, Second Revision of Original Sheet No. 55.1  
Canceling P.S.C. No. 20, First Revision of Original Sheet No. 55.1Standard Rate Rider SQF  
Small Capacity Cogeneration and Small Power Production Qualifying Facilities

## RATES FOR PURCHASES FROM SELLER UNDER PPA (Continued)

## Capacity Rates (\$/MWh)

Technology	Distribution Connected Projects		Transmission Connected Projects		
	2-Year PPA	7-Year PPA	2-Year PPA	7-Year PPA	
Solar: Single-Axis Tracking	0	12.81	0	12.03	R/R
Solar: Fixed Tilt	0	15.42	0	14.49	R/R
Wind	0	10.10	0	9.49	R/R
Other Technologies	0	8.93	0	8.39	R/R

The Energy and Capacity rates stated above will be combined to equal the All-In Rate for payment to Seller.

## RATES FOR ENERGY PURCHASES FROM SELLER ON AN AS-AVAILABLE BASIS

Rates for energy purchases from Seller on an as-available basis are based upon the applicable 2-year PPA.

## PAYMENT

Any payment due from Company to Seller will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from date of Company's reading of meter; provided, however, that, if Seller is a Customer of Company, in lieu of such payment Company may offset its payment due to Seller hereunder, against Seller's next bill and payment due to Company for Company's service to Seller as Customer.

## TERM OF CONTRACT

If Seller desires Company to purchase energy and capacity from Seller, Seller must enter into a either a 2-year PPA or a 7-year PPA with Company for such purchases. Regarding energy purchases under a 7-year PPA, the PPA will specify whether Seller desires to receive (a) the applicable fixed 7-year level energy rate or (b) the applicable as-available energy rate in effect at the time of each purchase.

## PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

DATE OF ISSUE: September 13, 2024

DATE EFFECTIVE: With Service Rendered  
On and After August 30, 2024ISSUED BY: /s/ Robert M. Conroy, Vice President  
State Regulation and Rates  
Lexington, KentuckyIssued by Authority of an Order of the  
Public Service Commission in Case No.  
2023-00404 dated August 30, 2024

## Kentucky Utilities Company

P.S.C. No. 21, Original Sheet No. 55.1

Standard Rate Rider SQF  
Small Capacity Cogeneration and Small Power Production Qualifying Facilities

## RATES FOR PURCHASES FROM SELLER UNDER PPA (Continued)

## Capacity Rates (\$/MWh)

Technology	Distribution Connected Projects		Transmission Connected Projects		
	2-Year PPA	7-Year PPA	2-Year PPA	7-Year PPA	
Solar: Single-Axis Tracking	0	0	0	0	R/R
Solar: Fixed Tilt	0	0	0	0	R/R
Wind	0	0	0	0	R/R
Other Technologies	0	18.94	0	17.80	VI

The Energy and Capacity rates stated above will be combined to equal the All-In Rate for payment to Seller.

## RATES FOR ENERGY PURCHASES FROM SELLER ON AN AS-AVAILABLE BASIS

Rates for energy purchases from Seller on an as-available basis are based upon the applicable 2-year PPA.

## PAYMENT

Any payment due from Company to Seller will be due within sixteen (16) business days (no less than twenty-two (22) calendar days) from date of Company's reading of meter; provided, however, that, if Seller is a Customer of Company, in lieu of such payment Company may offset its payment due to Seller hereunder, against Seller's next bill and payment due to Company for Company's service to Seller as Customer.

## TERM OF CONTRACT

If Seller desires Company to purchase energy and capacity from Seller, Seller must enter into a either a 2-year PPA or a 7-year PPA with Company for such purchases. Rates offered under all PPAs will be based at Seller's option on either applicable Rider SQF rates at the time of delivery or applicable Rider SQF rates at the time the PPA is executed.

## PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

DATE OF ISSUE: May 30, 2025

DATE EFFECTIVE: With Service Rendered  
On and After July 1, 2025ISSUED BY: /s/ Robert M. Conroy, Vice President  
State Regulation and Rates  
Lexington, KentuckyIssued by Authority of an Order of the  
Public Service Commission in Case No.  
2025-00113 dated XXXX

## Kentucky Utilities Company

P.S.C. No. 20, Second Revision of Original Sheet No. 56  
Canceling P.S.C. No. 20, First Revision of Original Sheet No. 56

## Standard Rate Rider

LQF

## Large Capacity Cogeneration and Large Power Production Qualifying Facilities

## APPLICABLE

In all territory served.

