Commonwealth of Kentucky Energy Planning and Inventory Commission Annual Report

Completion Date: November 26, 2025
Report Prepared By: Kentucky Energy Planning and Inventory Commission Staff
Transmission Date: November 26, 2025

EXECUTIVE BRIEF

The Kentucky Energy Planning and Inventory Commission submits this annual report to the Legislative Research Commission, the Governor, and the Public Service Commission in accordance with KRS 164.2807(6)(d).

Key Accomplishments in 2025:

EPIC completed its first formal plant retirement review this year, processing Big Rivers Electric Corporation's proposed retirement of the 65-megawatt Reid Combustion Turbine in Webster County. We received notice in March, held a public hearing in Webster County in June, and delivered comprehensive findings to the Kentucky Public Service Commission in July—all within the statutory 135-day timeline. The review took 128 days from start to finish.

We've also established our organizational structure. Ashli Watts, President and CEO of the Kentucky Chamber of Commerce, serves as Chair, with Jeffrey Brock from Alliance Resource Partners as Vice Chair. Eric King joined as Executive Director in October, bringing nearly two decades of energy policy and federal advocacy experience.

The Commission has begun building Kentucky's comprehensive energy resource inventory and established productive working relationships with utilities, manufacturers, coal producers, and the PSC. These relationships will be essential as we move forward with additional reviews and planning work.

Kentucky's Energy Situation:

Kentucky generates approximately 68% of its utility-scale electricity from coal-fired power plants, the third-largest share of any state after West Virginia and Wyoming. Natural gas-fired power plants generated 23% of Kentucky's electricity in 2023, almost 15 times greater than a decade earlier. U.S. Energy Information Administration Kentucky has the 13th-lowest average electricity price of any state and the lowest price for a state east of the Mississippi River. U.S. Energy Information Administration

Looking Ahead:

Next year we'll focus on processing any additional retirement reviews, completing the energy resource inventory, conducting scenario planning for demand growth, and developing policy recommendations to support Kentucky's energy reliability and economic development.

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1. INTRODUCTION

What EPIC Does

Under KRS 164.2807, EPIC has several responsibilities. We review proposed retirements of plants before they go to the Kentucky Public Service Commission (PSC). We examine whether Kentucky has adequate electric generation and transmission resources for current and future needs. We assess how energy decisions impact jobs, economic development, and tax revenue. We monitor federal regulations affecting Kentucky's energy supply. And we provide annual recommendations to the legislature, Governor, and PSC.

How EPIC Operates

By statute, EPIC is housed and "administratively attached" to the University of Kentucky Center for Applied Energy Research. Uky This arrangement gives us access to UK researchers and engineers for technical analysis, administrative support for operations, and economic modeling capabilities through UK's Center for Business and Economic Research.

The Commission has an 18-member board representing diverse energy stakeholders and a 5-member Executive Committee that handles retirement reviews and recommendations.

2. BOARD AND LEADERSHIP

Commission Board

The 18-member board includes representatives from across Kentucky's energy sector:

Position	Member
Chair - KY Economic Interests	Ashli Watts
Vice Chair - KY Coal Producers	Jeffrey Brock
KY Investor-Owned Utility	John Crockett
KY Generation & Transmission Cooperatives	Talina Mathews
KY Oil and Gas	Wesley Cate
Transportation of Coal Industry	Todd Case
Transportation of Natural Gas	Brian Weisker
Purchasing of Fossil Fuels	Caryl Pfeiffer
Mining, Milling, Conversion	Keith Murt
Commercial/Industrial Electrical Power	Nathaniel Adams
Producers of Renewable Electricity	Matt Partymiller
Investment Banking/Utility Finance	Mark Gooch
Residential Electricity Consumers	Kevin Nolan
House of Representatives (ex officio)	Rep. Suzanne Miles

Position	Member
Senate (ex officio)	Sen. Steve West
Secretary, Energy and Environment Cabinet	Rebecca Goodman
Secretary, Cabinet for Economic Development	Jeff Noel
Nuclear Generation Industry	OPEN

Executive Committee

The 5-member Executive Committee conducts retirement reviews:

- **Rodney Andrews** - Director, UK Center for Applied Energy Research
- **Eston Glover** - Utility executive
- **Edward Holmes** – Coal industry executive
- **Ashli Watts** - Elected by Commission board
- **Wesley Cate** – Elected by the Commission board

Executive Director

On October 3, 2025, the Commission announced Eric King as Executive Director. UKNow King has over 17 years of experience in energy policy, federal advocacy and utility sector engagement. He most recently served as assistant vice president of federal relations for the University of Kentucky. His career also includes service as a senior advisor to then-Senate Republican Leader Mitch McConnell and work with the Kentucky Association of Electric Cooperatives. UKNow

King's appointment is subject to confirmation by the Kentucky Senate during the 2026 General Assembly. UKNow

3. 2025 OPERATIONS

Bylaws and Procedures

The Executive Committee adopted comprehensive bylaws governing our work. These cover meeting procedures, public hearing requirements, administration and operations, and conflict of interest rules. The bylaws ensure we operate transparently and efficiently.

Work Plan Priorities

Our focus for 2025-2026 includes several key areas:

Retirement Reviews: We process all retirement notices within the statutory 135-day timeline. This involves coordinating reliability analysis with MISO, commissioning economic impact studies through UK, conducting technical assessments, holding public hearings in affected counties, and issuing comprehensive findings to the PSC.

Energy Resource Inventory: We are building a comprehensive database of Kentucky's energy infrastructure. This will catalog all existing generation facilities (capacity, fuel type, age, ownership), map transmission infrastructure, document energy efficiency programs, track planned additions and retirements, and eventually provide public access through an online dashboard. Right now, Kentucky doesn't have a single authoritative source for this data.

Reliability Analysis: We're monitoring Kentucky's capacity reserve margins, assessing dispatchable generation availability, evaluating grid response to extreme weather, analyzing demand growth from data centers and manufacturing, and coordinating with MISO on regional planning.

Federal Policy: We're tracking EPA regulations affecting coal and gas plants, analyzing federal incentive impacts, coordinating with Kentucky's congressional delegation, and identifying opportunities to leverage federal funding.

Stakeholder Engagement: We're maintaining communication with utilities, manufacturers, coal producers, and other stakeholders. We're working to build trust across groups that to coordinate for effective energy policy.

4. BIG RIVERS RETIREMENT REVIEW

Overview

Our first retirement review looked at Big Rivers Electric Corporation's plan to retire the Robert A. Reid Combustion Turbine at Sebree Station in Webster County. This 65-megawatt natural gas unit suffered catastrophic mechanical failure in August 2024.

Timeline:

- March 18, 2025: Big Rivers filed notice
- June 4, 2025: Public hearing in Webster County Courthouse
- July 24, 2025: Executive Committee issued final report
- July 28, 2025: Report sent to PSC
- Total: 128 days (within 135-day statutory limit)

The Unit

The Reid CT is a 65 MW natural gas combustion turbine commissioned in 1976 and retrofitted in 2001 and 2010. It's been on forced outage since August 2024 when it suffered multiple failures—sheared shaft, damaged turbine blades, cracked welds, over-pressurized lubrication system. GE Vernova inspected and found the turbine had exceeded its expected life (about 5,750 starts versus the 5,000-start design life).

Repair would cost $15 million for the rotor or $26 million for a complete turbine upgrade. The unit's book value is $5 million. Also, increased runtime in 2024 pushed the unit over NOx emission limits, which would require more environmental controls. Big Rivers decided repair wasn't economical.

Our Analysis

Reliability: The unit had been called 8 times in the past decade during emergencies—Winter Storm Uri, Winter Storm Elliott, heat waves, and other extreme events. Small unit, but it helped when needed. Retirement would reduce Kentucky's dispatchable capacity by less than 0.5%.

Under MISO rules, units already on forced outage don't go through the normal reliability review, so MISO acknowledged the suspension without a full study. Big Rivers mentioned they're looking at replacing it with three smaller dual-fuel units (natural gas and propane), which could improve reliability through fuel flexibility.

Economics: UK's Center for Business and Economic Research ran the numbers. The Reid CT averaged about 4,663 MWh per year—that's 0.01% of Kentucky's total retail electricity sales. Economic modeling suggested less than 1 job impact statewide. Big Rivers said they don't expect to cut any jobs. State tax revenue impact is roughly $4,200 annually. There are some property tax considerations for Webster County.

Public Hearing

We held the hearing on June 4, 2025, at 6:00 PM at the Webster County Courthouse in Dixon. Big Rivers representatives came, our Executive Committee was there, and UK technical staff attended. No members of the public attended, and no comments were submitted.

The unit had been inoperable since August 2024, Big Rivers has a good reputation in western Kentucky, the economic impact is small, and no jobs will be impacted.

Recommendations to PSC

We did not issue a formal recommendation on whether to approve or deny the retirement. We developed the record and provided the following guidance:

- The PSC should thoroughly evaluate Big Rivers' replacement plans
- They should verify the three dual-fuel units meet statutory requirements
- They should consider the unit's history during emergency events
- They should confirm all aspects of KRS 278.264 are satisfied

What We Learned

This review proved several things. we finished in 128 days with thorough analysis. Coordination with MISO and UK works well. The confidentiality protections function as intended—Big Rivers submitted sensitive data that we used for analysis without publicly disclosing business secrets. The public process is transparent—proper notice, hearing in the affected county, publicly available report.

We documented reliability considerations that might have been overlooked. We gave the PSC comprehensive information beyond what the utility provided. And this analysis came from parties without a financial stake in the outcome.

5. STAKEHOLDER ENGAGEMENT

Regulatory Coordination

EPIC met with the Kentucky Public Service Commission (PSC) and their staff to discuss how our organizations can work together effectively. These conversations were productive. We clarified roles—EPIC conducts pre-filing analysis and provides findings; PSC conducts formal proceedings and makes final decisions. We discussed timing to ensure EPIC's reviews inform PSC proceedings without causing delays. And we explored ways to share technical information while respecting confidentiality requirements.

This coordination is essential. EPIC and the PSC have different but complementary functions. Getting this relationship right benefits utilities, ratepayers, and the broader public interest.

Utility Engagement

We've maintained regular communication with investor-owned utilities, cooperatives, and municipal systems. These conversations help us understand operational challenges, retirement planning considerations, and what information would be most valuable in EPIC reviews.

Industrial and Manufacturing Stakeholders

We've engaged with the Kentucky Association of Manufacturers and Kentucky Industrial Utility Customers. Manufacturers depend on reliable, affordable power. Their perspective on energy costs, reliability needs, and economic development is crucial to EPIC's work.

Energy Producers

We have coordinated with the Kentucky Coal Association and Kentucky Oil and Gas Association. Coal and natural gas production are significant parts of Kentucky's economy. Understanding market conditions, regulatory pressures, and operational realities helps inform our analysis.

Legislative Communication

We have provided updates to Natural Resources and Energy Committee members and made ourselves available for consultations. All Commission meetings are publicly noticed and open. We've tried to be responsive to legislative inquiries.

Public Information

We maintain transparency through our website at caer.uky.edu/epic, which provides meeting schedules, agendas, documents, and forms. Meeting agendas are posted in advance, and minutes are published after approval. Our Big Rivers review report is publicly available. Retirement notice forms are accessible to utilities and the public.

CONCLUSION

Over the past year, EPIC established that we're fulfilling our statutory mandate and adding value to Kentucky's energy policy process.

The Big Rivers case demonstrated we can deliver rigorous analysis on time (128 days) while respecting confidentiality and informing regulatory decisions. Our 18-member board brings together perspectives that don't naturally align but must be coordinated for effective policy. UK-based expertise provides objective analysis not beholden to any single interest. And our process is transparent through public hearings, published reports, and open meetings.

Kentucky faces real energy challenges. Demand is experiencing its highest growth in two decades, largely driven by electric vehicles, data centers, and artificial intelligence. ASCE Much of our generation fleet was built decades ago and faces end-of-life decisions. EPA regulations are forcing expensive upgrades or retirements. Natural gas generation has grown almost 15 times in a decade, U.S. Energy Information Administration showing rapid fuel transition and increasing price volatility. Winter storms proved that dispatchable generation is essential during extremes. And we need to maintain our competitive advantage—Kentucky has the lowest electricity price for a state east of the Mississippi. U.S. Energy Information Administration

Next year we will be prepared to process additional retirement reviews, complete the energy resource inventory, conduct scenario planning, and develop policy recommendations. Kentucky's energy future depends on reliable, affordable, dispatchable power that supports economic growth while handling extreme weather and market changes. EPIC ensures that energy decisions, especially retirements that permanently remove capacity, are made with complete information, thorough analysis, and full consideration of impacts on jobs, development, and quality of life.

The Big Rivers case proved the process works. Now we will build on that foundation.

Respectfully submitted,

Kentucky Energy Planning and Inventory Commission

Ashli Watts, Chair
Jeffrey Brock, Vice Chair
Eric King, Executive Director

Executive Committee:
Rodney Andrews, Eston Glover, Edward Holmes, Ashli Watts, Wesley Cate

APPENDICES

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Appendix B: Big Rivers Reid CT Review - Full Report (July 24, 2025)
Appendix C: Status of Kentucky Energy Resource Inventory Development
Appendix D: EPIC Bylaws and Procedural Rules
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Commission Members:

Commission Board	Name
KY Investor Owned Utility	John Crockett
KY Generation & Transmission Cooperatives	Talina Mathews
KY Coal Producers	Jeffrey Brock (Vice Chair)
KY Oil and Gas	Wesley Cate
Transportation of Coal Industry	Todd Case
Transportation of Natural Gas	Brain Weisker
Purchasing of Fossil Fuels	Caryl Pfeiffer
Nuclear Electric Generation	
Mining, Milling, Conversion	Keith Murt
Commercial/Industrial Electrical Power	Nathaniel Adams
KY Economic Interests	Ashli Watts (Chair)
Producers of Renewable Electricity	Matt Partymiller
Investment Banking/Utility Finance	Mark Gooch
Residential Electricity Consumers	Kevin Nolan
House of Representatives	Suzanne Miles
Senate member	Steve West
Secretary of Energy and Environment Cabinet	Rebecca Goodman
Secretary of Cabinet for Economic Development	Jeff Noel
Executive Committee	
Director, Center for Applied Energy Research	Rodney Andrews
Governor Appointee	Eston Glover
Governor Appointee	Edward Holmes
Commission Board Electee	Ashli Watts
Commission Board Electee	Wesley Cate

University of Kentucky | Energy Planning & Inventory Commission

July 28, 2025

Linda Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

Dear Executive Director Bridwell,

The Kentucky Energy Planning and Inventory Commission (EPIC) Executive Committee, with unanimous approval from its members (Ashli Watts, Rodney Andrews, Wes Cate, Eston Glover, Ed Holmes), submits the enclosed report, "Kentucky Energy Planning and Inventory Commission Report to the Kentucky Public Service Commission on Big Rivers Electric Corporation's Proposed Retirement of the Robert A. Reid Combustion Turbine," dated July 24, 2025, for your review. This report, prepared in accordance with KRS 164.2807 and KRS 278.264, evaluates the proposed retirement's impacts on system reliability, economic outcomes, electric generating capacity, and land use.

Please contact EPIC Executive Director Rodney Andrews with any questions.

Sincerely,

Ashli Watts

Rodney Andrews, PhD PE
Executive Director
KY EPIC

Ashli Watts
Chair
KY EPIC

Kentucky Energy Planning and Inventory Commission Report to the Kentucky Public Service Commission on Big Rivers Electric Corporation's Proposed Retirement of the Robert A. Reid Combustion Turbine

Date of Completion: 24 July 2025

Report Prepared By: Kentucky Energy Planning & Inventory Commission Executive Board & Staff with support and contributions from: Midcontinent Independent System Operator (MISO), University of Kentucky Center for Applied Energy Research, and University of Kentucky Center for Business & Economic Research

Date of Transmission to KY PSC: 28 July 2025

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1. Introduction

This report has been prepared by the Kentucky Energy Planning and Inventory Commission (EPIC) Executive Board in accordance with the statutory requirements set forth in KRS 164.2807 and KRS 278.264. The report evaluates Big Rivers Electric Corporation's (Big Rivers) proposed retirement of the Robert A. Reid Combustion Turbine (Reid CT), located at Sebree Station in Webster County, Kentucky.

EPIC's mandate includes assessing the retirement's impact on the reliability and resilience of the Kentucky Bulk Power System, economic outcomes (including revenue impacts, near-term economic impact and impact of future economic development), electric power generating capacity and energy supply, and land use. The report culminates in findings and a recommendation to the Kentucky Public Service Commission (PSC).

Report Structure:

This report is structured to align with the statutory requirements outlined in KRS 164.2807.

2. Description of the Unit & Proposed Retirement

The Robert A. Reid Combustion Turbine, also referred to as Reid CT Unit 2, is a 65-megawatt natural gas-fired simple cycle combustion turbine-based electric generating unit located at Sebree Station, 9000 Highway 2096 in Robards, Webster County. Originally commissioned in 1976 as a fuel oil unit, the Reid CT was retrofitted in 2001 to burn natural gas and further transitioned to a natural gas-dominant operation in 2010. The unit participates in the Midcontinent Independent System Operator (MISO) market with seasonal capacity accreditation varying from 41.8 MW in summer to 65.6 MW in the fall. Big Rivers owns 100% of the unit.

In 2024, the unit suffered a catastrophic mechanical failure that has rendered it inoperable. Investigations led by GE Vernova, the original equipment manufacturer (OEM), identified extensive damage including a sheared shaft in the atomizing air compressor, damaged turbine blades, cracked welds, and over pressurization of the lubrication system. According to the OEM, the turbine has surpassed the threshold for rotor life extension, registering approximately 5,750 'factored starts' compared to the 5,000-start benchmark. Repair estimates include a rotor replacement cost of approximately $15 million with an 18-month lead time, or a complete "Flange to Flange" upgrade at a cost of $26 million. The net book value of the unit is reported at around $5 million.

In addition to mechanical degradation, the increased runtime in 2024 resulted in the unit exceeding nitrogen oxide (NOx) emission limits, which may require installation of a Continuous Emissions Monitoring System (CEMS) or periodic stack testing.

The Reid CT serves primarily as a peaking unit within Big Rivers' 1,274 MW generation portfolio, which also includes the D.B. Wilson coal-fired station, the Robert D. Green natural gas fired generating station (formerly coal-fired), hydroelectric capacity, and 160 MW of solar. While Reid CT historically experienced limited runtime - totaling 2,181 hours from 2015 to 2024 - it was dispatched more frequently in 2023 and 2024, culminating in 703 hours of run time and delivering 19,164.84 MWh of electrical energy in 2024 – 44.7% of all electrical energy generated by the unit since 1 January 2015.

3. EPIC Review Procedure

In accordance with KRS 164.2807, Big Rivers shall submit an application to the PSC requesting approval to retire the Reid CT no earlier than 180 days post-provision of their Notice of Intent (NOI) to retire the Reid CT to the EPIC Executive Director. Per EPIC Policy, following receipt of a complete EPIC Form 1 'Application Document Package' by the EPIC Executive Director, NOI is considered provided, initiating a 135-day EPIC review timeline. By day 90 of this review timeline, the EPIC Executive Board must host a public comment hearing (held in the county of the electric generating unit retirement) to receive public input on the proposed unit retirement. By day 135, the EPIC Executive Board must submit its report of findings and recommendations to the PSC.

Big Rivers submitted notice of its intent to retire the Reid CT to the EPIC Executive Director on 18 March 2025, via electronic mail. In accordance with statutory requirements, a public comment hearing to receive input from the public in the county of the unit retirement was scheduled and held on 4 June 2025. This hearing was held in the Circuit Court Room of the Webster County Courthouse in Dixon, Kentucky. The hearing was advertised in a local Webster County newspaper, the Sebree Banner, on the EPIC website, and was announced at the 12 May 2025 meeting of the EPIC Commission to elect Executive Board members. During the 4 June 2025 public comment hearing, representatives of Big Rivers were present, along with Dr. Rodney Andrews and Mr. Ed Holmes of the EPIC Executive Board. Commission staff and staff from the University of Kentucky Center for Applied Energy Research were also in attendance.

No members of the public were present at the public comment hearing, and no public comment was or has subsequently been provided.

As part of the 18 March 2025 filing by Big Rivers, the EPIC Executive Committee received and reviewed supplementary information (NOI addenda) from Big Rivers, including GE's inspection report, historical unit dispatch and MISO commitment data, and projected capacity positions.

4. Forced Outage as Justification for Unit Retirement

The occurrence of a forced outage - even one involving catastrophic mechanical failure – is not uncommon and does not, by itself, constitute justification for the retirement of a fossil fuel-fired electric generating unit under Kentucky law. KRS 278.264(2) establishes a rebuttable presumption against such retirements, and KRS 164.2807(1) affirms the Commonwealth's policy of preserving dispatchable, reliable, and resilient electric generating capacity to meet present and future capacity and energy needs. These statutes collectively reflect the General Assembly's intent to ensure that retirement decisions are not made without full evaluation of system impacts, economic consequences, and alternative solutions.

