



A Touchstone Energy Cooperative 

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March 31, 2025

Ms. Linda C. Bridwell, P.E.
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Re: Bluegrass Station Annual Report; Case No. 2015-00267

Dear Ms. Bridwell:

Pursuant to the Commission's December 1, 2015 Order in Case No. 2015-00267, in which the Commission approved East Kentucky Power Cooperative Inc's. ("EKPC") requests to acquire the Bluegrass Station and to assume the evidences of indebtedness associated with the acquisition, enclosed please find a copy of EKPC's 2023 Bluegrass Station Annual Operation Report. Please file this in the post-case correspondence file and return a file-stamped copy to my office.

This is to certify that the electronic document has been transmitted to the Commission on March 29, 2024 and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085 no paper copies of this filing will be made.

If you have any questions, please call me.

Thank You,

A handwritten signature in blue ink, appearing to read 'Greg Cecil', with a large, stylized loop at the end.

Greg Cecil
Director, Regulatory and Compliance Services

Enclosure

4775 Lexington Road, POB 707
Winchester, KY 40392
859-744-4812

Bluegrass Generating Station 2024 Annual Operating Report

In 2024, East Kentucky Power Cooperative's, Inc's. (EKPC) Bluegrass Generating Station (Bluegrass) successfully operated for 911.73 hours, produced 113,613 gross megawatts and 112,539 net megawatts of generation; experienced 4.12 unplanned outage hours; and performed to an overall average net heat rate of 11,817.10 (BTU/KWH).

Bluegrass Unit 1 successfully operated 451.12 hours, generated 56,252 gross megawatts and 55,690 net megawatts; experienced 0.0 hours of unplanned outage hours; performed to an average net heat rate of 11,836.64 (BTU/KWH); and successfully started 82 times with no failed starts. Bluegrass Unit 1 experienced no unplanned/forced outage events.

Bluegrass Unit 2 successfully operated 154.87 hours, generated 18,748 gross megawatts and 18,651 net megawatts; experienced 0.0 hours of unplanned outage hours; performed to an average net heat rate of 11,900.74 (BTU/KWH); and successfully started 30 times with no failed starts. Bluegrass Unit 2 experienced no unplanned/forced outage events.

Bluegrass Unit 3 successfully operated 305.74 hours, generated 38,613 gross megawatts and 38,198 net megawatts; experienced 4.12 hours of unplanned outage hours; performed to an average net heat rate of 11,747.65 (BTU/KWH); and successfully started 57 times with one no failed starts. Bluegrass Unit 3 experienced one (1) unplanned/forced outage event:

- Unplanned, forced outage for 4.12 hours due to Nucor dropping offline, the LG&E load in our territory was low, and there was no transmission available for purchase. We only had 233MW available which prevented the second unit (Unit 3) from coming online.

Bluegrass Generating Station 2024 Annual Operating Report

Bluegrass budgeted \$16.0 million and incurred \$12.5 million in 2024 for capital expenditures. The overall variance was due to the advancement of several small projects in combination with the fuel oil storage addition project being under budget with lower than anticipated bids. EKPC has budgeted \$6.53 million for capital expenditures for equipment in 2025. This capital budget includes the following projects: Bluegrass Unit 3 Generator Rewind \$6.5 million. Bluegrass Unit 2 2024 Generator Rewind expenditure carryover of \$26.4 thousand.

Bluegrass budgeted \$4.3 million (excluding fuel) in 2024 for O&M expenses, and had expenditures of \$3.3 million. The variance was due to deferring projects, as well as cost savings ideas and competitively bidding projects. Bluegrass has budgeted \$5.8 million (excluding fuel) for O&M expenses in 2025. Bluegrass budgeted \$12.5 million for fuel in 2024 and had expenditures of \$5.6 million (Natural Gas) and \$0.1 million in (Diesel Fuel). Bluegrass' budget for fuel in 2025 is \$13.0 million.

Bluegrass performed various maintenance activities to increase the availability and reliability of the facility. These maintenance activities included, but were not limited to the annual spring and fall reliability outages, which included the turbine borescope inspections on all three units, and cold weather hardening of all systems. The plant successfully test ran all three units on diesel fuel after the spring and fall outages to insure full system capability.

Environmental Update

Bluegrass Station is in compliance with the requirements of the Clean Air Act amendments of 1990 (CAA), and the Clean Water Act (CWA). Moreover, fossil fuel applicable only;

- New Source Performance Standards (NSPS);
 - NSPS GHG for New, Modified and Reconstructed Fossil Fueled Units;

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- Title IV of the CAA and the rules governing pollutants that contribute to Acid Deposition (Acid Rain program);
- Title V operating permit requirements (Title V) as a synthetic minor;
- Summer ozone trading program requirements promulgated after EPA action on Section 126 petitions and the Ozone SIP Call (Summer Ozone program);
- Stationary Combustion Turbines: National Emission Standards for Hazardous Air Pollutants (NESHAP);
- Stationary Gas and Combustion Turbines: New Source Performance Standards (NSPS);
- Cross State Air Pollution Rule (CSAPR);
- National Ambient Air Quality Standards (NAAQS) for Sulfur Dioxide (SO₂), Nitrogen Dioxide (NO₂), Carbon Monoxide (CO), Ozone, Particulate Matter (PM), Particulate Matter 2.5 microns or less (PM 2.5) and Lead; Oldham County is in attainment for ozone.
- Clean Water Act, and
 - National Pollution Discharge Elimination System (NPDES) as delegated by the EPA to Kentucky Pollution Discharge Elimination System (KPDES).
 - EPA Spill Control and Counter Measure (SPCC) plans