## AVAILABILITY

This rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy or energy and capacity from the owner of a "qualifying facility" as defined in 807 KAR 5:054 Section 1(8) (such owner being hereafter called "Seller") with a nameplate capacity greater than 100 kW.

Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under Parallel Operation.

Company will purchase such energy or energy and capacity from Seller at the rates set out below and under the terms and conditions stated herein.

Seller may choose to (a) enter into a power purchase agreement ("PPA") with Company for sales of energy or energy and capacity from Seller or (b) sell energy to Company on an as-available basis.

## RATES HEREIN ARE ADVISORY

Pursuant to 807 KAR 5:054 Section 7(4), the rates set forth herein are solely the basis for negotiating final purchase rates with Seller.

## DEFINITIONS

"As-available" describes energy purchases from Seller when Seller has not entered into a PPA with Company.

"Other Technologies" means all electric power generating technologies encompassed in the definition of "qualifying facility" in 807 KAR 5:054 Section 1(8) other than solar and wind.

RATES FOR PURCHASES FROM SELLER UNDER PPA  
Energy Rates (\$/MWh)

Technology	Distribution Connected Projects		Transmission Connected Projects	
	2-Year PPA	7-Year PPA	2-Year PPA	7-Year PPA
Solar: Single-Axis Tracking	30.43	32.16	29.05	30.71
Solar: Fixed Tilt	30.73	32.56	29.33	31.09
Wind	29.27	31.55	27.94	30.12
Other Technologies	29.39	31.96	28.05	30.51

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DATE OF ISSUE: September 13, 2024

DATE EFFECTIVE: With Service Rendered  
On and After August 30, 2024ISSUED BY: /s/ Robert M. Conroy, Vice President  
State Regulation and Rates  
Lexington, KentuckyIssued by Authority of an Order of the  
Public Service Commission in Case No.  
2023-00404 dated August 30, 2024

## Kentucky Utilities Company

P.S.C. No. 21, Original Sheet No. 56

## Standard Rate Rider

LQF

## Large Capacity Cogeneration and Large Power Production Qualifying Facilities

## APPLICABLE

In all territory served.

## AVAILABILITY

This rate and the terms and conditions set out herein are available for and applicable to Company's purchases of energy or energy and capacity from the owner of a "qualifying facility" as defined in 807 KAR 5:054 Section 1(8) (such owner being hereafter called "Seller") with a nameplate capacity greater than 100 kW.

Company will permit Seller's generating facilities to operate in parallel with Company's system under conditions set out below under Parallel Operation.

Company will purchase such energy or energy and capacity from Seller at the rates set out below and under the terms and conditions stated herein.

Seller may choose either (a) to enter into a power purchase agreement ("PPA") with Company for sales of energy and capacity from Seller or (b) to sell only energy to Company on an as-available basis. Seller may enter into a PPA with Company only if Seller simultaneously sells the entire output of Seller's qualifying facility to Company while purchasing all of Seller's own requirements from Company.

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## RATES HEREIN ARE ADVISORY

Pursuant to 807 KAR 5:054 Section 7(4), the rates set forth herein are solely the basis for negotiating final purchase rates with Seller.

## DEFINITIONS

"As-available" describes energy purchases from Seller when Seller has not entered into a PPA with Company.

"Other Technologies" means all electric power generating technologies encompassed in the definition of "qualifying facility" in 807 KAR 5:054 Section 1(8) other than solar and wind.

RATES FOR PURCHASES FROM SELLER UNDER PPA  
Energy Rates (\$/MWh)

Technology	Distribution Connected Projects		Transmission Connected Projects	
	2-Year PPA	7-Year PPA	2-Year PPA	7-Year PPA
Solar: Single-Axis Tracking	33.02	38.50	31.52	36.75
Solar: Fixed Tilt	33.05	38.59	31.55	36.84
Wind	32.07	36.59	30.62	34.93
Other Technologies	31.99	37.06	30.54	35.38

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DATE OF ISSUE: May 30, 2025

DATE EFFECTIVE: With Service Rendered  
On and After July 1, 2025ISSUED BY: /s/ Robert M. Conroy, Vice President  
State Regulation and Rates  
Lexington, KentuckyIssued by Authority of an Order of the  
Public Service Commission in Case No.  
2025-00113 dated XXXX