The EPIC Executive Board recognizes a legitimate concern that forced outages may be invoked as a mechanism to accelerate or justify the retirement of electric generating units. This risk is particularly acute in circumstances where repair costs are high or where evolving market or environmental factors have diminished a unit's economic viability. If utilities were permitted to defer maintenance or decline repairs following a mechanical failure and then cite that condition as a basis for retirement, it could undermine the rebuttable presumption established by KRS 278.264(2), which is intended to safeguard long-term system adequacy and resilience. Normalizing such a practice would risk reducing retirement evaluations to post hoc endorsements of operational outcomes, rather than forward-looking assessments based on reliability standards, capacity needs, and economic impacts. If a forced outage were treated as de facto evidence of obsolescence or redundancy, retirement decisions could become reactive, unanchored from the statutory criteria, and potentially erode Kentucky's dispatchable (firm) electric generation portfolio.

This concern is particularly relevant amid rising electricity demand, regulatory uncertainty, and growing dependence on intermittent energy resources. The statutory framework separates the cause of a unit's unavailability from the question of whether its retirement is warranted or reasoned, ensuring that decisions are not driven by incidental mechanical events. Within this framework, the inoperability of a generating unit—even for an extended period—does not independently establish sufficient cause justifying retirement approval of a dispatchable electric generating unit.

EPIC's responsibility under KRS 164.2807 is to assess the implications of the proposed retirement on Kentucky's Bulk Power System reliability, economic and land use impacts, and the adequacy of Kentucky's dispatchable capacity and energy supply. Whether a unit is operational or not, or whether repairs are feasible or cost-effective, are matters that may be relevant to the utility's internal planning or to proceedings before the PSC, but they are not relevant to EPIC's statutory charge. Accordingly, EPIC expresses no finding as to whether the Reid CT's outage supports or undermines the proposed unit retirement and reiterates that the presence of a forced outage is not a factor in its evaluation under the applicable statutes - the condition or operability of the unit is not among the statutory considerations that govern this report.

5. Findings and Recommendations [KRS 164.2807(7)(f)]

5.1 Impact on Dispatchable and Reliable Power Supply

In a letter provided to the EPIC Executive Director by Big Rivers (Dated 18 June 2025 and appended hereto as Appendix B), Big Rivers confirmed coordination with their RTO/ISO on the Reid CT retirement. On 22 January 2025, Big Rivers filed an Attachment Y Notice with the MISO to suspend Reid CT, effective 1 March 2025, due to a forced outage that began 25 August 2024. MISO's response on 30 January 2025 confirmed the suspension, noting that MISO Tariff Section 38.2.7.a.i excludes generators on forced outage from being designated as System Support Resources (SSR). Thus, no study evaluating system reliability impacts was conducted by MISO. At this time, EPIC is in process of developing the independent capacity to evaluate generating unit retirement impacts on system reliability. As such, EPIC is presently unable to independently evaluate system reliability impacts.

At the request of the EPIC Executive Board, Big Rivers has provided record of each instance when the subject unit has been dispatched in response to a MISO Maximum Generation Emergency Declaration Step 1 or greater (NERC Energy Emergency Alert or EEA). In the past decade (2016 to present), the subject unit has been dispatched in response to an EEA event on eight (8) occasions, each corresponding with regional or superregional ambient temperature extremes, including summer heatwaves, unseasonably warm temperatures approaching unit outage season (Fall outage season), 'polar vortex' events and winter storms.

Notably, the subject unit was called upon to support MISO capacity requirements during Winter Storm Uri (February 2021) – an event during which balancing authorities throughout the central and southern US experienced capacity resource inadequacy due to high loads and elevated unit forced outage rates; the most notable system failure occurring on the Energy Reliability Council of Texas (ERCOT) system.

Additionally, the unit was called upon to support MISO capacity requirements on the evening of 23 December 2022 during Winter Storm Elliot. MISO experienced capacity derates of generating units across its territory due, in part, to interruptions of natural gas supply. This, in concert with abnormally high system load forecasting errors driven by historic low temperatures for December, resulted in the need to access demand response resources. At the time of EEA declaration, MISO system resources totaled roughly 119,000 MW, of which approximately 111,000 MW were generating. MISO did not require load shedding. Additionally, MISO continued to export power to neighboring systems throughout 23 and 24 December 2022, including to Tennessee Valley Authority (TVA) and Louisville Gas & Electric and Kentucky Utilities (LKE) – two systems which did employ load curtailment during the weather event.

The EPIC Executive Board notes that, should the retirement of the Reid CT generating unit occur prior to the commissioning of replacement 'like' dispatchable capacity, the result will be a < 0.5% diminution in the Commonwealth's installed firm generating capacity.

5.2 Alternatives to Retirement

Alternatives to unit retirement have been considered by Big Rivers, including lifecycle extension of the unit which could involve rotor replacement or system upgrades. However, this alternative has thus far been deemed economically infeasible.

In conversation with representatives from Big Rivers during the Public Comment Hearing, EPIC Executive Board Members Rodney Andrews and Ed Holmes were informed of additional alternatives under consideration by Big Rivers, to include the construction of replacement capacity in the form of three smaller capacity, and independently dispatchable, dual-fuel fired electric generating units capable of providing a combined capacity equivalent to that of, or exceeding, the existing Reid CT unit. These dual-fuel units could enhance system reliability and adequacy during adverse events, such as extreme weather or fuel supply disruptions, by providing fuel flexibility and independent dispatch capability. The estimated timeline for procurement of Unit 2 replacement parts is approximately 18 months, while delivery and commissioning of new dual-fueled units is estimated, by Big Rivers (per conversation occurring during the same Public Comment Hearing), at 24 months. Given the similarity in timeline, replacement with multiple dual-fuel units is likely preferable, as it offers enhanced reliability and flexibility compared to repairing the existing unit.

Of note, Big Rivers' 2023 Integrated Resource Plan (IRP) additionally includes a proposed 635 MW natural gas combined cycle (NGCC) plant, with potential commissioning between 2029 and 2032.

The EPIC Executive Board recommends that these alternatives be further evaluated – particularly the proposed dual-fueled units – and that compliance with the requirements of KRS 278.264 be established by the PSC, prior to proceeding with a decision on the proposed unit retirement.

5.3 Land Use Impacts

The EPIC Executive Board finds that there are no expected land use impacts associated with the proposed unit retirement. Sebree Station remains operational and no change in site status, footprint, or use is anticipated.

5.4 Statewide & Local Economic Impact

According to analysis conducted by the University of Kentucky Center for Business & Economic Research – UK CBER (see Appendix C), the retirement of the Reid CT generating unit is expected to have minimal economic impact on Kentucky and Webster County. From 2016 to 2024, the unit's annual electricity output varied significantly, averaging 4,663 MWh per year. At Kentucky’s 2023 average retail electricity price of 9.96 cents/kWh, this output equates to an annual value of approximately $464,388.

If the unit is retired and not replaced, the loss in electric output could translate to an estimated 0.88 jobs and $73,400 in annual labor income lost in Kentucky, including 0.61 jobs and $51,100 in Webster County, according to IMPLAN modeling.

In 2024, the unit's output peaked at 19,165 MWh—well above its typical performance. If this high-output year were used as a baseline, the estimated impact would rise to 3.65 jobs and $303,000 in statewide labor income lost, including 2.51 jobs and $210,200 in Webster County.

These estimates include direct effects (losses at Big Rivers), indirect effects (losses in supply chains), and induced effects (losses in local spending by affected workers). Notably, however, Big Rivers does not anticipate reducing employment due to the retirement, which suggests the actual economic effects may be less than projected by IMPLAN modelling.

5.5 Revenue Impacts

The EPIC Executive Board finds that, following analysis by UK CBER, retirement of the Reid CT unit is expected to have minimal impact on state and local tax revenues, consistent with its limited economic impact. If the unit’s retirement leads to a reduction in employment and earnings, there may be a small decrease in state tax collections. Using assumed effective rates of 3% for income tax and 3.8% for sales tax, the estimated average annual loss in labor income could reduce state revenues by approximately $4,200 per year. This estimate only reflects losses associated with Reid CT and does not consider offsetting tax revenues from alternative in-state generation sources providing for energy deficits.

Webster County does not levy an occupational license tax, so it would not experience any tax revenue loss from reduced earnings or employment related to the unit's closure.

There may also be some impact on tangible property tax revenues. Kentucky and local jurisdictions (Webster County and the Webster County School District) levy certain property taxes. Retiring Reid CT could reduce the taxable value of property in these districts, possibly affecting future property tax revenues or necessitating rate adjustments. However, specific impacts are unknown, as data on the unit's assessed taxable value and associated tax bills has not been evaluated.

5.6 Energy Supply & Economic Development Implications

The retirement of the Reid CT unit is expected to have minimal impact on regional electricity supply and future economic development. The unit produced an average of 4,663 MWh per year, representing just 0.01% of Kentucky's total retail electric sales in 2023 and 0.4% of the state's net summer capacity.

Big Rivers has secured replacement capacity through the MISO capacity auction for Spring 2025 and plans to continue participating in future auctions. Big Rivers has retained interconnection rights at the Sebree site and is evaluating the potential for a new 635 MW combined cycle natural gas plant, with potential commissioning between 2029 and 2032.

Given Reid CT's small contribution to the state's total generation, its retirement and resultant loss of capacity (assuming no prompt replacement) is unlikely to limit economic development in the region. Although a formal model to evaluate economic development impacts has not yet been developed, the limited scale of Reid CT suggests any effects would be negligible and could be offset through wholesale market purchases. Should the Public Service Commission find that KRS 278.264 requires immediate replacement of lost Reid CT capacity, the EPIC Executive Board finds that the proposed replacement with three smaller, independently dispatchable dual-fuel units would enhance system reliability and adequacy during adverse events, such as extreme weather or fuel supply disruptions, by providing fuel flexibility and increased operational resilience.

6. Compliance with KRS 278.264 Requirements

The filing submitted by Big Rivers does not clearly and comprehensively delineate specific plans to promptly supplant the lost generating capacity resulting from the retirement of Reid Unit 2 CT with equivalent dispatchable capacity owned and operated by Big Rivers. However, the proposed replacement with three smaller, independently dispatchable dual-fuel units, as discussed during the Public Comment Hearing, would likely enhance system reliability and adequacy during adverse events, such as extreme weather or fuel supply disruptions, due to their fuel flexibility and independent dispatch capability.

The EPIC Executive Board refrains from issuing a definitive finding as to whether the proposed retirement of the Reid CT complies with the provisions of KRS 278.264. However, the EPIC Executive Board strongly recommends that the Public Service Commission undertake a rigorous and thorough evaluation of the dual-fuel replacement capacity proposed by Big Rivers. Such evaluation should encompass a detailed assessment of the timeline for commissioning, the planned generating capacity, and the primary and backup fuel capabilities of the proposed replacement units to ensure compliance with all applicable statutory requirements and to safeguard against a diminution of dispatchable capacity within Big Rivers' system, while recognizing the potential for enhanced reliability and resilience.

7. Summary of Conclusions

The EPIC Executive Board issues no formal recommendation with respect to the Public Service Commission’s approval, denial, or other action on the proposed Reid CT unit retirement. However, adherence to KRS 278.264 must be considered with respect to the proposed replacement of lost capacity with dual-fuel units of equivalent or greater capacity, which could enhance system reliability and adequacy during adverse events due to their fuel flexibility and independent dispatch capability.

9. Appendices

- **Appendix A**: Big Rivers' Notice of Intent and EPIC Form 1 (Cover Letter, Pages 1-16, GE Vernova Inspection Report [Exhibit A, Pages 17-25], MISO Attachment Y Notice and Response [Exhibits B and C, Pages 26-31], MISO Maximum Generation Emergency Declarations [Exhibit E, Pages 34-35]).
- **Appendix B**: Big Rivers' 18 June 2025 Data Response on MISO Evaluation
- **Appendix C**: University of Kentucky Center for Business & Economic Research Report of Findings - Analysis of Big Rivers Electric Corporation's Proposed Retirement of the Robet A. Reid Combustion Turbine

Big Rivers Electric Corporation
710 West 2nd Street
Owensboro, KY 42301
www.bigrivers.com

EPIC REPORT - APPENDIX A

March 18, 2025

Via Electronic Mail Delivery to rodney.andrews@uky.edu
and USPS Priority Mail Express

Rodney Andrews
University of Kentucky CAER
2540 Research Park Drive
Lexington, Kentucky 40511

RE: Notice of Intent to Retire the Robert A. Reid Combustion Turbine

Dear EPIC Executive Director:

Due to a catastrophic failure of our natural gas-fired combustion turbine generating unit known as the Robert A. Reid Combustion Turbine ("Reid CT"), Big Rivers Electric Corporation ("Big Rivers") must retire the unit, and by this letter, we give notice of our intent to retire the Reid CT.

The Reid CT is located in Webster County, Kentucky. It was commercialized in 1976 and has a nameplate capacity of 65 MW. As fully explained below, the Reid CT ceased operating in 2024 as a result of the catastrophic failure. Due to the age of the unit, the uneconomic extensive repairs that would be required to make the Reid CT again operable, as well as other considerations, Big Rivers has no reasonable alternative but to retire the unit.

KRS 278.264 requires that prior to retiring an electric generating unit, a utility must apply to the Kentucky Public Service Commission (the "Commission" or "PSC") for an order approving the retirement. Section 7(i) of KRS 164.2807 states:

> No retirement application to the Public Service Commission under KRS 278.264 shall be deemed administratively complete unless it includes either the executive committee's report submitted pursuant to this section or evidence that more than one hundred eighty

> (180) days have passed since notice was submitted to the commission as required in paragraph (b) of this subsection and no executive committee report or determination has been provided to the utility.[1]

KRS 278.262 defines "retirement" or "retired" as "the closure or the complete and permanent cessation of operations at an electric generating unit." Big Rivers did not choose to cease operations of the Reid CT and does not consider this event a typical "retirement" within the meaning intended by the General Assembly to invoke KRS 278.262, KRS 278.264,[2] or KRS 164.2807. Nevertheless, the statutory definition does not expressly exclude a unit's involuntary retirement. As such, Big Rivers submits this notice to EPIC and respectfully requests that the Executive Committee issue a final report so that Big Rivers can move forward with the retirement process.

Additionally, Big Rivers' application to the PSC will include a request for a regulatory asset for the retirement of the Reid CT to mitigate the financial impacts of the retirement, but before Big Rivers can establish a regulatory asset, Big Rivers must obtain the PSC's approval and must show our primary lender, the U.S. Department of Agriculture's Rural Utilities Service ("RUS"), that the unit has officially been retired.

BACKGROUND

Big Rivers is a generation and transmission cooperative incorporated June 14, 1961, with our headquarters in Owensboro, Kentucky. Big Rivers owns, operates and maintains electric generation and transmission facilities, and we purchase, transmit, and sell electricity at wholesale. Our principal purpose is to satisfy the wholesale electricity requirements of, and provide shared services to, our three distribution cooperative Member-Owners, who are Jackson Purchase Energy Corporation, Kenergy Corp. and Meade County Rural Electric Cooperative Corporation (collectively, the "Members"). The Members, in turn provide retail electric service to approximately 121,000 consumer-members located in all or parts of 22 western Kentucky counties: Ballard, Breckenridge, Caldwell, Carlisle, Crittenden, Daviess, Graves, Grayson, Hancock, Hardin Henderson, Hopkins,

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[1] Section 7(h) of KRS 164.2807 requires the executive committee's written report and any dissenting statements provided to the PSC to be included in the application to the PSC under KRS 278.264.

[2] KRS 278.264(1) requires a utility under the jurisdiction of the PSC to obtain **prior** approval from the PSC before retiring an electric generating unit.

Livingston, Lyon, Marshall, McCracken, McLean, Meade, Muhlenberg, Ohio, Union, and Webster.

In addition to the Reid CT, Big Rivers owns and operates the D.B. Wilson ("Wilson") Station and the Robert D. Green ("Green") Station. Wilson Station consists of a single, 417 MW coal-fired generating unit near Centertown, Kentucky. Green Station includes two units (231 MW and 223 MW) that were converted from coal-fired units to burn natural gas in 2022. The Green Station and the Reid CT are located at Big Rivers' Sebree Station near Sebree, Webster County, Kentucky.

Big Rivers' generation resources total 1,274 MW, including rights to 178 MW of contracted hydro capacity from the Southeastern Power Administration ("SEPA") and 160 MW of contracted solar capacity from the Unbridled Solar, LLC facility near Big Rivers' Sebree Station.[3]

Big Rivers also owns, operates and maintains a network of 1,353 miles of transmission lines and 29 substations to provide transmission power to its Members and third party entities served under our Open Access Transmission Tariff.

Big Rivers became a fully-integrated member of the Midcontinent Independent System Operator ("MISO") on December 1, 2010, and participates in MISO's real-time and day-ahead energy and capacity markets. While much of Big Rivers' generating capacity is dedicated to Big Rivers' native load, it has capitalized on its available resources both by its participation in MISO and through bilateral power sales contracts.

Big Rivers' Reid CT went into service in March of 1976, as a fuel oil unit. It was retrofitted to a dual-fueled unit, to burn natural gas as well as fuel oil, in 2001 for SO_2 and NO_X control. The Reid CT was converted to primarily natural gas fired in July of 2010. The Reid CT has been utilized as a peaking unit.

In FERC Case Number ER22-495-000, filed by MISO in November 2021 and accepted by FERC in September 2022, MISO introduced seasonal capacity requirements to the annual MISO capacity auction (the Planning Resource Auction or "PRA") to account for the unique risk profile of each season. While the Reid CT's nameplate capacity is 65 MW, the unit's MISO seasonal capacity accreditation is 44.5 MW for Spring, 65.6 MW for Fall, 59.4 MW for Winter, and 41.8 MW for Summer.

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[3] In PSC Case No. 2022-00296, Big Rivers sought and received PSC approval of an amendment to a solar purchase power agreement, the "Unbridled PPA," that was originally approved in PSC Case No. 2020-00183. Unbridled Solar's 160 MW facility located in Henderson and Webster Counties, began its operations in the first quarter of 2025.

EXPLANATION OF THE REASON FOR RETIREMENT

Big Rivers' Integrated Resource Plans ("IRPs"), filed triennially with the PSC, have explained that "the expected Retirement Date of the Reid CT will depend greatly on the number of operating hours experienced over the next several years." Due in part to its comparatively low operations and maintenance ("O&M") expenses and despite its age, Big Rivers did not intend to retire the unit. However, in 2024, the Reid CT experienced several significant Forced Outages.

GE Vernova, the unit's Original Equipment Manufacturer ("OEM"), was brought in multiple times in 2024. Ultimately, during the most recent Forced Outage, GE opened the unit for a major inspection and found that a sheared shaft was causing a lube oil reservoir to over-pressurize, resulting in gear box pressurization and oil blowing past labyrinth seals (*see* Photo No. 3).

PHOTO #1

Photo #1 shows the sheared shaft in the atomizing air compressor, which caused a Forced Outage. The compressor was removed and the piping system was refabricated to make the unit operable. The lead time for the compressor was 24 weeks. Photo #2 shows the refabrication of the piping.

PHOTO #2

PHOTO #3

Photo #3 shows oil coming from the labyrinth seals due to air over-pressurizing the system, which was caused by the sheared shaft shown in the above image.

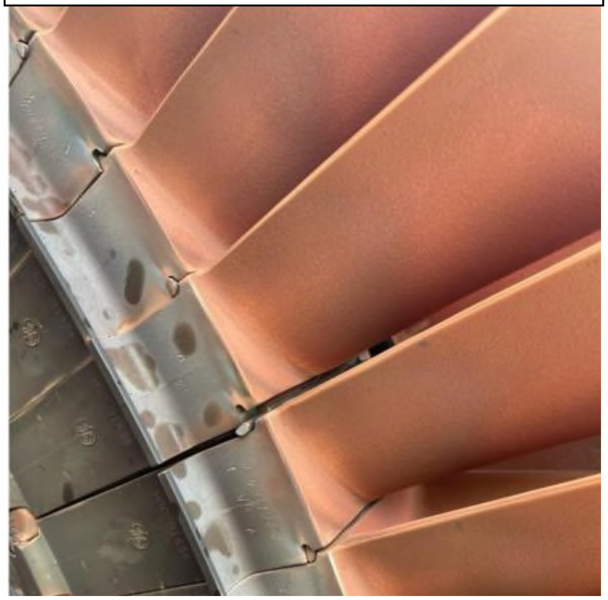
The inspections' major discoveries included:

1. 1st, 2nd, and 3rd stage buckets need replacement;
2. 2nd stage shrouds need replacement due to rubbing;
3. Oil and air seals for T2 and T3 damaged and out of specifications;
4. T3 Babbit damage;
5. Thermocouple wires melted;
6. Cracked welds in diffuser struts;
7. Cracked welds throughout the exhaust; and
8. Rotor unable to return to service (see discussion below).

The following photos illustrate the discoveries.

PHOTO #4

PHOTO #5



The above photos show turbine blades with excessive clearance. The blades are designed to lock together with centrifugal force. However, they cannot lock together due to the damage. The turbine blades require replacement.

PHOTO #6

Photo #6 shows the damage to an oil deflector that prevents sealing oil inside the unit.

PHOTO #7

Photo #7 shows one of the damaged air seals in need of replacement. The damage allows air into the oil system causing over pressurization.

PHOTO #8

Photo #8 is one example of severe cracks on the exhaust due to age and heat cycles.

As supported by the GE inspection report attached here to as <u>Exhibit A</u>, Big Rivers evaluated multiple repair options. The total cost of a rotor replacement alone was estimated at $15 million with an 18-month lead time. Based on the unit's number of starts, GE recommended not returning the rotor to service. The Reid CT currently has experienced 4,417 Actual Starts in its operating history. However, the Factored Starts, which take into account different operating conditions that may significantly impact the stress on the turbine components such as start type (hot, warm, cold), are around 5,750 starts.[4] There is a rotor life extension option; however, GE would not recommend that option due to other equipment failures outside of the rotor. Big Rivers also considered a "Flange to Flange" upgrade of the unit. However, the upgrade would cost around $26 million for equipment only. The Reid CT's current Net Book Value is around $5 million. Due to the age of the generator, such an investment would be risky. The Generator Stator is still original (1976). Based on the age alone, GE would recommend to rewind, which is a costly process. The rewind and turbine repairs would exceed $20 million. Also, a significant amount of auxiliary equipment is still original.

As depicted below in Table No.1, the Reid CT's total run number hours increased significantly in 2024, due in part to the decrease in natural gas prices. The Reid CT has exceeded its NO_X emission limits based on the 2024 run time and will now be required to install Continuous Emissions Monitoring System ("CEMS") for NO_X and CO_2 monitoring or perform periodic stack testing per the methodology outlined in 40 CFR Part 75 Appendix E.[5] If Big Rivers chose the "Flange to Flange" upgrade option, in addition to the above referenced significant cost of construction, Big Rivers would be required to enter in a New Source Review for air permitting based upon the generation change to the unit.

MISO REQUIREMENT FOR NOTICE OF GENERATOR SUSPENSION OR RETIREMENT

Under the MISO Tariff, market participants that have decided to retire or suspend a generation resource must submit a notice (Attachment Y Notice). A copy of the completed Attachment Y Notice that Big Rivers submitted to MISO on January 22, 2025, for the suspension of the Reid CT is attached hereto as Exhibit B. On February 3, Big Rivers received notification via mail that MISO had received the suspension notification and that Reid CT would be suspended from the MISO market effective March 1, 2025. A copy of MISO's letter dated January 30, 2025, is attached hereto as Exhibit C. The Reid CT may remain in a Suspension Status for thirty-six (36) cumulative months during any five (5) year period. Therefore, MISO requires that prior to March 1, 2028, Big Rivers will either officially retire the unit or make the unit available to the market again.

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[4] See GE Power's GER3620P Heavy Duty Gas Turbine Operating Maintenance Considerations, *available at* https://id.dcsmodule.com/js/htmledit/kindeditor/attached/20210911/20210911093317_93385.pdf .

[5] https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-75/appendix-Appendix%20E%20to%20Part%2075

EPIC FORM 1

A completed EPIC Form 1- Notice of Proposed Retirement of Fossil Fuel-Fired Electric Generating Plant is enclosed.

SYSTEM IMPACT STATEMENT

MISO's January 30, 2025, letter acknowledged that the unit was inoperable due to a Forced Outage and confirmed that "as the Reid CT is not an operational generation resource, the System Support Resource ("SSR") provisions of the MISO Tariff do not apply." This letter gives Big Rivers the right to suspend the unit for up to three years, at which point we would have to officially retire the unit or return it to service. Since retirement requires the EPIC's final report and the PSC's approval, we cannot file for retirement with MISO until the report is issued and PSC approval is obtained. But we have had multiple discussions with MISO that the path that we are heading down is retirement, so they are aware of our final plans. At no point during our conversations with MISO were any reliability concerns brought up relating to the retirement of this unit. This unit has been inoperable for almost a year, and it has not had any major system impacts. Most likely, Big Rivers will keep the unit in MISO"s Suspension status for the full three years, allowing us to retain the MISO Generation Interconnection rights associated with the Reid CT. This would help to lower interconnection costs should Big Rivers build at that site.

A. Unit Dispatch History

Attached hereto as Exhibit D is an Excel file with worksheets showing the Reid CT's hourly Real Time Meter Data from June 1, 2015 through December 31, 2024 and MISO Commitment Reasons from May 1, 2019 through December 31, 2024. Below are tables summarizing the data.

Unit operating conditions have changed as of the last two years, with the unit being called on more frequently. As Table 2 below shows, MISO called upon the Reid CT in 2023 and 2024 mostly for economic reasons, due in part to a decrease in natural gas prices.

TABLE #1
Real-Time Meter Data
June 1, 2015-December 31, 2024

Numbers of Hours Online/Year			MWhs/Year	
2015	47		**2015**	944.00
2016	240		**2016**	3,931.61
2017	115		**2017**	1,340.69
2018	143		**2018**	2,317.39
2019	234		**2019**	4,176.35
2020	114		**2020**	1,460.74
2021	205		**2021**	2,840.48
2022	45		**2022**	575.95
2023	335		**2023**	6,154.76
2024	703		**2024**	19,164.84
Total:	**2181**		**Total:**	**42,906.81**

TABLE #2
MISO Commitment Reasons
May 1, 2019 - December 31, 2024

	Percentage/Year				
	Capacity	**Must Run**	**T-xx**	**VLR**	**SRPB**
2019	53.33%	2.42%	21.21%	23.03%	0.00%
2020	75.23%	13.76%	11.01%	0.00%	0.00%
2021	61.50%	9.09%	13.37%	16.04%	0.00%
2022	80.00%	17.50%	2.50%	0.00%	0.00%
2023	96.92%	1.54%	1.54%	0.00%	0.00%
2024	95.90%	3.70%	0.00%	0.13%	0.26%
Total	**85.79%**	**4.80%**	**4.93%**	**4.36%**	**0.13%**

Capacity = The unit ran for economic reasons
Must Run = Most likely ran for testing related reasons
T-xx = Transmission/ Reliability Event
VLR = Voltage Reliability Event
SRPB = South Regional Power Balancing Event. MISO requires the unit to run to help balance the two footprints.

B. Compliance Plan

Per MISO market rules, Big Rivers obtained replacement capacity for the Reid CT for the Spring 2025 capacity auction, satisfying our capacity obligation for this period.

MISO annually determines seasonal minimum Planning Reserve Margin ("PRM") requirements that would result in the MISO system experiencing a less than one-day loss-of-load event ("LOLE") every 10 years, per the MISO Tariff.[6] MISO's PRM requirement for 2025, which includes transmission losses, is 10.6%.

Big Rivers' projections for our capacity position fluctuate with new information and changes from MISO related to its capacity accreditation for generating units and other processes. The loss of the Reid CT in current projections results in seasonal capacity deficits for the 2026-2027 MISO Planning Year. Big Rivers will make bilateral capacity purchases or participate in the annual MISO capacity auction to alleviate any shortages and satisfy the MISO PRM requirements. Beginning in Planning Year 2027-28, Big Rivers is projected to have excess capacity as a result of the expiration of an off-system power sales agreement.

Big Rivers' plan for compliance with KRS 278.262 and KRS 278.264 (collectively '2023 Senate Bill 4' requirements) mirrors our plan to continue compliance with KRS 278.030(2), which requires every utility to furnish adequate, efficient and reasonable service to its customers. The base case from Big Rivers' 2023 Integrated Resource Plan included the addition of a 635 MW natural gas combined cycle generator, which would be located near Big Rivers' existing Sebree plant location. If this facility were to get built, it would likely be completed sometime between 2029 and 2032. However, since the conclusion of the 2023 IRP proceeding, Big Rivers is taking a fresh look at our next resource, and Big Rivers' analysis to determine our future resource needs is underway. Big Rivers plans to file its next IRP and any required requests for certificates of public convenience and necessity with the PSC in 2026.

Big Rivers is located in MISO Local Resource Zone ("LRZ") 6, and the seasonal LOLE targets determined in the Planning Year 2025-2026 LOLE study are shown

[6] To determine the LOLE targets for each season that will be used to calculate the PRM and Local Reliability Requirements ("LRR"), MISO followed the process first solving the LOLE model to an annual value of 0.1 and then checking the seasonal distribution. If a season had an LOLE value of at least 0.01, then its target would be set to that LOLE. If a season had less than 0.01 LOLE, additional analysis was performed until the target of 0.01 LOLE was met.

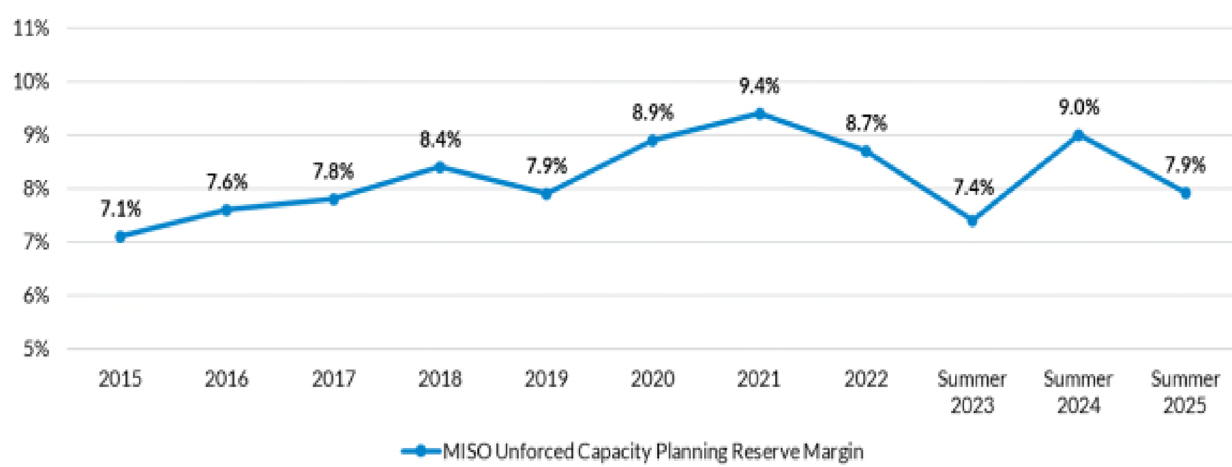
in Table 4, below, which is a copy of Table 3-11 from the MISO 2025–2026 Loss of Load Expectation Study Report.[7]

Region	Summer	Fall	Winter	Spring
MISO-wide	0.10	0.01	0.01	0.01
LRZ 1	0.099	0.01	0.01	0.01
LRZ 2	0.091	0.01	0.01	0.01
LRZ 3	0.098	0.01	0.01	0.01
LRZ 4	0.01	0.01	0.10	0.01
LRZ 5	0.01	0.01	0.094	0.01
LRZ 6	0.091	0.01	0.01	0.01
LRZ 7	0.099	0.01	0.01	0.01
LRZ 8	0.01	0.01	0.093	0.01
LRZ 9	0.026	0.047	0.02	0.01
LRZ 10	0.069	0.015	0.01	0.012

Table 3-11: Planning Year 2025-2026 Seasonal LOLE Distribution

MISO's Planning Reserve Margin requirement changes over time, and its history is shown in Chart 2 below, which a copy of Figure 1-1 from the MISO 2025–2026 Loss of Load Expectation Study Report.

Chart 2 Comparison of PRM Targets across 10 years



[7] MISO's 2025-2026 LOLE Report is available at: https://cdn.misoenergy.org/PY%202025-2026%20LOLE%20Study%20Report662942.pdf .

C. EEA Declaration History

Attached hereto as Exhibit E is a list of "Maximum Generation Emergency Declarations," EEA 1 or higher events from MISO that included Big Rivers from 2010-2024, including event details.

ECONOMIC IMPACT STATEMENT

A. Direct and Indirect Employment Impacts

There will be no direct employment impact. As discussed above, the Reid CT is located at the Sebree Station with the Green plant. All operation and maintenance of the Reid CT was performed by Green plant employees. There are no employees assigned directly to the Reid CT. As discussed below in Subsection C, Big Rivers does not anticipate any indirect employment impact as a result of the Reid CT retirement.

B. Supply Chain Impacts

Big Rivers does not have any contracted fuel or reagents for the Reid CT. The only fuel that was supplied to that unit was natural gas. When the unit was called on from MISO to run, Big Rivers would purchase natural gas on the market for that requested run. Big Rivers did not have any firm gas or contracted fuel of any sort for that unit. There should not be any supply chain impacts.

C. Other Local Economic Impacts

As described above, the Sebree Station, where the Reid CT is located, is not being closed. The maintenance work contracted to local third parties, such as grounds maintenance, security, environmental sampling, and supply vendors will still be needed. Big Rivers will no longer incur the cost of operations and maintenance directly related to the Reid CT, but we do not contemplate any local economic impact from the reduced spending.

CONCLUSION

We thank EPIC and its Executive Committee and staff and look forward to working with you on this new process.

Please feel free to contact me if you have any questions related to this submission.

Sincerely,

/s/ Tyson Kamuf

Tyson Kamuf
General Counsel
Phone: 270-844-6185
E-Mail: tyson.kamuf@bigrivers.com

Enclosures (2): EPIC Form 1
The hard copy version includes a USB flash drive containing Exhibit D.

EPIC Form 1 - Notice of Proposed Retirement of Fossil Fuel-Fired Electric Generating Plant

Version 2025.01.29

Submitting Entity's Information:

In accordance with KRS 164.2807 Section 1, subsection (7)(b), Big Rivers Electric Corporation ("Big Rivers") (“Submitting Entity”) gives Notice to the Commonwealth of Kentucky Energy Planning and Inventory Commission of its intent to retire an existing coal, oil, or natural gas-fired electric generating plant or unit.

Submitting Entity's percent ownership stake in generating plant/unit: [100] %

Submitting Entity's Business Address:

Mailing address: P.O. Box 20015, Owensboro, Kentucky 42304
Street address: 710 W. Second Street, Owensboro, Kentucky 42301

Submitting Entity's Ownership Information:

Big Rivers is a rural electric cooperative corporation organized pursuant to KRS Chapter 279. Its three Member–Owner distribution electric cooperatives include Jackson Purchase Energy Corporation, Kenergy Corp., and Meade County Rural Electric Cooperative Corporation.

Submitting Entity's Jurisdiction of Organization/Incorporation:

Big Rivers was incorporated in the Commonwealth of Kentucky on June 14, 1961.

Submitting Entity Authorized Representative Contact information:

(Person 1)

Name: Tyson Kamuf

Title: General Counsel

Address:
710 W. Second Street
Owensboro, Kentucky 42301

Email: tyson.kamuf@bigrivers.com

Telephone: (270)844-6185

(Person 2)

Name: Don Gulley

Title: President and CEO

Address:
710 W. Second Street
Owensboro, Kentucky 42301

Email: don.gulley@bigrivers.com

Telephone: (270)844-6101

Identity of Generating Plant/Unit Subject to Notice of Intent to Retire:

Location (Address):

Sebree Station
9000 Highway 2096
Robards, Webster County, Kentucky 42452

Unit Name: Reid CT - Unit 2 ("Unit")

Nameplate Rating in MW: 65 MW

Primary Fuel: Natural Gas

Back-up Fuel: Fuel Oil

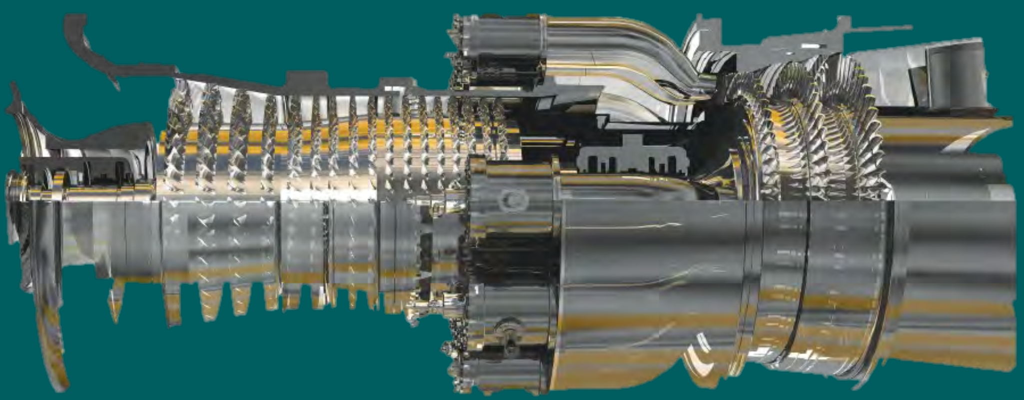
RTO/ISO Market Participation: Midcontinent Independent System Operator (MISO)

Desired Date of Retirement: The Unit is Inoperable

EPIC Submission
Reid CT, 2025
Exhibit A

GE VERNOVA

7C – BIG RIVERS



Date 10/17/2024

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GE Power

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Rotor Concerns

Compressor / Turbine Rotor lifetime starts

Rotor Life Extension (RLE) required at 5000 factored starts. Max life post RLE is 7,400 starts

Turbine rotor wheel wear

Excessive bucket movement indicating wheel wear and potential for seal pin liberation

Conclusion

If indeed rotor has ~4,600 actual starts, a conservative factor of factored starts is 1.25

This effectively puts the rotor at approx. 5,750 factored starts which is after the point of need for rotor life extension inspection and replacement parts.

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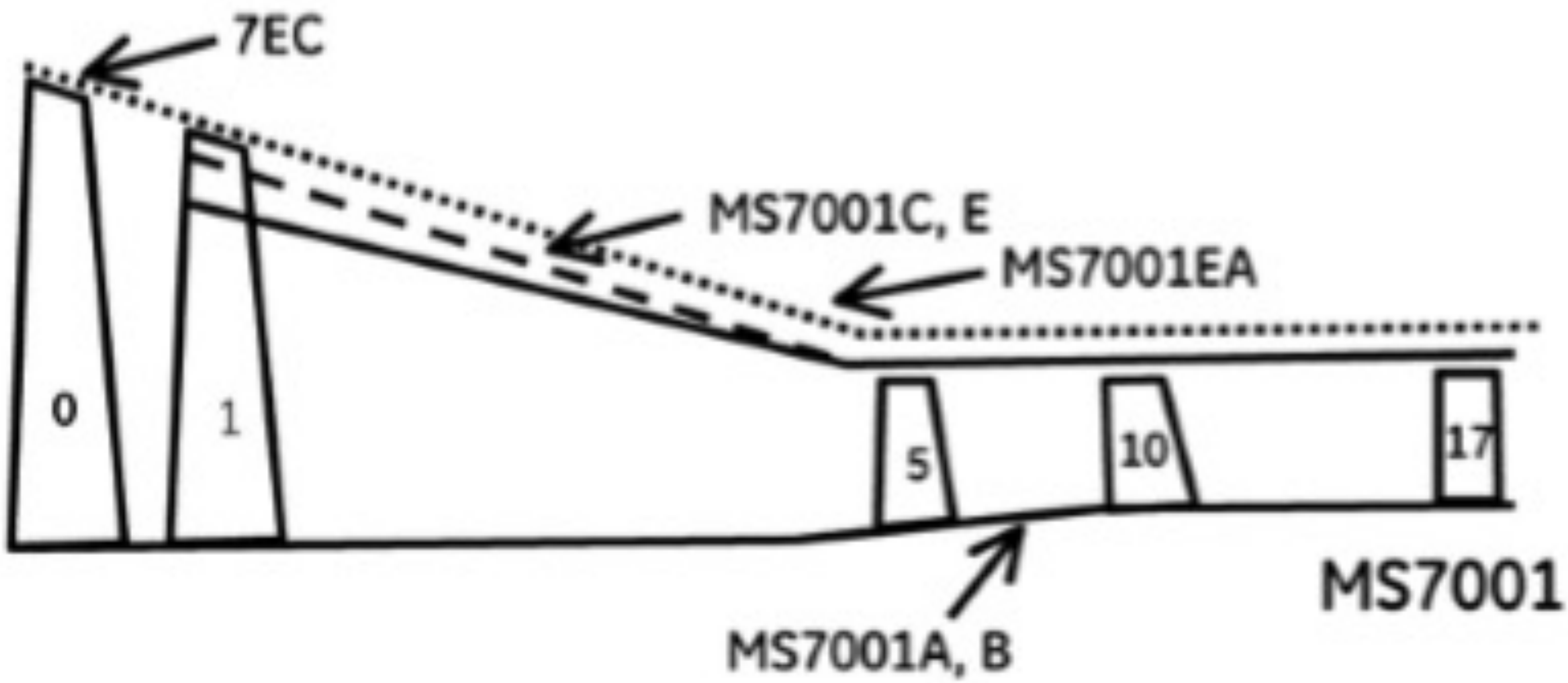
7 E Class Rotor Differences



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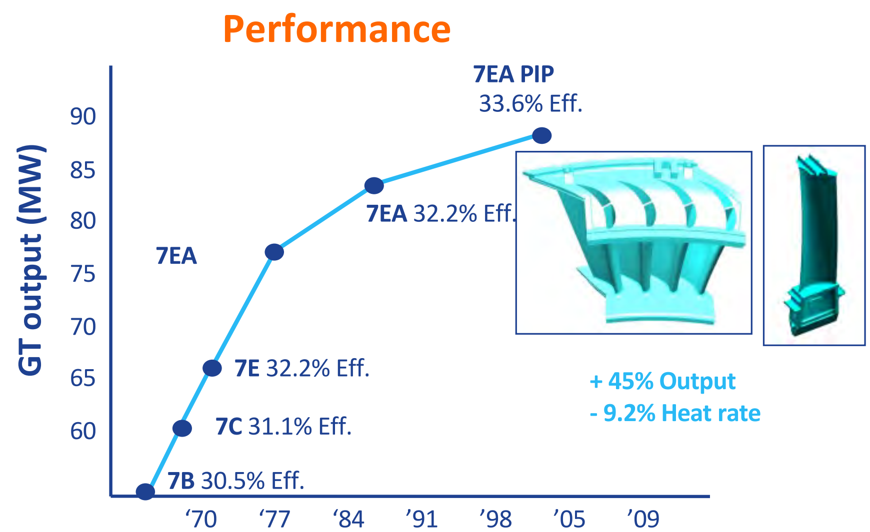
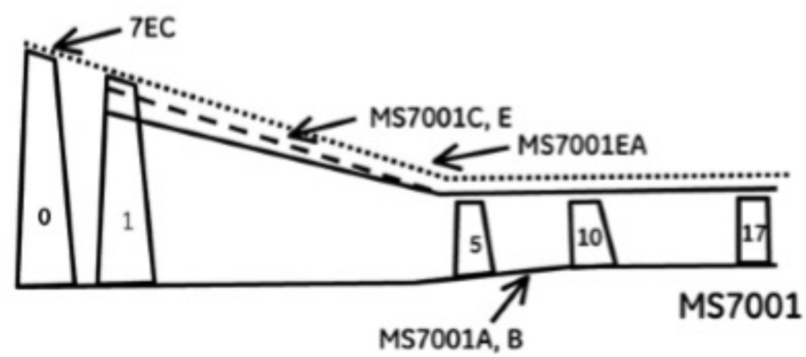
7E history

	7A/B	7C/E	7EA
Years	1970-79	1974-84	1984-present
Output (MW)	51 – 62	68.5 – 77.9	80.1 – 88.5
Air Flow (pph)	1850 - 1967	2129 - 2210	2300 - 2400
Tfire (°F)	1650 – 1850	1950 – 2020	2020 – 2055
Compressor	7B	7C/E	7EA (1/4“ longer)
Hot Gas Path	7A-uncooled, 7B – S1B cooled	S2B cooled	Materials / Seals AA S3B/N
Fleet Size	~220 units	~130 units	~880 units

New Design IGV Introduction Dates: 1977, 1987





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Rotor Conversions

Replacing 7C Rotor using 7E Parts

This option takes a New or Refurbished **7E** rotor and adapts it to a 7C configuration.