## Kentucky Utilities Company

P.S.C No. 20, Second Revision of Original Sheet No. 56.1  
Canceling P.S.C. No. 20, First Revision of Original Sheet No. 56.1Standard Rate Rider LQF  
Large Capacity Cogeneration and Large Power Production Qualifying Facilities

## RATES FOR PURCHASES FROM SELLER UNDER PPA (Continued)

## Capacity Rates (\$/MWh)

Technology	Distribution Connected Projects		Transmission Connected Projects		
	2-Year PPA	7-Year PPA	2-Year PPA	7-Year PPA	
Solar: Single-Axis Tracking	0	12.81	0	12.03	R/R
Solar: Fixed Tilt	0	15.42	0	14.49	R/R
Wind	0	10.10	0	9.49	R/R
Other Technologies	0	8.93	0	8.39	R/R

The Energy and Capacity rates stated above will be combined to equal the All-In Rate for payment to Seller.

## RATES FOR ENERGY PURCHASES FROM SELLER ON AN AS-AVAILABLE BASIS

Rates for energy purchases from Seller on an as-available basis are based upon the applicable 2-year PPA.

## PAYMENT

Company shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within sixteen (16) business days (no less than twenty-two (22) calendar days) of the date the bill is rendered. In lieu of such payment plan, Company will, upon written request, credit Customer's account for such purchases.

## TERM OF CONTRACT

If Seller desires Company to purchase energy and capacity from Seller, Seller must enter into a either a 2-year PPA or a 7-year PPA with Company for such purchases. Regarding energy purchases under a 7-year PPA, the PPA will specify whether Seller desires to receive (a) the applicable fixed 7-year level energy rate or (b) the applicable as-available energy rate in effect at the time of each purchase.

## PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

DATE OF ISSUE: September 13, 2024

DATE EFFECTIVE: With Service Rendered  
On and After August 30, 2024ISSUED BY: /s/ Robert M. Conroy, Vice President  
State Regulation and Rates  
Lexington, KentuckyIssued by Authority of an Order of the  
Public Service Commission in Case No.  
2023-00404 dated August 30, 2024

## Kentucky Utilities Company

P.S.C. No. 21, Original Sheet No. 56.1

Standard Rate Rider LQF  
Large Capacity Cogeneration and Large Power Production Qualifying Facilities

## RATES FOR PURCHASES FROM SELLER UNDER PPA (Continued)

## Capacity Rates (\$/MWh)

Technology	Distribution Connected Projects		Transmission Connected Projects		
	2-Year PPA	7-Year PPA	2-Year PPA	7-Year PPA	
Solar: Single-Axis Tracking	0	0	0	0	R/R
Solar: Fixed Tilt	0	0	0	0	R/R
Wind	0	0	0	0	R/R
Other Technologies	0	18.94	0	17.80	VI

The Energy and Capacity rates stated above will be combined to equal the All-In Rate for payment to Seller.

## RATES FOR ENERGY PURCHASES FROM SELLER ON AN AS-AVAILABLE BASIS

Rates for energy purchases from Seller on an as-available basis are based upon the applicable 2-year PPA.

## PAYMENT

Company shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within sixteen (16) business days (no less than twenty-two (22) calendar days) of the date the bill is rendered. In lieu of such payment plan, Company will, upon written request, credit Customer's account for such purchases.

## TERM OF CONTRACT

If Seller desires Company to purchase energy and capacity from Seller, Seller must enter into a either a 2-year PPA or a 7-year PPA with Company for such purchases. Rates offered under all PPAs will be based at Seller's option on either applicable Rider LQF rates at the time of delivery or applicable Rider LQF rates at the time the PPA is executed.

## PARALLEL OPERATION

Company hereby permits Seller to operate its generating facilities in parallel with Company's system, under the following conditions and any other conditions required by Company where unusual conditions not covered herein arise:

DATE OF ISSUE: May 30, 2025

DATE EFFECTIVE: With Service Rendered  
On and After July 1, 2025ISSUED BY: /s/ Robert M. Conroy, Vice President  
State Regulation and Rates  
Lexington, KentuckyIssued by Authority of an Order of the  
Public Service Commission in Case No.  
2025-00113 dated XXXX