Scope of Supply (not exhaustive):

- Modified No. 2 Bearing Housing (adds spacer to Forward Air Seal).
- New Thrust bearing Shims for axial alignment.
- New set of compressor blades (Stage 1-8 are 7B-specific, Stages 8-17 are same as 7E).
- New Load Coupling to match flange bolt circle radius.

Replacing 7C Rotor using 7EA Parts

This option takes a New or Refurbished **7EA** rotor and adapts it to a 7C configuration.

Scope of Supply (not exhaustive):

- Modified No. 2 Bearing Housing (adds spacer to Forward Air Seal).
- New Thrust bearing Shims for axial alignment.
- New compressor casings due to larger diameter
- New set of compressor blades (Stage 1-17)
- New Load Coupling to match flange bolt circle radius.

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7C conversion to 7EA

This option replaces the existing 7C and converts it to a 7EA. The estimated scope of supply is as follows:

- New or Refurbished 7EA Unit Rotor (un-bucketed) including Unit Rotor Marriage hardware
- New Compressor Casing (Inlet & Bearing Assembly, Compressor and Compressor Discharge Casing)
- Inlet IGV 7EA
- Inlet – Number 1 Bearing Machining
- Number 2 Bearing Housing Modification (or a new Number 2 Bearing)
- Bolting & Doweling Arrangement
- Turbine Base Modifications
- Inlet Plenum Modifications
- Feed and Drain Piping Modifications for Number 1 Bearing

With the upgrade to the 7EA compressor, the Gas Turbine(s) will require additional airflow which may impact the inlet filter house.

Estimated GT Performance Improvement
Output >+12.5%; Heatrate -1.2%

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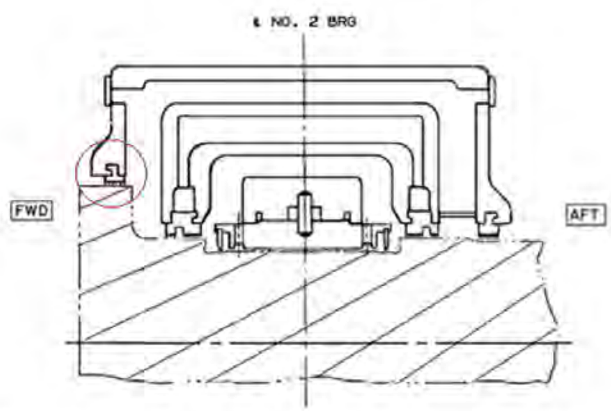
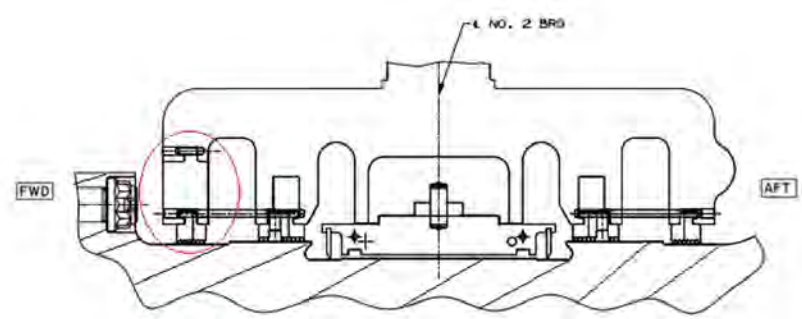
7C vs. 7E/7EA rotor & Number 2 Bearing

Compressor / Turbine

Rotor overall length is the same, however compressor rotor is 5.5” longer, Turbine rotor is 5.5” shorter. This changes where the Number 2 bearing seals on the rotor.



Current No. 2 Bearing housing with a Stationary Air Seal landing on the OD of the flange on the forward side of TR.



Modified No. 2 Bearing housing with a spacer in between the Stationary Air Seal old location and the new Stationary Air Seal on the forward side of TR (not on the OD of flange in this case).

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Big Rivers
ELECTRIC CORPORATION

EPIC Submission
Reid CT, 2025
Exhibit B

ATTACHMENT Y

Notification of Generation Resource/SCU/Pseudo-tied Out Generator

Change of Status,

Including Notification of Rescission

This is a notification of change of status of a Generation Resource, Synchronous Condenser Unit ("SCU"), or Pseudo-tied out Generator in accordance with Section 38.2.7.a of the Tariff. An electronic copy of the completed form will be accepted by the Transmission Provider, however, a form will not be considered complete until the original form containing an original signature, including all attachments, is received by the Transmission Provider at the following address: MISO, Attention: Director Resource Utilization; 720 City Center Drive, Carmel, IN 46032.

The Transmission Provider may request additional information as reasonably necessary to support operations under the Tariff.

Owner of the Generation Resource, SCU or Pseudo-tied out Generator:
Big Rivers Electric Corporation (BRPS)

Name of Market Participant: Big Rivers Electric Corporation (BRPS)

Owner's state of organization or incorporation Kentucky

Generation Resource/SCU/Pseudo-tied Out Generator [plant and unit number(s)] BREC.REIDCT - Common Name: Reid CT Unit 2

Source/Identification of Generation Interconnection Service [name of agreement, parties, date, date filed and docket number, and any other information to identify an agreement] N/A - Unit started commercial operation in 1976.

Pursuant to the terms of the MISO Tariff, Owner hereby certifies that it will

[X] Suspend for economic reasons operation of all or a portion of the Generation Resource/SCU/Pseudo-tied out Generator commencing on 1st [day] of March [month] of 2025 [year]

[ ] Rescind the current notice to SuspendThe facility is further described as follows:

Location: Robards, KY

Unit Name	CPNode (if applicable)	Nameplate Capacity(MW)	Change in Capacity(MW)
Reid CT - Unit 2	BREC.REIDCT	65 MW	65 MW - All capacity is being suspended

Note: This unit is currently in forced outage.

Owner understands and agrees that this notification is provided in accordance with Section 38.2.7 of the Transmission Provider's Tariff and will not be made public by the Transmission Provider except as provided for under Section 38.2.7 of the Tariff.

The undersigned certifies that he or she is an officer of the owner of the Generation Resource/SCU/Pseudo-tied out Generator, that he or she is authorized to execute and submit this notification, and that the statements contained herein are true and correct.

Donald A Gulley

Signature

Name: Don Gulley

Title: President & CEO

Date: 01/22/2025

Contact Information

Email: Don.Gulley@bigrivers.com

Phone: 270-844-6101

STATE OF Kentucky

COUNTY OF Daviess

Before me, the undersigned authority, this day appeared Don Gulley, known by me to be the person whose name is subscribed to the foregoing instrument, who, after first being sworn by me deposed and said:

"I am an officer of Big Rivers Electric Corp., I am authorized to execute and submit the foregoing notification on behalf of Big Rivers Electric Corp; and the statements contained in such application are true and correct."

SWORN TO AND SUBSCRIBED TO BEFORE ME, the undersigned authority on this the 22 day of JANUARY, 2025.

Ralph Lynn Jones KYNP43026

Notary Public, State of KENTUCKY

My Commission expires 1-14-26

Big Rivers
ELECTRIC CORPORATION

EPIC Submission

Reid CT, 2025

Exhibit C

Andrew Witmeier
Director, Resource Utilization
317-249-5585
awitmeier@misoenergy.org

VIA TWO-DAY-AIR DELIVERY

January 30, 2025

Don Gulley
President & CEO
Big Rivers Electric Corporation
710 W 2nd St
Owensboro, KY 42301

Subject: **Response to Attachment Y Suspension Notice for Reid CT Unit 2**

Dear Mr. Gulley:

On January 29, 2025, Big Rivers Electric Corporation submitted an Attachment Y Notice to MISO for the suspension of Reid CT Unit 2, effective March 1, 2025 as a result of a forced outage. Tariff Section 38.2.7.a.i provides for such notice but states that the System Support Resource ("SSR") provisions of the MISO Tariff pertain to operational generation resources and specifically excludes generators that are forced out of service. Section 38.2.7.a.i. states:

> A Generation Resource or SCU that is inoperable due to Forced Outage or a Pseudo-tied out Generator shall not be designated as an SSR Unit.

This letter acknowledges that Big Rivers Electric Corporation will suspend Reid CT Unit 2, effective March 1, 2025. MISO will continue to preserve the confidentiality of the Attachment Y Notice.

Please do not hesitate to contact me if you have any questions regarding this matter.

Respectfully,

Andrew Witmeier
Director, Resource Utilization

EPIC Submission
Reid CT, 2025
Exhibit D

Meter Data and Commitment Reasons Data

Provided Separately as a Microsoft Excel File

Big Rivers
ELECTRIC CORPORATION

EPIC Submission
Reid CT, 2025
Exhibit E

MISO Maximum Generation Emergency Declarations (EEAs)

1. **07/21/2016 13:00 — 16:00 EST:** MISO declared Maximum Generation Emergency Event 1B/C and Energy Emergency Alert Level 1 (EEA 1) due to forced generation outages, above normal temperatures, and higher than forecasted loads

2. **09/22/2017 14:30 — 18:15 EST**: MISO declared a Maximum Generation Event Step 1 b/c – NERC EEA 1 due to generation outages, above normal temperatures, seasonally high load, and heavy congestion

3. **01/30/2019 08:00 — 22:00 EST:** MISO declared a Maximum Generation Event Step 2 a/b – NERC EEA 2 for the following entities: Central Region area(s) of: ALT, ALTE, AMIL, AMMO, AMRN, ATC, BREC, CIN, CONS, CWLD, CWLP, DECO, HE, IPL, ITC, MECS, METC, MGE, MIUP, NIPS, PION, SIGE, SIPC, UPPC, WEC, WPS and North Region area(s) of: ALTW, DPC, GRE, ITCM, MDU, MEC, MP, MPW, NSP, OTP, SMP due to forced generation outages and high load

4. **01/31/2019 07:00 — 11:00 EST:** MISO declared a Maximum Generation Event Step I b/c – NERC EEA 1 for the following entities: Central Region area(s) of: ALT, ALTE, AMIL, AMMO, AMRN, ATC, BREC, CIN, CONS, CWLD, CWLP, DECO, HE, IPL, ITC, MECS, METC, MGE, MIUP, NIPS, PION, SIGE, SIPC, UPPC, WEC, WPS and North Region area(s) of: ALTW, DPC, GRE, ITCM, MDU, MEC, MP, MPW, NSP, OTP, SMP due to extreme low temperatures and high loads

5. **02/16/2021 07:30 — 14:00 EST:** MISO declared a Maximum Generation Emergency Event Step lb – NERC EEA 1 for the following entities: Central Region area(s) of: ALT, ALTE, AMIL, AMMO, AMRN, ATC, BREC, CIN, CONS, CWLD, CWLP, DECO, GLH, HE, HMPL, IPL, ITC, MECS, METC, MGE, MIUP, NIPS, PION, RTX, SIGE, SIPC, UPPC, WEC, WPS and North Region area(s) of: ALTW, DPC, GRE, ITCM, MDU, MEC, MP, MPW, NSP, OTP, SMP due to forced generation outages and transmission constraints

6. **06/10/2021 14:00 — 18:00 EST:** MISO declared a Maximum Generation Emergency Event Step 2a – NERC EEA 2 for the following entities: Central Region area(s) of: ALT, ALTE, AMIL, AMMO, AMRN, ATC, BREC, CIN, CONS, CWLD, CWLP, DECO, GLH, HE, HMPL, IPL, ITC, MECS, METC, MGE, MIUP, NIPS, PION, RTX, SIGE, SIPC, UPPC, WEC, WPS and North Region area(s) of: ALTW, DPC, GRE, ITCM, MDU, MEC, MP, MPW, NSP, OTP, SMP due to forced generation outages, above normal temperatures, higher than forecasted load

7. **12/23/2022 17:30 — 18:00 EST:** MISO declared a Maximum Generation Emergency Event Step lb –NERC EEA1 for the following entities: MISO

Balancing Authority Area due to forced generation outages, higher than forecasted load

8. **12/23/2022 18:00 — 21:00 EST:** MISO declared a Maximum Generation Emergency Event Step 2a – EEA2 for the MISO Balancing Authority Area due to forced generation outages, higher than forecasted load

9. **08/24/2023 12:00 — 19:30 EST:** MISO escalated to a Maximum Generation Emergency Event Step 2a – NERC EEA2 for the MISO Balancing Authority Area due to forced generation outages, above normal temperatures, higher than forecasted load

Big Rivers Electric Corporation
710 West 2nd Street
Owensboro, KY 42301
www.bigrivers.com

June 18, 2025

EPIC REPORT - APPENDIX B

Via Electronic Mail Delivery to rodney.andrews@uky.edu
and USPS Priority Mail Express

Rodney Andrews
University of Kentucky CAER
2540 Research Park Drive
Lexington, Kentucky 40511

RE: Supplemental to Big Rivers' Notice of Intent to Retire the Robert A. Reid Combustion Turbine Submitted March 18, 2025

Dear Mr. Andrews:

The purpose of this letter is to supplement Big Rivers' notice of intent to retire the Reid CT, specifically to provide further information related to Big Rivers' notification to MISO and MISO subsequent response.

Before the owner of a MISO Generation Resource can suspend or retire the resource, the owner must submit an Attachment Y Notice to MISO. On January 22, 2025, Big Rivers submitted an Attachment Y Notice to MISO to suspend the Reid CT. A copy of that notice is attached. Also attached is MISO's response where it acknowledges that Big Rivers will suspend the Reid CT effective March 1, 2025. Big Rivers has had other communications with MISO and the Independent Market Monitor (IMM) about the suspension/retirement process and timing, potential replacement options for the Reid CT, and how to address the loss of the Reid CT capacity for purposes of Big Rivers' market obligations, but because the Reid CT suffered a catastrophic failure, there were no other communications related to whether any impact to reliability would prevent the suspension/retirement of the Reid CT. Some examples of those communications are attached.

If the Reid CT were being suspended for a reason other than being on Forced Outage, MISO would have performed a study to determine whether there were any reliability concerns associated with the decision to suspend the unit, and if so, whether to require the resource to be operated as a System Support Resource ("SSR"). If the resource is designated an SSR, MISO would require the owner to enter into an SSR agreement that would provide the terms under which the owner would be compensated to continue to operate the resource for reliability. However, because the Reid CT experienced a catastrophic Forced Outage, the MISO Tariff's SSR provisions do not apply to the Reid CT. As MISO's response letter explained, "*Tariff Section 38.2.7.a.i…states that the [SSR] provisions of the MISO Tariff pertain to operational generation resources and specifically excludes generators that are forced out of service*."

Big Rivers is currently evaluating its options to replace the Reid CT. Any replacement option will require Big Rivers to file an Attachment X Notice with MISO once the replacement is approved by the Kentucky Public Service Commission.

Please feel free to contact me if you have any questions related to this supplemental submission.

Sincerely,

/s/ Tyson Kamuf

Tyson Kamuf
General Counsel
Phone: 270-844-6185
E-Mail: tyson.kamuf@bigrivers.com

Enclosures (3): Attachment Y
MISO's January 30, 2025, Response
Related Emails

Big Rivers ELECTRIC CORPORATION

EPIC Submission
Reid CT
June 2025 Supplement
Attachment 1 of 3

ATTACHMENT Y

Notification of Generation Resource/SCU/Pseudo-tied Out Generator

Change of Status,

Including Notification of Rescission

This is a notification of change of status of a Generation Resource, Synchronous Condenser Unit ("SCU"), or Pseudo-tied out Generator in accordance with Section 38.2.7.a of the Tariff. An electronic copy of the completed form will be accepted by the Transmission Provider, however, a form will not be considered complete until the original form containing an original signature, including all attachments, is received by the Transmission Provider at the following address: MISO, Attention: Director Resource Utilization; 720 City Center Drive, Carmel, IN 46032.

The Transmission Provider may request additional information as reasonably necessary to support operations under the Tariff.

Owner of the Generation Resource, SCU or Pseudo-tied out Generator:
Big Rivers Electric Corporation (BRPS)

Name of Market Participant: Big Rivers Electric Corporation (BRPS)

Owner's state of organization or incorporation Kentucky

Generation Resource/SCU/Pseudo-tied Out Generator [plant and unit number(s)] BREC.REIDCT - Common Name: Reid CT Unit 2

Source/Identification of Generation Interconnection Service [name of agreement, parties, date, date filed and docket number, and any other information to identify an agreement] N/A - Unit started commercial operation in 1976.

Pursuant to the terms of the MISO Tariff, Owner hereby certifies that it will

[X] Suspend for economic reasons operation of all or a portion of the Generation Resource/SCU/Pseudo-tied out Generator commencing on 1st [day] of March [month] of 2025 [year]

[ ] Rescind the current notice to SuspendThe facility is further described as follows:

Location: Robards, KY

Unit Name	CPNode (if applicable)	Nameplate Capacity(MW)	Change in Capacity(MW)
Reid CT - Unit 2	BREC.REIDCT	65 MW	65 MW - All capacity is being suspended

Note: This unit is currently in forced outage.

Owner understands and agrees that this notification is provided in accordance with Section 38.2.7 of the Transmission Provider's Tariff and will not be made public by the Transmission Provider except as provided for under Section 38.2.7 of the Tariff.

The undersigned certifies that he or she is an officer of the owner of the Generation Resource/SCU/Pseudo-tied out Generator, that he or she is authorized to execute and submit this notification, and that the statements contained herein are true and correct.

Donald A Gulley

Signature

Name: Don Gulley

Title: President & CEO

Date: 01/22/2025

Contact Information

Email: Don.Gulley@bigrivers.com

Phone: 270-844-6101

STATE OF Kentucky

COUNTY OF Daviess

Before me, the undersigned authority, this day appeared Don Gulley, known by me to be the person whose name is subscribed to the foregoing instrument, who, after first being sworn by me deposed and said:

"I am an officer of Big Rivers Electric Corp., I am authorized to execute and submit the foregoing notification on behalf of Big Rivers Electric Corp; and the statements contained in such application are true and correct."

SWORN TO AND SUBSCRIBED TO BEFORE ME, the undersigned authority on this the 22 day of JANUARY, 2025.

Ralph Lynn Jones KYNP43026

Notary Public, State of KENTUCKY

My Commission expires 1-14-26

EPIC Submission

Reid CT

June 2025 Supplement

Attachment 2 of 3

Andrew Witmeier
Director, Resource Utilization
317-249-5585
awitmeier@misoenergy.org

VIA TWO-DAY-AIR DELIVERY

January 30, 2025

Don Gulley
President & CEO
Big Rivers Electric Corporation
710 W 2nd St
Owensboro, KY 42301

Subject: **Response to Attachment Y Suspension Notice for Reid CT Unit 2**

Dear Mr. Gulley:

On January 29, 2025, Big Rivers Electric Corporation submitted an Attachment Y Notice to MISO for the suspension of Reid CT Unit 2, effective March 1, 2025 as a result of a forced outage. Tariff Section 38.2.7.a.i provides for such notice but states that the System Support Resource ("SSR") provisions of the MISO Tariff pertain to operational generation resources and specifically excludes generators that are forced out of service. Section 38.2.7.a.i. states:

> A Generation Resource or SCU that is inoperable due to Forced Outage or a Pseudo-tied out Generator shall not be designated as an SSR Unit.

This letter acknowledges that Big Rivers Electric Corporation will suspend Reid CT Unit 2, effective March 1, 2025. MISO will continue to preserve the confidentiality of the Attachment Y Notice.

Please do not hesitate to contact me if you have any questions regarding this matter.

Respectfully,

Andrew Witmeier
Director, Resource Utilization

Big Rivers ELECTRIC CORPORATION

EPIC Submission
Reid CT
June 2025 Supplement
Attachment 3 of 3

From: Wright, Terry
Sent: Thursday, February 27, 2025 4:39 PM
To: Gulley, Don; Mathews, Talina; Mizell, Mike; Zeringue, Manny; Bradley, Chris; Miller, Derrick; Kamuf, Tyson; Burden, Jason; Todd, Heather
Cc: Wilhelmus, Ryan; Ross Coons; Kristina Swetz; Curtis, Kyle; Kreig Voreis; James Ringer; Connor Geary; Wright, Terry
Subject: RE: Reid CT Retirement
Attachments: Exclusion Status Change for BREC.REIDCT; Exclusion Status Change for BREC.REIDCT; Exclusion Status Change for BREC.REIDCT; Exclusion Status Change for BREC.REIDCT

Just a FYI. We were granted the exclusion request from the IMM for all 4 seasons, so we do not have to offer Reid into the PY25-26 Capacity Auction.

Thanks,
Terry

From: Wright, Terry <Terry.Wright@bigrivers.com>
Sent: Thursday, January 23, 2025 8:45 AM
To: Gulley, Don <Don.Gulley@bigrivers.com>; Mathews, Talina <Talina.Mathews@bigrivers.com>; Mizell, Mike <Michael.Mizell@bigrivers.com>; Zeringue, Manny <Manny.Zeringue@bigrivers.com>; Bradley, Chris <Chris.Bradley@bigrivers.com>; Miller, Derrick <Derrick.Miller@bigrivers.com>; Kamuf, Tyson <Tyson.Kamuf@bigrivers.com>; Burden, Jason <Jason.Burden@bigrivers.com>; Todd, Heather <Heather.Todd@bigrivers.com>
Cc: Wright, Terry <Terry.Wright@bigrivers.com>; Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>; Ross Coons <rcoons@acespower.com>; Kristina Swetz <kristinas@acespower.com>; Curtis, Kyle <Kyle.Curtis@bigrivers.com>; Kreig Voreis <kvoreis@acespower.com>
Subject: RE: Reid CT Retirement

Just a FYI – we have submitted the Attachment Y to MISO to suspend Reid CT. The two main items that still need to be completed on our side are (1) buying the Replacement Capacity (very close) and doing the Resource Substitution and (2) filing the Exclusion Request with the MISO IMM to not offer into the PY25-26 Capacity Auction.

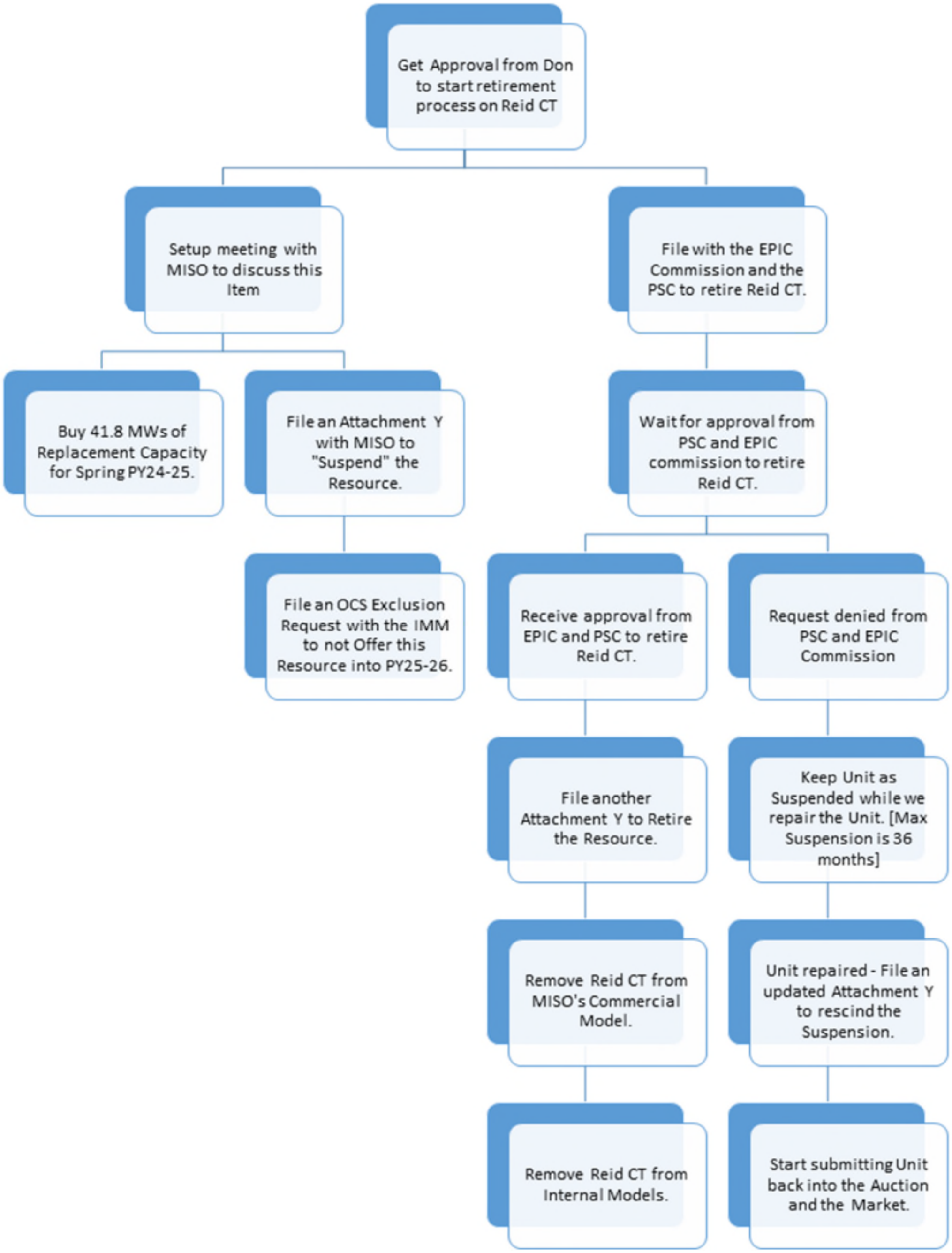
From: Wright, Terry <Terry.Wright@bigrivers.com>
Sent: Thursday, December 12, 2024 11:03 AM
To: Kreig Voreis <kvoreis@acespower.com>
Cc: Wright, Terry <Terry.Wright@bigrivers.com>; Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>; Ross Coons <rcoons@acespower.com>; Kristina Swetz <kristinas@acespower.com>; Zeringue, Manny <Manny.Zeringue@bigrivers.com>; Gulley, Don <Don.Gulley@bigrivers.com>; Kamuf, Tyson <Tyson.Kamuf@bigrivers.com>; Mathews, Talina <Talina.Mathews@bigrivers.com>; Mizell, Mike <Michael.Mizell@bigrivers.com>; Burden, Jason <Jason.Burden@bigrivers.com>; Todd, Heather <Heather.Todd@bigrivers.com>; Bradley, Chris <Chris.Bradley@bigrivers.com>; Curtis, Kyle <Kyle.Curtis@bigrivers.com>
Subject: Reid CT Retirement

Thanks Kreig! We appreciate you helping out on this item. We have also had some informal conversations with SPP and the IMM on this item just to make sure we understand everything correctly.

Project List:

1. ~~Get approval from Don to proceed with suspension/retirement of Reid CT.~~
2. ~~Setup Meeting with MISO and discuss this item.~~
    a. ~~I have had unofficial discussions with Kimberly Woods, our customer rep, and let her know that we would like to setup a meeting to discuss this item. We had our monthly meeting with her yesterday and I brought up this item. Feel free to coordinate with her and whoever else you need at MISO for this meeting. I think I am starting to get my head around the process a little better, so it would be good to confirm this is all correct.~~
3. ~~We cleared 41.8 MWs of Capacity for Reid CT in Spring 2025, so we would need to replace 41.8 MWs of Capacity for this time frame.~~
    a. ~~I just checked the Zonal Replacement Calculator and every zone passes for 41 MWs except for Zone 5, which is not surprising as this is the zone that bound in the Auction~~.
4. ~~Fill out and file an Attachment Y to Suspend the Reid CT Unit. [PRA Deadline: 3/1/2024]~~
5. ~~File an Operational Cost Survey (OCS) Exclusion Request with the MISO Market Monitor to not Offer in Reid CT for PY25-26. [PRA Deadline: 3/14/2025]~~
    a. ~~We will need documentation establishing repair times, repair costs, and major work that would need to be performed to make this unit Operational again.~~
    b. ~~There is a chance they could make us Offer the Unit into the MISO Capacity Auction for PY25-26.~~
6. File with the public service commission and the Energy Planning and Inventory Commission (EPIC; part of SB349) to retire the Reid CT Unit.
7. Once we receive commission approval, we would need to file another Attachment Y to retire the Reid CT Unit. Might want to keep unit in Suspension for 3 years to keep Generation Interconnection Rights at that location.
8. Remove Reid CT from MISO's Commercial Model.
    a. Does MISO do this item or will we have to do this item? I know that MISO has pushed a lot of the Commercial Model changes on the MP, so this may fall on our plate.
9. Remove Reid CT from all of our Models.

Here is a process Diagram:


Get Approval from Don to start retirement process on Reid CT
Setup meeting with MISO to discuss this Item
File with the EPIC Commission and the PSC to retire Reid CT.
Buy 41.8 MWs of Replacement Capacity for Spring PY24-25.
File an Attachment Y with MISO to "Suspend" the Resource.
Wait for approval from PSC and EPIC commission to retire Reid CT.
File an OCS Exclusion Request with the IMM to not Offer this Resource into PY25-26.
Receive approval from EPIC and PSC to retire Reid CT.
Request denied from PSC and EPIC Commission
File another Attachment Y to Retire the Resource.
Keep Unit as Suspended while we repair the Unit. [Max Suspension is 36 months]
Remove Reid CT from MISO's Commercial Model.
Unit repaired - File an updated Attachment Y to rescind the Suspension.
Remove Reid CT from Internal Models.
Start submitting Unit back into the Auction and the Market.

Do we need to do anything with RUS to retire Reid CT? Are there any Environmental Items that will need to be completed? is there anything that I missed in the Project List?

We will want to get moving on these items as quickly as possible in order to try to get an Attachment Y and an Exclusion Request filed before the start of the Auction.

Once we meet with MISO, it would likely be good to get a stand-alone bi-weekly meeting setup on this topic to make sure we are meeting all of our deliverables (at least through Step 5). We can work on this once we get a meeting setup with MISO.

Thanks,
Terry

From: Kreig Voreis <kvoreis@acespower.com>
Sent: Thursday, December 12, 2024 9:52 AM
To: Wright, Terry <Terry.Wright@bigrivers.com>
Cc: Ross Coons <rcoons@acespower.com>; Kristina Swetz <kristinas@acespower.com>; Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>; Wright, Terry <Terry.Wright@bigrivers.com>; Zeringue, Manny <Manny.Zeringue@bigrivers.com>; Gulley, Don <Don.Gulley@bigrivers.com>; Kamuf, Tyson <Tyson.Kamuf@bigrivers.com>; Anita Collier <anitac@acespower.com>
Subject: RE: Attachment Y Information

Hi Terry,

Anita helped track a couple things down.

Replacement Capacity Spring 25:
- Based on the attached section of the tariff on resource suspension, it looks like we will have to replace the Spring 25 capacity obligation on Reid CT.
- "If a Planning Resource for which a Market Participant converts Seasonal Accredited Capacity into ZRCs is Retired or Suspended prior to the end of the Season during the Planning Year in which the ZRCs cleared, such Market Participant must replace the cleared ZRCs with uncleared ZRCs. If a Market Participant does not replace such ZRCs associated with a Retired or Suspended Planning Resource, a Capacity Replacement Non-Compliance Charge will be assessed as determined below in this Section."
    - When we meet with MISO we can ask if catastrophic outages that cause suspension void the requirement of purchasing replacement, but the above language seems to be pretty clear and I imagine it trumps the catastrophic outage language.

Future Auctions:
- "A Generation Resource that has the status of Suspend pursuant to Section 38.2.7 will continue to qualify as a Planning Resource in accordance with the BPM for Resource Adequacy."
    - I assumes this means we probably still need IMM approval not to offer in the capacity market.

MISO Meeting:
- In order to be more efficient with MISO, let me know when Big Rivers is ready to let MISO know it plans to suspend and then retire Reid CT. Then ACES can request a meeting to ensure everything is submitted properly.

Thanks,

Kreig

Kreig Voreis │Manager of Portfolio Strategy
ACES® │4140 West 99th Street │Carmel, IN 46032
o: 317.344.7022│ m: [redacted] │ kvoreis@acespower.com

ACES records and monitors telephone conversations. ACES records all calls to/from our Front Office Personnel which includes but is not limited to traders, operations managers, portfolio direc
Please forward this message or post this notice for the benefit of others within your organization. For questions on this practice, please contact: ACES Legal Department 317.344.7000

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From: Wright, Terry <Terry.Wright@bigrivers.com>
Sent: Monday, December 9, 2024 4:56 PM
To: Kreig Voreis <kvoreis@acespower.com>
Cc: Ross Coons <rcoons@acespower.com>; Kristina Swetz <kristinas@acespower.com>; Ryan Wilhelmus (BREC) <Ryan.Wilhelmus@bigrivers.com>; Terry Wright (BREC) <Terry.Wright@bigrivers.com>; Zeringue, Manny <Manny.Zeringue@bigrivers.com>; Gulley, Don <Don.Gulley@bigrivers.com>; Kamuf, Tyson <Tyson.Kamuf@bigrivers.com>
Subject: RE: Attachment Y Information

Kreig,

I just talked to Manny and they are no longer looking at second opinions, so we are heading down the path of retirement on Reid. There were so many underlying issues that they just decided that it was not worth repairing, so let's go ahead and start exploring the process.

Project List:

1. We cannot officially retire the Unit due to KY SB349 (https://apps.legislature.ky.gov/record/24rs/sb349.html), so we would have to start off putting the Unit in a Suspend Status. This can be found in Attachment Y of the MISO Tariff.
2. We would need to consult with the IMM to determine what our Offer requirements are in the Capacity Auction on a Suspend Status. I would assume that we would not have to offer it into the PRA, if it is suspended, but we would need to Confirm.
3. We would have to get PSC Approval to retire the unit per KY Senate Bill 349. Once we get retirement approval, we could start the steps to retiring the Unit.
4. Convert the Attachment Y from a Suspension to a Retirement and officially retire the Unit.

If you want to go ahead and setup the call with us and MISO, we can start proceeding on this item. For now, let's start off just exploring the process until I get final approval by Don to start the Suspend/Retire Process.

Thanks,
Terry

From: Kreig Voreis <kvoreis@acespower.com>
Sent: Monday, December 9, 2024 3:16 PM
To: Wright, Terry <Terry.Wright@bigrivers.com>

Cc: Ross Coons <rcoons@acespower.com>; Kristina Swetz <kristinas@acespower.com>
Subject: RE: Attachment Y Information

HI Terry,

I will circle back to you on this after talking around internally at ACES. At a high level I think once Big Rivers determines retirement is the best path forward, Big Rivers and ACES needs to setup a meeting with MISO to review what all needs to be completed. If you think it will take a while for Manny to track down second opinions, it may be worth doing an exploratory call with MISO to outline all deadlines for the 25/26 planning year.

Best,

Kreig

Kreig Voreis | Manager of Portfolio Strategy
ACES® | 4140 West 99th Street | Carmel, IN 46032
o: 317.344.7022| m: [redacted] | kvoreis@acespower.com

ACES records and monitors telephone conversations. ACES records all calls to/from our Front Office Personnel which includes but is not limited to traders, operations managers, portfolio direc
Please forward this message or post this notice for the benefit of others within your organization. For questions on this practice, please contact: ACES Legal Department 317.344.7000

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From: Wright, Terry <Terry.Wright@bigrivers.com>
Sent: Monday, December 9, 2024 9:16 AM
To: Kreig Voreis <kvoreis@acespower.com>; Ross Coons <rcoons@acespower.com>; Kristina Swetz <kristinas@acespower.com>
Cc: Terry Wright (BREC) <Terry.Wright@bigrivers.com>; Ryan Wilhelmus (BREC) <Ryan.Wilhelmus@bigrivers.com>; Zeringue, Manny <Manny.Zeringue@bigrivers.com>
Subject: FW: Attachment Y Information

-*EXTERNAL*-
Think before clicking links or attachments.

FYI. We are investigating what needs to occur before we can put Reid CT in a Suspension status and ultimately a Retirement Status.

We know for sure that we need to fill out an Attachment Y to put it in a Suspend Status. Are there any other steps that need to be completed from a MISO Perspective? We just want to make sure we get this unit pulled before the MISO Capacity Auction process starts.

*We are not ready to put it in a Suspend Status just yet, but things are currently looking that direction. I know that Manny, our new VP of Generation, is getting some second opinions on this unit before making a final decision.

Thanks,
Terry

From: Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>
Sent: Monday, November 4, 2024 4:51 PM
To: Wright, Terry <Terry.Wright@bigrivers.com>
Subject: Attachment Y Information

Terry – Attached is the section of the MISO tariff that discusses Attachment Y, suspensions, and retirements. I've highlighted some important sections on pages 1, 25, and 26. In a nutshell, since our unit is in a forced outage we only have to give MISO 30 days notice before putting the unit in suspension. If this weren't the case we would have to give over 1 years notice (4 full quarterly study periods). I don't see specific language calling this out but in the past you could retire a unit that was in forced outage on 30 days notice as well. We just have to submit a letter with the Attachment Y that states we waive our right to rescind and modify the Attachment Y. A resource can stay in suspension for 36 months but must return to service at the end of that period. If it does not, interconnection service is terminated.

Another thing we will need to think through is how we handle things with the MISO PRA if the unit isn't retired by that time. We can discuss but I'm thinking we would need to try to get an exemption from the IMM to withhold the unit from the PRA if we are waiting on PSC approval and don't think the unit will return to service. Otherwise the unit could clear the auction and then if we retire mid-year I think we would have to replace the capacity. I had a situation similar to this in the past and the IMM wouldn't give an exemption but did give us an adjusted reference price (not sure on this terminology) but it allowed us to offer the units at an elevated price that would have covered CRNCC had the units cleared the auction. Just something else to consider.

Thanks,

Ryan

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From: Potomac Economics <mail@potomaceconomics.com>
Sent: Thursday, February 27, 2025 1:10 PM
To: Wright, Terry; MISO PRA
Subject: Exclusion Status Change for BREC.REIDCT

This is a notification from the IMM. The approved Exclusion for **BREC.REIDCT** in the Summer season of the 2025-26 Planning Resource Auction (PRA) was updated on February 27, 2025. Please review the approved information at https://ocs.potomaceconomics.com/ocs.

Prior to the opening of the auction window, approved values for FSRLs and Exclusions will be posted on the MECT. However, since changes in data associated with things like supporting documentation or transmission service can cause these values to change up through the close of the auction window, it is recommended that they be checked again prior to that time.

From: Potomac Economics <mail@potomaceconomics.com>
Sent: Thursday, February 27, 2025 1:11 PM
To: Wright, Terry; MISO PRA
Subject: Exclusion Status Change for BREC.REIDCT

This is a notification from the IMM. The approved Exclusion for **BREC.REIDCT** in the Fall season of the 2025-26 Planning Resource Auction (PRA) was updated on February 27, 2025. Please review the approved information at https://ocs.potomaceconomics.com/ocs.