**807 KAR 5:054. Small power production and cogeneration.**

RELATES TO: KRS Chapter 278, 18 C.F.R. 292.203, 292.204, 292.205, 292.206

STATUTORY AUTHORITY: KRS 278.040(3), 18 C.F.R. 292.203, 292.204, 292.205, 292.206

**NECESSITY, FUNCTION, AND CONFORMITY:** Under Title II of the Public Utility Regulatory Policies Act of 1978, the Federal Energy Regulatory Commission (FERC) was required to adopt rules to encourage cogeneration and small power production by requiring electric utilities to sell electricity to qualifying cogeneration and small power production facilities and purchase electricity from such facilities. Section 210(f) of this Act requires the state regulatory authority with jurisdiction over electric utilities to implement the FERC rules. As the state regulatory authority for Kentucky, the Public Service Commission proposes to implement those rules.

**Section 1. Definitions.**

- (1) "Avoided costs" means incremental costs to an electric utility of electric energy or capacity or both which, if not for the purchase from the qualifying facility, the utility would generate itself or purchase from another source.
- (2) "Back-up power" means electric energy or capacity supplied by an electric utility to replace energy ordinarily generated by a facility's own generation equipment during an unscheduled outage of the facility.
- (3) "Cogeneration facility" means equipment used to produce electricity and another form of useful energy which is used for industrial purposes or commercial heating or cooling purposes through sequential use of input energy and which facility meets criteria at 18 C.F.R. Part 292.203(b) and 292.205, as published in the Federal Register on March 20, 1980 (45 F.R. 17959).
- (4) "Interconnection costs" means the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions and administrative costs incurred by the electric utility directly related to installation and maintenance of physical facilities necessary to permit interconnected operations with a qualifying facility, to the extent those costs are in excess of corresponding costs which the utility would have incurred if it had not engaged in interconnected operations but instead had generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity or both from other sources. Interconnection costs do not include any costs included in calculation of avoided costs.
- (5) "Interruptible power" means electric energy or capacity supplied by an electric utility subject to interruption by the electric utility under specified conditions.
- (6) "Maintenance power" means electric energy or capacity supplied by an electric utility during scheduled outages of the qualifying facility.
- (7) "Purchase" means purchase of electric energy or capacity or both from a qualifying facility by an electric utility.
- (8) "Qualifying facility" means a cogeneration facility as defined in this administrative regulation, construction of which was commenced on or after November 9, 1978, or a small power production facility as defined in this administrative regulation, construction or substantial renovation of which was begun on or after November 9, 1978, neither of which is owned in equity interest greater than fifty (50) percent by a person primarily engaged in generation of electric power other than as described in these rules.
- (9) "Sale" means sale of electric energy or capacity or both by an electric utility to a qualifying facility.
- (10) "Small power production facility" means an arrangement of equipment for the production of electricity with capacity no greater than eighty (80) megawatts, which equipment is located within a one (1) mile radius or, if hydroelectric facilities, on the

same impoundment of water, and which equipment is powered at least seventy-five (75) percent by biomass, waste, renewable resources, or any combination thereof and not more than twenty-five (25) percent by coal or oil or natural gas or any combination thereof and which meets criteria at 18 C.F.R. Part 292.204 as published in the Federal Register on March 20, 1980 (45 F.R. 17959).

(11) "Supplementary power" means electric energy or capacity supplied by an electric utility, regularly used by a qualifying facility in addition to that which the facility generates itself.

(12) "System emergency" means a condition on a utility's system which may result in imminent significant disruption of service to customers or may imminently endanger life or property.

Section 2. General. This administrative regulation sets forth the manner in which the Public Service Commission will discharge duties conferred upon it by Title II of the Public Utility Regulatory Policies Act of 1978.

Section 3. Applicability. This administrative regulation shall apply to any electric utility, subject to the jurisdiction of the commission, which purchases from or sells to any qualifying facility.

Section 4. Criteria for Qualifying Facility.

(1) Criteria for qualification of small power production facilities and cogeneration facilities constructed on or after November 9, 1978, are the same as those adopted by the Federal Energy Regulatory Commission including 18 C.F.R. Parts 292.203, 292.204, 292.205, and 292.206 as published in the Federal Register March 20, 1980 (45 F.R. 17959).

(2) The qualifying status of small power production facilities and cogeneration facilities, the construction of which was commenced prior to November 9, 1978, but which were not selling power to the interconnected utility under an existing contract as of November 9, 1978, will be determined under this administrative regulation on a case-by-case basis.

(3) Small power production facilities and cogeneration facilities constructed prior to November 9, 1978, but which were selling power to their interconnected utility under an existing contract on that date will not be considered qualifying facilities. Upon expiration of the power sales contract between a small power production or cogeneration facility and the electric utility, the commission will determine the qualifying status of the facility under this administrative regulation on a case-by-case basis.

Section 5.

(1)

(a) All electric utilities with annual retail sales greater than 500 million kilowatt hours shall provide data to the commission from which avoided costs may be derived not later than June 30, 1982, and not less often than every two (2) years thereafter unless otherwise determined by the commission.

(b) In the case of a utility required to purchase all of its electricity from a wholesale supplier by contract, the utility shall file the contracts under which its capacity and energy are purchased, in addition to data provided by the supplying utility required by subsection (2) of this section.

(2) Each electric utility as described in subsection (1) of this section shall file with the commission and shall maintain for public inspection the following data:

(a) Estimated avoided cost on the electric utility's system, solely with respect to the energy component, for various levels of purchases from qualifying facilities. Such levels of purchases shall be stated in blocks of not more than 100 megawatts for systems with peak demand of 1,000 megawatts or more, and in blocks equivalent to not more than ten (10) percent of system peak demands for systems with peak demand



of less than 1,000 megawatts. Avoided costs shall be stated on a cents per kilowatt-hour basis during daily, seasonal peak and off-peak periods, by year, for the current calendar year, and each of the next five (5) years.

(b) The electric utility's plan for addition of capacity by amount and type, for purchases of firm energy and capacity, and for capacity retirements for each year during the succeeding ten (10) years.

(c) Estimated capacity costs at completion of planned capacity additions and planned capacity firm purchases, on the basis of dollars per kilowatt, and the associated energy cost of each unit, expressed in cents per kilowatt-hour. These costs shall be expressed separately for each individual unit and individual planned firm purchases.

(3)

(a) Any data submitted by an electric utility beginning with the scheduled June 30, 1982, data shall be subject to review by the commission.

(b) The electric utility has the burden of proof to justify the data it supplies.

#### Section 6. Electric Utility Obligations.

(1) Each electric utility shall purchase any energy and capacity which is made available from a qualifying facility except as provided in subsections (2) and (3) of this section.

(2) The qualifying facility's right to sell power to the utility shall be curtailed in periods when purchases from qualifying facilities will result in costs greater than those which the utility would incur if it generated an equivalent amount of energy instead of purchasing that energy.

(3) During any system emergency, an electric utility may discontinue:

(a) Purchases from a qualifying facility if such purchases would contribute to such emergency; or

(b) Sales to a qualifying facility if discontinuance is nondiscriminatory.

(4) Any utility which invokes subsection (2) of this section shall provide adequate notice to the qualifying facility. In addition, the commission may require the utility to furnish documentation within ten (10) working days after suspension occurs. If the utility fails to provide adequate notice or incorrectly identifies such a period, it will be required to reimburse the qualifying facility for energy or capacity or both available for delivery on a legally enforceable basis as if that period had not occurred.

(5) Rates for sale. An electric utility shall sell power to a qualifying facility upon request except as provided in subsection (3)(b) of this section. Rates for sale shall be just and reasonable, in the public interest and nondiscriminatory. Rates for sale which are based on accurate data and consistent system costing principles shall not be considered to discriminate against any qualifying facility to the extent that such rates apply to the utility's other customers with similar load or cost-related characteristics. If a utility provides back-up or supplementary power to a qualifying facility, then costs associated with that capacity reservation are properly recoverable from the qualifying facility.

(6) Obligation to interconnect.

(a) An electric utility is required to make any interconnection with a qualifying facility that is necessary for purchase and sale. Owners of qualifying facilities shall be required to pay for any additional interconnection costs to the extent that those costs are in excess of costs that the electric utility would have incurred if the qualifying facility's output had not been purchased. Payment shall be over a reasonable period of time, and terms of payment shall be a part of the contract between the electric utility and the qualifying facility.

(b) Each electric utility shall offer to operate in parallel with a qualifying facility, provided that the qualifying facility complies with applicable standards established in accordance with Section 7(6) of this administrative regulation.