Prior to the opening of the auction window, approved values for FSRLs and Exclusions will be posted on the MECT. However, since changes in data associated with things like supporting documentation or transmission service can cause these values to change up through the close of the auction window, it is recommended that they be checked again prior to that time.

From: Potomac Economics <mail@potomaceconomics.com>
Sent: Thursday, February 27, 2025 1:11 PM
To: Wright, Terry; MISO PRA
Subject: Exclusion Status Change for BREC.REIDCT

This is a notification from the IMM. The approved Exclusion for **BREC.REIDCT** in the Winter season of the 2025-26 Planning Resource Auction (PRA) was updated on February 27, 2025. Please review the approved information at https://ocs.potomaceconomics.com/ocs.

Prior to the opening of the auction window, approved values for FSRLs and Exclusions will be posted on the MECT. However, since changes in data associated with things like supporting documentation or transmission service can cause these values to change up through the close of the auction window, it is recommended that they be checked again prior to that time.

From: Potomac Economics <mail@potomaceconomics.com>
Sent: Thursday, February 27, 2025 1:11 PM
To: Wright, Terry; MISO PRA
Subject: Exclusion Status Change for BREC.REIDCT

This is a notification from the IMM. The approved Exclusion for **BREC.REIDCT** in the Spring season of the 2025-26 Planning Resource Auction (PRA) was updated on February 27, 2025. Please review the approved information at https://ocs.potomaceconomics.com/ocs.

Prior to the opening of the auction window, approved values for FSRLs and Exclusions will be posted on the MECT. However, since changes in data associated with things like supporting documentation or transmission service can cause these values to change up through the close of the auction window, it is recommended that they be checked again prior to that time.

From: Wright, Terry
Sent: Thursday, April 17, 2025 5:44 PM
To: Gulley, Don; Zeringue, Manny; Mathews, Talina; Mizell, Mike; Kamuf, Tyson
Subject: FW: [EXT]RE: [EXT]Reid CT Retire and Replace

FYI

From: Eric Augustus <EAugustus@misoenergy.org>
Sent: Thursday, April 17, 2025 3:33 PM
To: Wright, Terry <Terry.Wright@bigrivers.com>
Cc: Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>; Wright, Terry <Terry.Wright@bigrivers.com>
Subject: RE: [EXT]RE: [EXT]Reid CT Retire and Replace

Terry,

I'm quickly backtracking on this haha. My apologies. I had further conversations with legal and there is a chance we would support, but we would need to review your waiver request first and decide if we would. Support would come in the form of allowing you to put something in the waiver to the effect of, "MISO supports out waiver request". No additional comments.

If you get to the point where you're thinking about the waiver request, let me know and we can work on this. I'd have you supply your waiver request to us for review and our legal team would determine if we could support or not.

Again, sorry for the misinformation.

Eric Augustus
Principal Customer Management Advisor – External Affairs

[redacted] (mobile) | eaugustus@misoenergy.org
720 City Center Drive, Carmel, IN 46032 | www.misoenergy.org

MISO'S VISION: To be the most reliable, value-creating RTO

From: Eric Augustus
Sent: Thursday, April 17, 2025 4:05 PM
To: Wright, Terry <Terry.Wright@bigrivers.com>
Cc: Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>; Terry Wright <terry.wright@bigrivers.com>
Subject: RE: [EXT]RE: [EXT]Reid CT Retire and Replace

Terry,

I was able to get confirmation that MISO wouldn't support or oppose a FERC waiver request if you sought an extension of COD.

Eric Augustus
Principal Customer Management Advisor – External Affairs

MISO [redacted] (mobile) | eaugustus@misoenergy.org
720 City Center Drive, Carmel, IN 46032 | www.misoenergy.org

MISO'S VISION: To be the most reliable, value-creating RTO

From: Wright, Terry <Terry.Wright@bigrivers.com>
Sent: Wednesday, March 26, 2025 5:27 PM
To: Eric Augustus <EAugustus@misoenergy.org>
Cc: Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>; Terry Wright <terry.wright@bigrivers.com>
Subject: [EXT]RE: [EXT]Reid CT Retire and Replace

Warning! This email originated from outside the organization and caution should be used when clicking on links/attachments. If you suspect this email is malicious, use the 'Phish Alert' button.

Eric,

Ryan is out on vacation tomorrow and Friday, so could you do Monday? We are free from 10 AM to Noon Central and from 2 PM to 5 PM Central.

We appreciate you taking time to chat with us on this item!

Thanks,
Terry

From: Eric Augustus <EAugustus@misoenergy.org>
Sent: Wednesday, March 26, 2025 2:36 PM
To: Wright, Terry <Terry.Wright@bigrivers.com>
Cc: Wright, Terry <Terry.Wright@bigrivers.com>; Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>
Subject: RE: [EXT]Reid CT Retire and Replace

Terry,

Do you and Ryan have time to chat Friday morning? I'm open until 12 eastern. I want to talk through this after I have more conversations with generation interconnection.

Eric Augustus
Principal Customer Management Advisor – External Affairs

MISO [redacted] (mobile) | eaugustus@misoenergy.org
720 City Center Drive, Carmel, IN 46032 | www.misoenergy.org

MISO'S VISION: To be the most reliable, value-creating RTO

From: Wright, Terry <Terry.Wright@bigrivers.com>
Sent: Tuesday, March 25, 2025 2:53 PM
To: Eric Augustus <EAugustus@misoenergy.org>; Bob Kuzman <bkuzman@misoenergy.org>

Cc: Terry Wright <terry.wright@bigrivers.com>; Wilhelmus, Ryan <Ryan.Wilhelmus@bigrivers.com>
Subject: [EXT]Reid CT Retire and Replace

Warning! This email originated from outside the organization and caution should be used when clicking on links/attachments. If you suspect this email is malicious, use the 'Phish Alert' button.

Eric,

We wanted to reach out to you on an item and get your thoughts and opinions on this topic. As you are aware, we filed an Attachment Y on Reid CT to suspend the unit, effective March 1st, 2025. The unit ran for the last time on August 25th, 2024. We spent most of the time from August 25th to March 1st going through all our options: (1) trying to fix it ourself, (2) hiring Contractors to look at it, (3) hiring Contractors to pull the Turbine, and (4) trying to figure out if it made financial sense to replace the unit. After finding no good solutions, we filed for Attachment Y to suspend the Resource while we go through EPIC and the Kentucky PSC to get approval to retire Reid CT.

The problem is we do not want to give up our Interconnection Rights at that location as the Queue is getting extremely expensive. Our Combined Cycle Project had $400M in upgrade charges associated with it, which will likely end up killing that project. That has not been 100% confirmed, but it is looking more and more likely each day. As a result, we are now looking to see if we can use our existing interconnection rights to build a new Resource that is more efficient, will run more often, and get higher Capacity Accreditation. We would really like to use the Interconnection Rights from Reid CT and replace it with some RICE Units or an AeroDerivative as it helps us avoid the prohibitive costs of the Queue. The problem we battle is we have to take everything through the Kentucky PSC, which is about a year to a year and a half process. If we started today, we would be hard pressed to have a response back by middle of next year (Aug 2026).

According to MISO's Tariff:
The expected Commercial Operation Date of a Replacement Generating Facility shall be no more than three (3) years from the <u>date of cessation of operation</u> of the Existing Generating Facility. For Existing Generating Facilities that have not yet reached Commercial Operation, the specified Commercial Operation Date in the GIA of a Replacement Generating Facility shall be no later than the specified Commercial Operation Date in the GIA of the Existing Generating Facility

We have been trading emails back and forth with Resource Utilization at MISO on this topic to make sure we understand the rules. According to him, the date of cessation of operation means the date the unit went on Forced Outage, which means that we would have to file our GIA by August 25th, 2026 and have our Replacement GIA in place by August 25th, 2027. We would be hard pressed to get something through the commission in this type of time frame. We would just like to verify that all of MISO agrees with this interpretation that date of cessation is the date of Forced Outage and not the date of Suspension as filed via Attachment Y. More than anything, we are wanting to verify that we have to file for Retire and Replace by August 25th, 2026 or do we really have until March 1st, 2027 (Attachment Y Date).

*I have went ahead and attached my email exchanges on this topic.
**Sumit was really nice, so don't view this email as a complaint. More than anything, we just want to verify that interpretation is consistent across groups in MISO and with MISO Legal or see if there is any wiggle room on this item.

Don is trying to figure out the best approach of how to handle this situation, so I wanted to reach out to both of you on this item.

We appreciate any help you can provide on this topic!

Thanks,
Terry

Big Rivers
ELECTRIC CORPORATION
MISSION ZERO

Terry Wright {J}r.
Vice President of Energy Service{s}
[redacted] (Cellular) | 270-844-6155 (Office)
Big River{s} Electric Corporation
710 W. 2nd St. Owensboro, KY 42301 [Physical]
P.O. Box 20015 Owensboro, KY 42304 [Mailing]

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EPIC REPORT - APPEDIX C

Analysis of Big Rivers Electric Corporation's Proposed Retirement of the Robet A. Reid Combustion Turbine

University of Kentucky
Center for Business and Economic Research
Michael Clark, Ph.D., Director
Katie Scott, Senior Economist

June 30, 2025

State and Local Economic Impacts

The retirement of Reid CT will likely have a negligible impact on the state and local economies. Big Rivers reported the real time meter data per year for the unit from 2016 through 2024, which is summarized below. Use of the generating unit varied considerably during this period, ranging from a low of 576 MWhs in 2022 to a high of 19,165 MWhs in 2024. On average, the unit produced 4,663 MWh per year of the reported period. According to the US Energy Information Administration, the average retail price of electricity in Kentucky was 9.96 cents per KWh in 2023. To estimate the value of electricity generated by this unit, the average retail price per KWh was applied to the average annual amount of electricity this unit generated during this period. Given this, the market value of this unit's average annual output when it was operational - was approximately $464,388 a year.

Estimated Value of Annual Output

Scenario	MWhs/Year	Average Retail Price (Cents/KWh)*	Value of Annual Output
Low	575.95	9.96	$57,365
Average	4,662.53	9.96	$464,388
High	19,164.84	9.96	$1,908,818

*Source: United States. Energy Information Administration. State Electricity Profiles. Oct 23, 2024. https://www.eia.gov/electricity/state/.

If the unit is retired rather than repaired and is not replaced with another source, the retirement would mean the value of electricity output would decrease by approximately $464,388 in a typical year. A reduction in output could potentially reduce economic activity associated with maintaining and operating the unit. The amount of potentially lost economic activity was analyzed using IMPLAN. IMPLAN is an economic model commonly used for estimating economic activity of various changes in the economy. The analysis suggests that a loss of $464,388 in fossil fuel generated electric output from Webster County may result in a loss of 0.88 jobs and $73,400 in annual labor income for Kentucky. Of this, 0.61 jobs and $51,100 would occur in Webster County.

These estimates should be interpreted as the economic activity that was supported by the unit's operations in the past. In the unit's absence, this activity would not be supported, at least not by the unit's operations.

Using the high output 19,165 MWh produced by Reid CT in 2024, the retirement would be estimated to result in a loss of 3.65 supported jobs and $303,000 in annual labor income in Kentucky. Of this amount, 2.51 jobs and $210,200 would occur in Webster County. This level of output, however, was an outlier from Reid CT's output during the past 10 years.

Estimated State and Local Economic Impacts

	Webster County		Kentucky	
Scenario	**Employment**	**Labor Income**	**Employment**	**Labor Income**
Low	0.08	$6,300	0.10	$8,738
Average	0.61	$51,100	0.88	$73,400
High	2.51	$210,200	3.65	$303,200

The estimates of employment and labor income that could potentially be lost include direct, indirect, and induced effects. The direct effects are losses that might occur at Big Rivers Electric Corporation (Big Rivers). Indirect effects refer to the losses that occur if Big Rivers reduces its purchases of supplies and services that it would have needed to maintain and operate this unit. Induced effects refer to losses that might occur at business that provide goods and services to employees of Big Rivers and its suppliers.

Overall, these results suggest that the economic impact to the state and to the local economy of retiring Reid CT is likely minimal. These impacts might be further mitigated by the fact that Big Rivers indicates that is does not expect to reduce its employment levels due to the retirement. In this case, the direct, indirect, and induced effects might be less than IMPLAN's estimates suggest.

State and Local Tax Revenue Impacts

Given the economic impacts of retiring the Reid CT unit are likely to be negligible, the impact of its retirement on state and local government revenues is likely minimal. To the extent that retiring the unit reduces employment and earnings, it could potentially reduce the state and local tax revenues generated by income, sales, or occupational license taxes. To illustrate the potential impact, an effective income tax rate of 3% and an effective sales tax rate of 3.8% were assumed. Applying these rates to the estimated average annual labor income lost suggests that the state could see a reduction in income and sales tax revenues of approximately $4,200 per year. This estimate only reflects the potential revenue lost from retiring Reid CT. It does not reflect any tax revenues from shifting to other sources of generation. Webster County does not have a local occupational license tax, and would therefore, not see a reduction in tax revenues due to any lost employment and earnings.

Retiring the unit could also potentially affect state and local tangible property taxes. Kentucky has a tax rate of 45 cents per $100 of tangible property value. Webster County levies a rate of 38.82 cents and Webster County School District levies a rate of 56.5 cents. Retiring the unit would reduce the total taxable value of existing tangible property. This could reduce tangible property tax revenues for these districts, or it could potentially affect future tax rates. Ultimately, how this affects property taxes in these districts depends on choices made by these taxing districts regarding future tax rates. (*NOTE: EPIC does not currently have data on the taxable value, or the tax bills associated with Reid CT. This should be requested from Big Rivers.*)

Energy Supply and Economic Development Implications

The impact of retiring Reid CT on the electricity available in the region and any potential impacts on future economic development is uncertain, but likely minimal. Data provided by Big Rivers suggests that the unit has generated an average of 4,663 MWhs per year. This represents 0.01% of Kentucky's total retail electric sales in 2023 (US. EIA). With a name plate capacity of 65 MW, Reid CT accounts for approximately 0.4% of Kentucky's net summer capacity. In addition, Big Rivers has indicated that it retained replacement capacity for the Spring of 2025 through the MISO capacity auction and plans to participate in the annual MISO auctions to address potential shortages. As Reid CT accounts for a relatively small share of Kentucky's overall electrical generation capacity, the retirement of Reid CT in isolation is unlikely to constrain future economic development in Kentucky.

(Note: We haven't had time to develop an appropriate model for evaluating the impacts of a retirement on economic development. The loss of one 65 mw unit seems unlikely to have a major impact, in part because this could potentially be offset by purchases from the wholesale market. For future evaluations, we need to develop a formal framework for how this analysis would be conducted.)

Status of Kentucky Energy Resource Inventory Development

This appendix provides the status of EPIC's comprehensive energy resource inventory development. As a newly established agency, EPIC is building Kentucky's first complete, validated inventory of the Commonwealth's electricity generation resources, fuel supply infrastructure, and transmission assets. This foundational work requires extensive coordination across multiple utilities, regulatory entities, and data sources to ensure accuracy and completeness.

The Kentucky Energy Planning and Inventory Commission is currently completing a comprehensive and validated energy resource inventory for Kentucky. The detailed capacity figures, specific retirement projections, and complete generator lists are undergoing rigorous validation with utilities and regulatory partners to ensure accuracy and eliminate duplicative or decommissioned entries.

Expected completion: Validated inventory available after coordination with Kentucky utilities and energy organizations. Until then, EPIC is disclosing only verified data from independent sources (EIA, FERC, PSC filings).

KENTUCKY ENERGY PLANNING AND INVENTORY COMMISSION BYLAWS

Energy Planning and Inventory Commission Guiding Documents

Created by the 2024 Kentucky General Assembly in Kentucky Revised Statute (KRS) 164.2807, the Energy Planning and Inventory Commission (EPIC) is charged with assessing Kentucky's energy supply adequacy and reliability, reviewing power plant retirement decisions, and other powers listed in KRS 164.2807. The exercise of these powers and the carrying out of EPIC's purposes and duties are essential governmental functions and are conducted for public purposes. EPIC is administratively attached to the University of Kentucky Center for Applied Energy Research but is otherwise independent from the University of Kentucky and any Kentucky executive branch agency. KRS 164.2807(3).

The affairs of the Commission are governed exclusively by KRS 164.2807. These bylaws implement statutory requirements and may not conflict with the statute. In any conflict between these bylaws and the statute, the statute controls.

The Commission reviews the adequacy of existing and future electric generation and demand, as well as the continued operation, retirement, divestiture, or other major action impacting generating units.

Mission Statement

The mission of EPIC is to ensure the adequacy and reliability of the Commonwealth's energy supply. EPIC reviews and assesses existing and future electric generation and the economic impacts of energy production and consumption. EPIC provides informed recommendations on the operation, retirement, and divestiture of generating units to support reliable and resilient energy infrastructure for Kentucky's present and future economic growth.

Vision Statement

EPIC will lead Kentucky toward a reliable energy future by fostering collaboration, innovation, and strategic planning. We envision a Commonwealth where energy resources are managed efficiently, and economic growth is supported through reliable and resilient energy systems. By leveraging stakeholder expertise, we aim to create a balanced energy strategy that benefits all Kentuckians.

TABLE OF CONTENTS

BYLAWS OF THE ENERGY PLANNING AND INVENTORY COMMISSION

ARTICLE I: NAME, PURPOSE, AND AUTHORITY

Section 1. Name and Status

The Energy Planning and Inventory Commission ("EPIC" or "Commission") is established under KRS 164.2807 and administratively attached to the University of Kentucky Center for Applied Energy Research.

Section 2. Purpose

The purpose and scope of the Commission are as defined in KRS 164.2807. Principally, this includes assessing Kentucky's energy supply adequacy and reliability and review of proposed retirement of any existing coal, oil, or natural gas-fired electric generating unit, and recommendation of policies to ensure such adequacy and reliability.

Section 3. Statutory Authority

EPIC operates under authority granted by KRS 164.2807 and is otherwise independent from the University of Kentucky and Kentucky executive branch agencies as provided in KRS 164.2807(3). The exercise of EPIC's statutory powers and the carrying out of EPIC's purposes and duties are essential governmental functions and are conducted for public purposes.

ARTICLE II: COMMISSION BOARD

Section 1. Composition of Board

The Commission shall have a Board consisting of eighteen (18) members appointed and confirmed as specified in KRS 164.2807(4)(a):

1. One representative of a Kentucky investor-owned utility;
2. One representative of a Kentucky generation and transmission cooperative, nominated by the chief operating officer of the Kentucky Association of Electric Cooperatives;
3. One representative of Kentucky coal producers, nominated by the president of the Kentucky Coal Association;
4. One representative of Kentucky oil and gas producers, nominated by the executive director of the Kentucky Oil and Gas Association;
5. One representative of an industry or business engaged in the transportation of coal;
6. One representative of a business engaged in the transportation or distribution of natural gas, nominated by the president of the Kentucky Gas Association;
7. One representative with professional experience in purchasing or selling fossil fuels, nominated by the president of the Kentucky Coal Association;
8. One member representing the nuclear electric generation industry, nominated by the executive director of the United States Nuclear Industry Council;
9. One member representing the interests of businesses or entities engaged in activities related to the mining, milling, conversion, enrichment, or fabrication of nuclear fuel or involved in the remediation of past enrichment of nuclear fuels in the Commonwealth;
10. One member representing commercial and industrial consumers of electrical power, nominated by Kentucky Industrial Utility Customers;
11. One member representing Kentucky economic interests, nominated by the chief executive officer of the Kentucky Chamber of Commerce;
12. One member representing producers of renewable electricity;
13. One member with experience in investment banking or utility finance, nominated by the president of the Kentucky Bankers Association;
14. One member representing residential electricity consumers;
15. One member of the House of Representatives (ex officio, nonvoting), nominated by the Speaker of the House of Representatives;
16. One member of the Senate (ex officio, nonvoting), nominated by the President of the Senate;
17. The Energy and Environment Cabinet Secretary or designee; and
18. The Economic Development Cabinet Secretary or designee.

Section 2. Terms

Members serve four-year terms and may be reappointed.

Section 3. Board Duties

The Board shall: (a) Conduct examinations and studies required by KRS 164.2807(6); (b) Submit the annual report to the Legislative Research Commission, Governor, and Public Service Commission by December 1; (c) Approve the annual budget and budget modifications individually or in aggregate exceeding 10% of the total budget; (d) Elect two Board members to the Executive Committee; (e) Issue position statements on Kentucky's energy adequacy and policy; (f) Arrange for financial audits; (g) Ensure compliance with statutory requirements.

Section 4. Vacancies

Vacancies are filled as provided in KRS 164.2807(4)(c). If the Chair position becomes vacant, the Vice-Chair will assume the duties as Chair until a new Chair is elected. If the Vice Chair becomes vacant, the Board will elect a new Vice Chair. Elections shall occur within 30 days of the vacancies.

ARTICLE III: EXECUTIVE COMMITTEE

Section 1. Composition

The Commission shall have an Executive Committee consisting of five members per KRS 164.2807(4)(b):

1. The UK Center for Applied Energy Research Director;
2. One Governor appointee with the same level of education, training, and professional experience as would be required to serve in the role of chief executive officer or board member of a company engaged in the production of coal;
3. One Governor appointee with the same level of education, training, and professional experience as would be required to serve in the role of chief executive officer or board member of an investor-owned, cooperative, or municipal electric utility;
4. Two members elected by the Board.

Governor appointees are subject to Senate confirmation. Those members selected by the Commission Board to serve on the Executive Committee must receive Senate confirmation or the position shall become vacant until filled by action of the Board.

No member of the Executive Committee shall have any current employment, contractual, or other direct financial relationship with any utility, other than as a customer of a retail electric utility, at the time of their appointment or during their service on the Executive Committee. KRS 164.2807(4)(g), as interpreted by OAG 25-04.

Section 2. Statutory Duties

The Executive Committee shall: (a) Adopt bylaws governing conduct of Commission business [KRS 164.2807(4)(f)]; (b) Select and hire the Executive Director, subject to Senate confirmation [KRS 164.2807(5)]; (c) Conduct retirement reviews under KRS 164.2807(7); (d) Issue findings and recommendations on retirements within 135 days [KRS 164.2807(7)(f)]; (e) Request information from utilities as necessary [KRS 164.2807(7)(c)];(f)submission of findings to the Public Service Commission under KRS 164.2807(7)(g). The Executive Committee, or the Executive Director if authorized by the Executive Committee, may intervene in any case before the Public Service Commission [KRS 164.2807(8)].

Section 3. Delegated Duties

Subject to Board delegation, the Executive Committee shall: (a) Evaluate and set Executive Director compensation; (b) Approve annual work plans and strategic priorities; (c) Approve budget modifications up to 10% of total budget; (d) Approve contracts exceeding $50,000 annually; (e) Approve policy positions on Public Service Commission matters; (f) Adopt operational policies and procedures; (g) Approve new programs not in the Board-approved work plan; (h) Direct retention of consultants for retirement reviews.

Section 4. Operations

The Executive Committee acts as a collective body. A majority of currently elected or appointed members constitutes a quorum. Majority vote of members present is required for action. KRS 164.2807(4)(j).

The Executive Director reports to the Executive Committee collectively. Work direction to the Executive Director comes from Executive Committee action as a body. The Executive Director shall attend Executive Committee meetings. The Executive Committee may excuse the Executive Director from discussions relating to the evaluation of the Executive Director. The Executive Committee, with majority approval, may request other Board members or staff to attend meetings

Before issuing retirement findings, the Executive Committee may solicit input from standing committee chairs.

Section 5. Voting Members of Commission Board

Members of the Executive Committee shall be considered as voting members of the Commission Board, except for election of Board members to serve on the Executive Committee.

ARTICLE IV: OFFICERS

Section 1. Officers

Commission officers are the Chair and Vice-Chair, elected by the Board for two-year terms. Officers may serve no more than two consecutive terms in the same office.

Section 2. Chair Duties

The Chair shall: (a) Preside at Board meetings; (b) Preside at Executive Committee meetings if a Committee member; otherwise attend in non-voting ex officio capacity; (c) Serve as primary liaison to the Executive Director; (d) Set meeting agendas with the Executive Director; (e) Appoint committee members and chairs; (f) Represent the Commission officially; (g)Coordinate Executive Director searches; (h) Coordinate the Executive Director's annual evaluation.

Section 3. Vice-Chair Duties

The Vice-Chair assists the Chair and presides at Commission meetings in the Chair's absence. If not an appointed or elected member of the Executive Committee, the Vice-Chair shall attend Executive Committee meetings in a non-voting ex officio capacity.

Section 4. Removal of Chair or Vice-Chair

The Chair or Vice-Chair may be removed from their position by a two-thirds majority vote of the full Commission Board.

ARTICLE V: EXECUTIVE DIRECTOR

Section 1. Selection and Employment

The Executive Committee selects the Executive Director, subject to Senate confirmation, pursuant to KRS 164.2807(5). For purposes of employment law, benefits, and administrative processing, the Executive Director shall be employed by the University of Kentucky at the direction of the Executive Committee. The Executive Director reports to the Executive Committee as a body regarding Commission operations and policy.

Section 2. Duties

The Executive Director is the Commission's chief operations officer and shall: (a) Develop and implement Commission programs and plans; (b) Manage daily operations; (c) Supervise Commission staff; (d) Serve as Secretary to the Board and Executive Committee; (e) Prepare meeting agendas with the Chair; (f) Represent the Commission before governmental bodies as authorized; (g) Serve as official spokesperson; (h) Request information from utilities under KRS 164.2807(7)(c); (i) Approve expenditures within budget; (j) Execute contracts within budget authority; (k) Intervene in Public Service Commission proceedings per KRS 164.2807(8) as authorized; (l) Maintain Commission records and respond to open records requests; (m) Hire, supervise, and evaluate staff within budget;

(n) Coordinate with the University of Kentucky and CAER on administrative support matters; (o) Perform other duties assigned by the Board or Executive Committee consistent with statute.

Section 3. Executive Committee Approval Required

The following require Executive Committee approval: (a) Annual work plans and strategic priorities; (b) Budget modifications up to 10% (over 10% requires Board approval); (c) Contracts exceeding $50,000 annually; (d) Retirement review findings and recommendations; (e) Public Service Commission policy positions; (f) Operational policy adoptions or amendments; (g) New programs not in the Board-approved work plan; (h) Public Service Commission interventions not previously authorized.

Section 4. Evaluation and Compensation

The Executive Committee evaluates the Executive Director annually. The Chair coordinates the evaluation process.

The Executive Committee approves Executive Director compensation. Approved compensation is communicated to the University of Kentucky for processing through university payroll and benefits systems.

Section 5. Removal

The Executive Director may be removed for cause by at least three Executive Committee members at a meeting. If there are less than four members of the executive committee, a majority of the executive committee may select a member of the Commission Board to serve for this purpose only.

"Cause" includes material breach of duties, failure to perform statutory responsibilities, conduct incompatible with the position, or other substantial grounds warranting removal. The Director of the Center for Applied Energy Research shall bring any violations of University of Kentucky employment policies or employment requirements to the Executive Committee for review.

The Executive Director must receive written notice of removal grounds and opportunity to respond before any removal vote. The Board shall be notified within five business days of any Executive Committee removal action.

Any removal action shall be coordinated with the University of Kentucky for processing through university human resources systems as appropriate for administrative purposes.

Section 6. CAER Coordination

The Executive Director shall coordinate regularly with the CAER Director on: (a) Technical support needs and resource availability; (b) Administrative support services and effectiveness; (c) Collaborative research opportunities; (d) Other operational and administrative matters requiring coordination.

This coordination supports effective Commission operations and efficient use of administrative resources. The Executive Director's coordination with CAER on administrative matters does not alter the Executive Director's reporting relationship to the Executive Committee or the Commission's operational independence in fulfilling statutory duties.

ARTICLE VI: MEETINGS

Section 1. Open Meetings Compliance

All Commission meetings comply with the Kentucky Open Meetings Act, KRS 61.800 et seq. The Executive Director shall provide proper notice and maintain minutes as required by law.

Section 2. Regular Meetings

The Board meets at least quarterly. The Executive Committee meets as needed but at least quarterly.

Section 3. Special Meetings

The Chair or a majority of members may call special meetings of the Board. At least 24 hours' notice is required per KRS 61.823.

Section 4. Quorum and Voting

Board: A majority of voting members constitutes a quorum. Majority vote of those present is required for action.

Executive Committee: A majority constitutes a quorum. Majority vote of those present is required for action. KRS 164.2807(4)(j).

Recusal: Recused members are not counted for quorum or voting on that matter.

Section 5. Video Teleconferences and Closed Sessions

Meetings may be conducted by video teleconference under KRS 61.826.

Closed sessions are permitted only as authorized by KRS 61.810, including for: (a) Proposed or pending litigation; (b) Discussions that might lead to the appointment, discipline or dismissal of the Executive Director or other staff; (c) Retirement reviews involving confidential business information, to the extent permitted under KRS 61.810. Any permitted closed sessions shall be conducted in accordance with KRS 61.815.

No final action may be taken in closed session. All votes occur in open session.

Section 6. Open Records

Commission records are maintained and available under the Kentucky Open Records Act, KRS 61.870 et seq. The Executive Director is the official records custodian and responds to open records requests per statutory requirements.

Section 7. Order of Business

Unless adjusted by the Chair, the meeting order is:

1. Call to order and quorum determination
2. Approval of previous minutes
3. Executive Director's report
4. Executive Committee report and action items
5. Committee reports and action items
6. New business
7. Public comment (if provided by rule)
8. Adjournment

Robert's Rules of Order Newly Revised governs procedures not addressed by statute, the Open Meetings Act, or these bylaws.

ARTICLE VII: CONFLICT OF INTEREST

Conflicts of Interest

No member of the Executive Committee shall have any current employment, contractual, or other direct financial relationship with any utility, other than as a customer of a retail electric utility, at the time of their appointment or during their service on the executive committee. KRS 164.2807(4)(g), as interpreted by OAG 25-04.

Any Board member with a direct financial interest in, or employment or contractual relationship with a utility filing notice under KRS 164.2807(7) (other than being a customer of retail electric service) shall: (a) Promptly disclose the conflict in writing to the Chair and Executive Committee; (b) Recuse from participating in discussions, deliberations, or votes on that retirement review; (c) Not access confidential business information for that review; and (d) Have no contact with the Executive

Director or any member of the Executive Committee concerning the proposed activities described in the notice [KRS 164.2807(7)(d)].

Recused members are not counted for quorum or voting purposes on that matter.

ARTICLE VIII: COMMITTEES

Section 1. Standing Committees

The Board may establish standing committees by majority vote for specific functions such as retirement review, assessment of the energy complex as directed, and financial oversight.

The Executive Committee is a statutory standing committee governed by Article III.

Section 2. Ad Hoc Committees

The Chair may establish ad hoc committees with Board approval. Ad hoc committees dissolve upon completing assigned tasks or by Board vote.

Section 3. Committee Appointments and Reports

The Chair appoints committee members and chairs, subject to Board approval. The Commission Chair serves as ex officio non-voting member of all committees except as otherwise provided.

Committees report activities, findings, and recommendations to the Board at regular meetings or as requested.

ARTICLE IX: CAER RELATIONSHIP

Section 1. Administrative Attachment

Pursuant to KRS 164.2807(3), the Commission is administratively attached to CAER, which provides administrative support services including payroll processing, human resources support, information technology, facilities, and financial processing.

Consistent with Kentucky practice for administratively attached entities, administrative attachment provides support services and does not include operational or governance authority over the Commission. The Commission retains operational independence in fulfilling its statutory duties. CAER and the University of Kentucky do not exercise supervisory authority over Commission operations, the Executive Committee, Executive Director, staff, or substantive decisions.

Section 2. Technical Support

The Commission may request CAER technical assistance on analytical projects. Such assistance shall be: (a) Requested by the Executive Director or authorized by the Executive Committee; (b) Provided under written agreements specifying deliverables, timeline, and cost; (c) Funded within the Commission's budget; (d) Managed by the Executive Director or designee; (e) Subject to the same standards as external consultants.

The Executive Director manages all technical support work and reviews work products for quality and completeness before presentation to the Executive Committee or Board.

ARTICLE X: AMENDMENTS

Section 1. Amendment Process

These bylaws may be amended by two-thirds vote of Executive Committee members present, provided written notice of proposed amendments was given to all Executive Committee members at least two weeks prior.

Proposed amendments shall also be provided to the Board for review and comment at least two weeks before the Executive Committee vote. The Board may provide advisory recommendations, but final adoption authority rests with the Executive Committee per KRS 164.2807(4)(f).

Amendments must comply with KRS 164.2807. In any conflict between these bylaws and statute, the statute controls.

Section 2. Annual Review

These bylaws shall be reviewed annually at the first meeting of each fiscal year and upon any amendments to KRS 164.2807. The Executive Director shall present recommended revisions to the Executive Committee.

Section 3. Additional Rules

The Commission and Executive Committee may adopt additional procedural rules not inconsistent with these bylaws, KRS 164.2807, or the Open Meetings Act. Such rules may govern public comment procedures, retirement review hearings, and administrative processes.

If the Commission adopts substantive rules affecting external parties beyond these internal bylaws, the Executive Director shall consult legal counsel regarding Administrative Procedures Act (KRS Chapter 13A) applicability.

ARTICLE XI: GENERAL PROVISIONS

Section 1. Fiscal Year

The Commission's fiscal year is July 1 through June 30.

Section 2. Ethics

Commission members, the Executive Director, and staff shall comply with the Kentucky Executive Branch Code of Ethics, KRS Chapter 11A, including provisions on conflicts of interest, use of official position, gifts, and financial disclosures. This requirement does not apply to the ex officio nonvoting Commission members from the House of Representatives and the Senate, as members of the General Assembly are subject to the Legislative Ethics Code under KRS Chapter 6.

Section 3. Indemnification

To the extent permitted by Kentucky law, the Commission shall indemnify Board members, Executive Committee members, the Executive Director, and staff from liability arising from performance of official duties, except in cases of willful misconduct or gross negligence.

Section 4. Severability

If any provision is held invalid, other provisions remain in effect. The provisions are severable.

Section 5. Effective Date

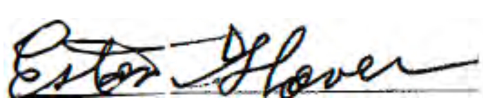
These bylaws become effective upon adoption by the Executive Committee.

Adoption:

These bylaws were adopted by the Executive Committee of the Energy Planning and Inventory Commission on October 21, 2025.

Executive Committee:

Member – Ashli Watts



Member – Eston Glover

Member – Edward Holmes

Member – Wesley Cate

Member – Rodney Andrews

Certification:

I certify that the foregoing bylaws were duly adopted by the Executive Committee on October 21, 2025.

Executive Director – Eric King

Date: October 22, 2025

AN ACT relating to energy policy and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 164 IS CREATED TO READ AS FOLLOWS:

(1) The General Assembly finds and declares that:

(a) The long-term economic health and well-being of the citizens of the Commonwealth and the United States depends upon the availability of reliable sources of energy;

(b) The Commonwealth has abundant reserves of coal, natural gas, and other natural resources;

(c) The energy needs of the Commonwealth are best met by continuing to engage in an all-of-the-above approach to electric generation resources, including but not limited to coal, oil, natural gas, wind, solar, hydropower, nuclear, and any future or emerging technologies like hydrogen power;

(d) The current economy and future economic development of the Commonwealth requires reliable, resilient, dependable, and abundant supplies of electrical power;

(e) The demand for reliable, resilient, dispatchable electrical power is anticipated to significantly increase in the coming decades as the Commonwealth becomes home to additional manufacturing and other economic development projects which increase demand for electrical power;

(f) It is in the interest of the Commonwealth that it be able to generate sufficient electricity within its borders to serve its own industrial, residential, and commercial demand and to power its own economy;

(g) The electrification of the United States' economy combined with unprecedented federal regulatory pressures have created an electric generation resource crisis in the Commonwealth;

(h) Existing state and federal policies with respect to energy do not adequately address the concerns of the General Assembly or citizens of the Commonwealth such that a comprehensive Kentucky energy policy is required;

(i) Current policies at the state and federal level do not adequately assess capacity, availability, reliability, or resilience attributes of existing and new fossil fuel-fired, nuclear, or other emerging dispatchable electric generating resources;

(j) It is the policy of the Commonwealth to maintain adequate capacity of available, reliable, dispatchable, and resilient electric generation to provide for the existing and reasonably projected future energy consumption needs of all wholesale, retail, and other consumers of electricity in the Commonwealth;

(k) Further retirement of fossil fuel-fired electric generating resources is not necessary for the protection of the environment or the health, safety, and welfare of the citizens of the Commonwealth;

(l) The health, happiness, safety, economic opportunity, and general welfare of the citizens of the Commonwealth will be promoted and protected by the operation of fossil fuel-fired electric generating resources and, conversely, those interests would be harmed by the premature retirement of those generating resources;

(m) The Commonwealth can support a multitude of potential electric generating resources and energy fuel supply sources so as to be the national leader in the production of energy in all forms;

(n) Local economic development is essential to the health, happiness, safety, and general welfare of the citizens of the Commonwealth;

(o) Local economic development requires an adequate supply of electricity to

support new and expanding industries and is enhanced by robust employment in coal mining and coal transportation and at electric generating facilities, the local job multiplier effect of employment in the coal, natural gas, and electric generating industries, and state and local taxes and other forms of economic value creation for the Commonwealth; and

(p) The numerous energy policy challenges facing the Commonwealth require a comprehensive energy policy informed by the input, judgment, experience, and expertise of diverse stakeholders representing a variety of interests and energy resources, including but not limited to coal, oil, natural gas, wind, solar, hydropower, nuclear, and any future or emerging resources to achieve the best results for the citizens of the Commonwealth.

(2) For the purposes of this section:

(a) "Commission" means the Energy Planning and Inventory Commission established in this section;

(b) "Dispatchable" means a source of electric power generation that is available on demand, that is not intermittent, and that can be adjusted to increase or decrease its power output upon request of a power grid operator or otherwise upon demand or request, or that can have its power output adjusted in response to market or system needs;

(c) "Generation and transmission cooperative" has the same meaning as in KRS 278.010;

(d) "Intermittent" means:

1. A source of electric power generation from a solar photovoltaic, solar thermal heating, concentrating solar thermal collector, or other solar energy collection or generation system;

2. A source of electric power that generates energy by harnessing wind

power or energy, whether through a turbine or other device;

3. Geothermal energy, biomass energy, anaerobic digestion, or combined heat and power from solar, wind, geothermal, or anaerobic digestion sources;

4. Any short duration energy storage, which includes any method of storing generated electricity for later dispatch to the grid, whether alone or in conjunction with any other intermittent sources described in this paragraph, that is equivalent to less than forty-eight (48) hours of the average peak generation of the unit it is used to offset; or

5. Conventional hydropower and pumped storage hydropower, unless they are capable of providing energy on demand, in which case they shall be deemed to be dispatchable;

(e) "Public Service Commission" means the Kentucky Public Service Commission established under KRS Chapter 278, or any successor entity having the power to regulate rates and services of public utilities pursuant to the powers enumerated in KRS Chapter 278; and

(f) "Utility" has the same meaning as in KRS 278.010.

(3) The Energy Planning and Inventory Commission is hereby established and administratively attached to the University of Kentucky Center for Applied Energy Research, but it shall otherwise be independent from the University of Kentucky and any Kentucky executive branch agency. The affairs of the commission shall be governed exclusively by the provisions of this section. The exercise of the commission's powers conferred by this section and the carrying out of its purposes and duties are essential governmental functions and are conducted for public purposes.

(4) (a) The commission shall be composed of an eighteen (18) member board and a five (5) member executive committee. Except for the state government

officials and the ex officio nonvoting commission board members appointed by the President of the Senate and the Speaker of the House of Representatives, each member of the commission board shall be appointed by the Governor and confirmed by the Senate as set forth in this subsection. The commission board shall be composed of the following members:

1. One (1) representative of a Kentucky investor-owned utility;

2. One (1) representative of a Kentucky generation and transmission cooperative, nominated by the chief operating officer of the Kentucky Association of Electric Cooperatives;

3. One (1) representative of Kentucky coal producers, nominated by the president of the Kentucky Coal Association;

4. One (1) representative of Kentucky oil and gas producers, nominated by the executive director of the Kentucky Oil and Gas Association;

5. One (1) representative of an industry or business engaged in the transportation of coal;

6. One (1) representative of a business engaged in the transportation or distribution of natural gas, nominated by the president of the Kentucky Gas Association;

7. One (1) representative with professional experience in the purchasing or sale of fossil fuels, nominated by the president of the Kentucky Coal Association;

8. One (1) member representing the nuclear electric generation industry, nominated by the executive director of the United States Nuclear Industry Council;

9. One (1) member representing the interests of businesses or entities engaged in activities related to the mining, milling, conversion, enrichment, or fabrication of nuclear fuel or involved in the

remediation of past enrichment of nuclear fuels in the Commonwealth;

10. One (1) member representing commercial and industrial consumers of electrical power, nominated by Kentucky Industrial Utility Customers;

11. One (1) member representing Kentucky economic interests, nominated by the chief executive officer of the Kentucky Chamber of Commerce;

12. One (1) member representing producers of renewable electricity;

13. One (1) member with experience in investment banking or utility finance, nominated by the president of the Kentucky Banker's Association;

14. One (1) member representing residential electricity consumers;

15. One (1) member of the House of Representatives, who shall be an ex officio nonvoting member, nominated by the Speaker of the House of Representatives;

16. One (1) member of the Senate, who shall be an ex officio nonvoting member, nominated by the President of the Senate;

17. The secretary of the Energy and Environment Cabinet, or designee; and

18. The secretary of the Cabinet for Economic Development, or designee.

(b) The executive committee of the board shall include the following five (5) members:

1. The director of the University of Kentucky Center of Applied Energy Research;

2. One (1) member appointed by the Governor who has the same level of education, training, and professional experience as would be required to serve in the role of chief executive officer or board member of a company engaged in the production of coal;

3. One (1) member appointed by the Governor who has the same level of education, training, and professional experience as would be required to serve in the role of chief executive officer or board member of an investor-owned, cooperative, or municipal electric utility; and

4. Two (2) members elected by the commission board from the commission board membership. Any vacancy in an executive committee position under this subparagraph shall be filled in the same manner as the original election.