#### Section 7. Purchase of Output from Qualifying Facilities.

- (1) Qualifying facilities shall be permitted the option of either:
  - (a) Using output of the qualifying facility to supply their power requirements and selling their surplus; or
  - (b) Simultaneously selling their entire output to the interconnecting utility while purchasing their own requirements from that utility.
- (2) Rates for purchase of output of qualifying facility with design capacity of 100 kilowatts or less. Each electric utility shall prepare standard rates for purchases from qualifying facilities with a design capacity of 100 kilowatts or less. These rates shall be just and reasonable to the electric customer of the utility, in the public interest and nondiscriminatory. These rates shall be based on avoided costs after consideration of the factors listed in subsection (5)(a) of this section and shall be subdivided into an energy component and a capacity component.
  - (a) Rates for power offered on an "as available" basis shall be based on the purchasing utility's avoided energy costs estimated at time of delivery.
  - (b) Rates for power offered on all legally enforceable obligations shall be based at the option of the qualifying facility on either avoided costs at the time of delivery or avoided costs at the time the legally enforceable obligation is incurred. The capacity component shall be based on supply characteristics of qualifying facilities, and the aggregate capacity value of all 100 kilowatts or less facilities which supply power on a legally enforceable basis.
- (3) Electric utilities shall design and offer a standard contract to qualifying facilities with a design capacity of 100 kilowatts or less. This contract shall be subject to commission approval.
- (4) Rates for purchase of output of qualifying facility with design capacity over 100 kilowatts. Each electric utility shall provide a standard rate schedule for qualifying facilities with design capacity over 100 kilowatts. The rate schedule shall be based on avoided costs which shall be subdivided into an energy component and a capacity component. These rates shall be used only as the basis for negotiating a final purchase rate with qualifying facilities after proper consideration has been given to factors affecting purchase rates listed in subsection (5)(a) of this section. Negotiated rates shall be just and reasonable to the electric customer of the utility, in the public interest and nondiscriminatory. If the electric utility and qualifying facility cannot agree on the purchase rate, then the commission shall determine the rate after a hearing.
  - (a) Rates for power offered on an "as available" basis shall be based on the purchasing utility's avoided costs estimated at time of delivery.
  - (b) Rates for energy or capacity or both offered on a legally enforceable basis shall be based at the option of the qualifying facility on either avoided costs at the time of delivery or avoided costs at the time the legally enforceable obligation is incurred.
- (5) Factors affecting rates for purchase for all qualifying facilities. In determining the final purchase rate, the following factors shall be taken into account:
  - (a) Availability of capacity or energy from a qualifying facility during the system daily and seasonal peak. The utility should consider for each qualifying facility the ability to dispatch, reliability, terms of contract, duration of obligation, termination requirements, ability to coordinate scheduled outages, usefulness of energy and capacity during system emergencies, individual and aggregate value of energy and capacity, and shorter construction lead times associated with cogeneration and small power production.
  - (b) Ability of the electric utility to avoid costs due to deferral, cancellation, or downsizing of capacity additions, and reduction of fossil fuel use.
  - (c) Savings or costs resulting from line losses that would not have existed in the absence of purchases from a qualifying facility.

- (6) Utility safety and system protection requirements. The qualifying facility shall provide adequate equipment to insure the safety and reliability of interconnected operations. This equipment shall be designed to protect interconnect operations between the qualifying facility and the electric utility grid. If the electric utility and qualifying facility cannot agree, then the qualifying facility may apply to the commission for a determination of adequate system protection.
- (7) Additional services to be provided to qualifying facilities. Upon request by a qualifying facility each electric utility shall provide supplementary power, back-up power, maintenance power, and interruptible power. The commission may waive this requirement if the electric utility demonstrates that compliance with it would impair its ability to render adequate service to its other customers or would be unduly burdensome.
- (8) Wheeling. The electric utility may wheel power to another utility if the qualifying facility approves. This provision shall not eliminate the responsibility of the interconnected electric utility to purchase power from the qualifying facility if the qualifying facility does not approve the wheeling transaction. The electric utility which agrees to purchase power shall pay to the qualifying facility its avoided cost connected with the transmission of this power adjusted for line losses.
- (9) This administrative regulation is not intended to restrict voluntary agreements between qualifying facilities and electric utilities. All contracts between qualifying facilities and electric utilities shall be provided to the commission for its review.
- (10) Disputes. The commission's inquiry and determination shall be limited to those parts of a proposed contract which are in dispute.
- (8 Ky.R. 216; 837; eff. 4-7-1982; 16 Ky.R. 1478; 1945; eff. 3-8-1990; Crt eff. 3-27-2019.)

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