(c) Any appointment made by the Governor to the commission board or the executive committee shall be subject to confirmation by the Senate. If a pending appointment to the board or executive committee requiring confirmation is not confirmed by the Senate upon the conclusion of the legislative session during or before which the appointment was made, then the member's position on the board or executive committee shall become vacant, either upon sine die adjournment of the legislative session or the date that the Senate votes to decline to confirm appointment, and the Governor shall appoint a different replacement.

(d) After the expiration of their initial terms, members who are not members of the legislative or executive branch shall serve for terms of four (4) years and until a successor is appointed and confirmed by the Senate. Legislative members shall serve during the terms of their elected positions in the General Assembly, and executive branch members shall serve during the appointed terms of their state government positions. In the event of a vacancy prior to the expiration of a term for member appointed by the Governor, the Governor shall appoint a replacement in the same manner as the original appointment, and the appointment shall be subject to the same Senate confirmation process. Members appointed by the Governor shall not

be full-time employees of the Commonwealth as defined in KRS 18A.005, and shall not be compensated for their service on the board, but they shall be subject to the requirements of the executive branch code of ethics established under KRS Chapter 11A.

(e) A majority of the commission board may select one (1) member of the commission board to serve as chair of the commission board and one (1) member of the commission board to serve as vice chair of the commission board.

(f) The executive committee may adopt rules of procedure or bylaws governing the conduct of the commission's business.

(g) Other than being a customer of retail electric service, no member of the executive committee shall have any current employment, contractual, or other direct financial relationship with any utility at the time of their appointment or during their service on the executive committee.

(h) No person shall serve as a member of the commission board or executive committee if the service would cause a conflict with, or result in the disclosure of confidential information relating to, any research projects performed by or in partnership with the University of Kentucky Center for Applied Energy Research.

(i) If the review of a notice given under subsection (7) of this section would result in the disclosure of confidential information to an executive committee member that is prohibited under subsection (7)(c)3. of this section, the executive committee member shall recuse himself or herself, and the remaining executive committee members shall name a replacement from the membership of the commission board solely for the purpose of reviewing the notice that caused the recusal.

(j) A majority of the executive committee shall constitute a quorum, and the

affirmative vote of the majority of the members present during a meeting is necessary for any action taken by vote of the executive committee.

(k) The Governor shall not have reorganization power over the commission, the structure of the commission, its board, the executive committee, or the hiring, compensation, or termination of its executive director. Only the General Assembly may reorganize or restructure the commission or the commission board by legislative act.

(5) The commission may employ an executive director who shall be selected and hired by the executive committee, subject to confirmation by the Senate. If a pending selection for an executive director is not confirmed by the Senate upon the conclusion of the legislative session during or before which the selection was made, then the executive director's position shall become vacant, either upon sine die adjournment of the legislative session or the date that the Senate votes to decline to confirm appointment, and the executive committee shall select a different replacement. Until an executive director is selected and hired, or in the event of a vacancy in the role of executive director, the director of the University of Kentucky Center for Applied Energy Research shall serve in the role of executive director of the commission.

(6) The commission shall be authorized to:

(a) Take all necessary measures to effectuate the public purposes described in subsection (1) of this section;

(b) Assist in fulfilling the executive committee's mandatory duties regarding review of planned retirement decisions described in subsection (7) of this section;

(c) Engage in the examination and study of:

1. The adequacy of the Commonwealth's existing and anticipated future electric generation and transmission resources and the existing and

anticipated future electric demand;

2. The continued operation, retirement, divestiture, or other major action impacting any electric power generating unit, or any pollution control equipment associated with any such unit, located in the Commonwealth;

3. Issues concerning the adequacy of the Commonwealth's energy supply, including but not limited to the economic impact of energy production and consumption in the Commonwealth, the Kentucky energy grid's response to severe weather events, projected power demand and growth in demand, land use impacts from power generation, local economic impacts resulting from the closure of electric generating resources, and whether alternatives to decommissioning electric generating resources exist;

4. The effect of any federal policy which may impact the availability of dispatchable power or the adequacy of energy supplies in the Commonwealth;

5. The Commonwealth's ability to participate in energy markets or in the production, transmission, or distribution of energy;

6. The Commonwealth's ability to finance or provide financing assistance to energy producers to encourage additional energy production in the Commonwealth;

7. New and emerging electric generating technologies that could supply future electric demand in the Commonwealth; and

8. Whether the Commonwealth's energy resources are sufficiently dispatchable to ensure against loss of electrical power supply in the event of extreme weather or other unexpected or catastrophic events that may challenge the ability of the Commonwealth's electrical grid

to meet demand; and

(d) On or before December 1, 2024, and each December 1 thereafter, submit a report with recommendations, including but not limited to recommendations for statutory changes or budgetary proposals, to the Legislative Research Commission, the Governor, and the Public Service Commission concerning any of the issues examined or studied by the commission pursuant to paragraph (c) of this subsection.

(7) (a) Notwithstanding any provision of law to the contrary, no utility shall retire any existing coal, oil, or natural gas-fired electric generating plant, or any unit within the plant, prior to submitting notice to the commission and receiving the findings from the executive committee, as described in this subsection.

(b) A utility proposing to retire any existing coal, oil, or natural gas-fired power plant, or unit within such plant, shall give notice to the commission's executive committee, in the form and manner as the executive committee may require, at least one hundred eighty (180) days prior to submitting the retirement application to the Public Service Commission required by subsection (1) of Section 4 of this Act. The utility may include with its notice any information the utility believes will assist in the executive committee's review of the proposed activity.

(c) 1. The executive committee or executive director may require a utility filing notice under this subsection to provide any information, records, or data that the executive committee or executive director deems reasonably necessary to make its findings under this subsection, and the utility shall respond to all such requests within a reasonable timeframe as established by the executive committee or executive director.

2. A utility responding to an information request may designate information, records, or data provided in the response as confidential business information, and the information, records, or data shall be exempt from disclosure under the requirements of KRS 61.870 to 61.884.

3. A utility responding to an information request may indicate in its response that the information, records, or data provided should not be shared with specific members of the commission board or executive committee to avoid an unfair competitive or market advantage, in which case the confidential information, records, or data shall not be shared with or made available to that member or members.

(d) Other than being a customer of retail electric service, any member of the commission board who has an employment or contractual relationship with the utility filing the notice required by this subsection shall have no contact with the executive director or any member of the executive committee concerning the proposed activities described in the notice.

(e) Within ninety (90) days of its receipt of the notice required by this section, the commission shall hold a public hearing in the county in which the retirement is proposed to occur in order to receive public comments on the proposed activity.

(f) Within one hundred thirty-five (135) days of receiving a utility's notice of a proposed retirement, but following the public hearing described in paragraph (e) of this subsection, the executive committee shall issue a final report containing written findings and recommendations concerning the proposed retirement. The executive committee's written findings and recommendations shall include:

1. The impact of the proposed activity on the available supply of

dispatchable and reliable power within the Commonwealth, including the ability of the Commonwealth to meet future demand growth or respond to extreme weather events;

2. Whether alternatives to the proposed activity exist, and whether those alternatives should be further evaluated prior to proceeding with the proposed activity;

3. Whether the replacement of the generating unit or units subject to the proposed activity with other generating resources will result in any adverse land use impacts in the Commonwealth;

4. Whether the proposed activity will result in loss of revenue to the Commonwealth or any local government unit;

5. The positive or negative economic impact of the proposed activity on the local economy of the area in which the proposed activity will take place;

6. The economic impact of the proposed activity on the Commonwealth as a whole; and

7. The impact of the proposed activity on the Commonwealth's ability to increase the available supply of electrical power for current or future economic development purposes.

(g) The findings of the executive committee that are approved by a majority of the members of the executive committee shall be designated as findings of the commission and shall be submitted to the Public Service Commission. If no majority decision of the executive committee is reached with respect to the findings, the report shall so indicate, and each member of the executive committee may make a written statement of position concerning the proposed activity by the deadline provided for in the report. Each written statement shall be included in the report and transmitted along with the

report to the Public Service Commission. Any executive committee member dissenting from the report, any portion of the report, or any specific findings in the report may, within one hundred eighty (180) days of the utility filing notice of the proposed activity, transmit separate dissenting findings to the Public Service Commission.

(h) The executive committee's written report, and any dissenting statements provided to the Public Service Commission, shall be included in any retirement application made to the Public Service Commission under Section 4 of this Act, and the Public Service Commission shall not approve any retirement application without considering all information received from the executive committee or any member of the executive committee. Any order of the Public Service Commission in a proceeding under Section 4 of this Act shall contain specific written findings of fact or conclusions of law addressing whether the executive committee's findings and recommendations were considered by the Public Service Commission.

(i) No retirement application to the Public Service Commission under Section 4 of this Act shall be deemed administratively complete unless it includes either the executive committee's report submitted pursuant to this section or evidence that more than one hundred eighty (180) days have passed since notice was submitted to the commission as required in paragraph (b) of this subsection and no executive committee report or determination has been provided to the utility.

(8) Notwithstanding any provision of law to the contrary, the executive committee, or the executive director if authorized by the executive committee, shall have standing to participate as an intervening party in any case or other proceeding before the Public Service Commission.

(9) Subject to available funding, the executive committee may employ administrative

staff or third-party consultants with expertise in the subject matter of any study, examination, or review undertaken by the commission to assist in carrying out the commission's functions under this section.

(10) The Commission shall cease to exist on December 31, 2035.

➔SECTION 2. A NEW SECTION OF KRS 278.010 TO 278.450 IS CREATED TO READ AS FOLLOWS:

(1) Except as otherwise provided in KRS 278.010 to KRS 278.450, if the commission fails to issue a final order on any application submitted to it by a utility pursuant to KRS 278.018, 278.020, 278.216, 278.218, 278.271, and 278.300 within eight (8) months of the acceptance of the filing of the application, then the application shall be deemed approved by the commission and the relief requested shall be deemed to be granted.

(2) The commission shall complete and issue a final order on all eight (8) month and two (2) year reviews of the operation of a utility's environmental surcharge and fuel adjustment clause within eight (8) months of commencing the review.

➔Section 3. KRS 278.110 is amended to read as follows:

(1) The commission acting through the executive director may employ such clerks, stenographers, rate experts, agents, special agents, engineers, accountants, auditors, inspectors, lawyers, hearing examiners, experts and other classified service employees and the commission may contract for services of persons in a professional or scientific capacity to make or conduct a hearing or a temporary or special inquiry, investigation or examination as it deems necessary to carry out the provisions of this chapter, or to perform the duties and exercise the powers conferred by law upon the commission.

(2) (a) When the commission contracts for the services of a person in a professional or scientific capacity to conduct a hearing, temporary special inquiry, investigation, or examination, any nonprivileged final report or

recommendation prepared in fulfillment of the contract shall be filed within the record for the case for which the final report or recommendation was prepared at the same time it is provided to the commission.

(b) A contracted person who has prepared and submitted a final report or recommendation pursuant to this subsection shall be required to respond to any written information requests regarding the final report or recommendation. Additionally, the contracted person shall be available for cross-examination as a witness in the case for which the final report or recommendation was prepared and filed at any public hearing held by the commission pursuant to the rules it has adopted.

➔Section 4. KRS 278.264 is amended to read as follows:

(1) Notwithstanding any provision of law to the contrary, the commission shall have the authority to approve or deny the retirement of an electric generating unit owned by a utility. Prior to retiring an electric generating unit, a utility shall apply to the commission for an order approving the retirement, and shall give the commission thirty (30) days' notice of the application. ***The application shall include a statement certifying the applicant's compliance with the requirements of Section 1 of this Act.*** The commission shall enter an order approving, approving with conditions, or denying the application within one hundred eighty (180) days of receiving an administratively complete application.

(2) There shall be a rebuttable presumption against the retirement of a fossil fuel-fired electric generating unit. The commission shall not approve the retirement of an electric generating unit, authorize a surcharge for the decommissioning of the unit, or take any other action which authorizes or allows for the recovery of costs for the retirement of an electric generating unit, including any stranded asset recovery, unless the presumption created by this section is rebutted by evidence sufficient for the commission to find that:

(a) The utility will replace the retired electric generating unit with new electric generating capacity that:

1. Is dispatchable by either the utility or the regional transmission organization or independent system operator responsible for balancing load within the utility's service area;

2. Maintains or improves the reliability and resilience of the electric transmission grid;~~[and]~~

3. Maintains the minimum reserve capacity requirement established by the utility's reliability coordinator;***<u> and</u>***

<u>4. Has the same or higher capacity value and net capability, unless the utility can demonstrate that such capacity value and net capability is not necessary to provide reliable service;</u>

(b) The retirement will not harm the utility's ratepayers by causing the utility to incur any net incremental costs to be recovered from ratepayers that could be avoided by continuing to operate the electric generating unit proposed for retirement in compliance with applicable law;~~[and]~~

(c) The decision to retire the fossil fuel-fired electric generating unit is not the result of any financial incentives or benefits offered by any federal agency***<u>; and</u>***

<u>(d) The utility shall not commence retirement or decommissioning of the electric generating unit until the replacement generating capacity meeting the requirements of paragraph (a) of this subsection is fully constructed, permitted, and in operation, unless the utility can demonstrate that it is necessary under the circumstances to commence retirement or decommissioning of the existing unit earlier</u>.

(3) The utility shall at a minimum provide the commission with evidence of all known direct and indirect costs of retiring the electric generating unit and demonstrate that

cost savings will result to customers as a result of the retirement of the electric generating unit.

(4) The commission shall prepare and submit an annual report to the Legislative Research Commission by December 1 of each year detailing:

(a) The number of requests by utilities to retire electric generating units in the Commonwealth, the nameplate capacity of each of those units, and whether the request was approved or denied by the commission;

(b) The impact of any commission-approved retirement of an electric generating unit on the:

1. Commonwealth's generation fuel mix;

2. Required capacity reserve margins for the utility;

3. Need for capacity additions or expansions at new or existing facilities as a result of the retirement; and

4. Need for additional purchase power or capacity reserve arrangements; and

(c) Whether the retirement resulted in stranded costs for the ratepayer that will be recovered by the utility through a surcharge or some other separate charge on the customer bill.

(5) As used in this section:

(a) "Dispatchable" means a source of electric power generation that is available on demand, that is not intermittent, and that can be adjusted to increase or decrease its power output upon request of a power grid operator or otherwise upon demand or request, or that can have its power output adjusted in response to market or system needs; and

(b) "Intermittent" means:

1. A source of electric power generation from a solar photovoltaic, solar thermal heating, concentrating solar thermal collector, or other solar

energy collection or generation system;

2. A source of electric power that generates energy by harnessing wind power or energy, whether through a turbine or other device;

3. Geothermal energy, biomass energy, anaerobic digestion, or combined heat and power from solar, wind, geothermal, or anaerobic digestion sources;

4. Any short duration energy storage, which includes any method of storing generated electricity for later dispatch to the grid, whether alone or in conjunction with any other intermittent sources described in this paragraph, that is equivalent to less than forty-eight (48) hours of the average peak generation of the unit it is used to offset; or

5. Conventional hydropower and pumped storage hydropower, unless they are capable of providing energy on demand, in which case they shall be deemed to be dispatchable.

➔Section 5. All initial appointments to the Energy Planning and Inventory Commission board and executive committee shall be made on or before July 1, 2024. The initial terms of appointments made by the Governor who are not executive branch officials shall be staggered as follows: seven members shall serve until the July 1, 2025, seven members shall serve until July 1, 2026, and the two gubernatorial appointments to the executive committee shall serve until July 1, 2027.

➔Section 6. Whereas the continued unabated retirement of needed generating resources threatens to harm employment, tax revenue, and utility rates, and is creating a crisis with respect to the Commonwealth's ability to meet current and projected future energy demands, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

Meeting of the Energy Planning & Inventory Commission

March 26, 2025

This meeting of the Energy Planning & Inventory Commission (EPIC) was held virtually via Zoom on Wednesday, March 26, 2025.

I. Call to Order

Rodney Andrews, EPIC Executive Committee member and Director of the University of Kentucky Center for Applied Energy Research, called the meeting to order.

II. Attendance

The following members of EPIC were present: John Crockett, Talina Matthews, Jeff Brock, Wesley Cate, Todd Case, Caryl Pfeiffer, Keith Murt, Nathaniel Adams, Ashli Watts, Matt Partymiller, Mark Gooch, Kentucky Representative Suzanne Miles, Kentucky Senator Steve West, Rodney Andrews, and Ed Holmes. Jansen Hammock attended on behalf of Secretary Jeff Noel. Kenya Stump attended on behalf of Secretary Rebecca Goodman.

III. Minutes

Rodney Andrews stated that the minutes of the November 11, 2024 meeting had been distributed and asked for a motion to approve. Jeff Brock moved the approval and Keith Murt seconded the motion; the motion carried with dissent.

IV. Update on EPIC Executive Director position

Rodney provided an update on the EPIC Executive Director position. The deadline to apply for this position is April 9. Though we do not see who is in process, we have 10 applications in process right now. At that point, UK Human Resources will provide the completed applications to me.

We would like to put together a group of 5 EPIC Board members to review the full set of applications and recommend a list of candidates that are qualified to the EPIC Executive Committee for review.

If you would like to serve on that Committee, please email Rodney Andrews directly.

V. Process for drafting EPIC bylaws

Our staff member has pulled bylaws from similar organizations in other states. We have a draft. I would like to have some EPIC Board members volunteer to review those and comment before we send those more widely. If you are interested in doing that, please email Rodney Andrews directly.

VI. Long-Term Electricity Modeling

Kenya Stump, Executive Director of the Kentucky Office of Energy Policy, provided a presentation on “Long-Term Electricity Modeling” in Kentucky.

VII. Update on EPIC Website

Dave Melanson, Assistant Director for External Affairs and Development, showcased and reviewed the EPIC website.

VIII. Other Business

Rodney Andrews stated that on Monday that EPIC received the Notice of Intent to retire a unit from Big Rivers Electric Corporation for Reid gas turbine. Our staff is reviewing that document now. Once that is finalized, we will be posting that Notice of Intent on our EPIC website.

Rodney Andrews stated that EPIC just received an opinion from the Kentucky Attorney General about who can serve on the EPIC Executive Committee. We will be posting that on the EPIC website.

Rodney Andrews said that now that we have that Attorney General Opinion, we now are ready to receive nominations for members of the Board to serve on the EPIC Executive Committee as well as the Chair and Vice Chair of the EPIC Board. If you would like to nominate or self-nominate, please send those nominations directly to Rodney Andrews.

John Crockett suggested that utility providers would provide Integrated Resource Plans (IRP) to the EPIC Board to help level set. Rodney Andrews said he was going to suggest to the Executive Committee to have the utilities come present their IRPs.

Talina Matthews asked is non-voting members can be named to the Executive Committee. Rodney Andrews said he would have to look into it. Jeff Brock said his read on the legislation is that they would not be precluded but they would not be able to vote. Rodney Andrews said he would

IX. Adjournment

Nathaniel Adams made a motion to adjourn the meeting and the motion was seconded by Keith Murt; the motion carried without dissent.

Meeting of the Energy Planning & Inventory Commission

May 12, 2025

This meeting of the Energy Planning & Inventory Commission (EPIC) was held virtually via Zoom on Monday, May 12, 2025.

I. Call to Order

Rodney Andrews, EPIC Executive Committee member and Director of the University of Kentucky Center for Applied Energy Research, called the meeting to order.

II. Attendance

The following members of EPIC were present: John Crockett, Jeff Brock, Wes Cate, Todd Case, Brian Weisker, Caryl Pfeiffer, Keith Murt, Nat Adams, Ashli Watts, Matt Partymiller, Mark Gooch, Kevin Nolan, Kentucky Representative Suzanne Miles, Brittany Koenig (proxy for Secretary Rebecca Goodman), Jeff Noel, Rodney Andrews, Ed Holmes, Eston Glover.

III. Motion to Go into Closed Session

Rodney Andrews stated the following: At this time, pursuant to KRS 61.810(1)(f), the Commission Board needs to go into closed session for discussions that might lead to individual members of the Board being appointed as Chair and Vice Chair of the full Board or as a member of the Executive Committee. To clarify, no final action will be taken nor will any group consensus be made during closed session. Any appointments or votes will be made in open session following the discussion. At this time, I'd like to call on Todd Case for a motion.

Todd Case made the following motion: Pursuant to KRS 61.810(1)(f) and in accordance with KRS 61.815, I move that the Commission Board go into Closed Session for discussion of the potential appointment of individual members to the Chair, Vice Chair, and Executive Committee position.

Motion was seconded by Keith Murt. The motion carried without dissent.

Rodney Andrews stated that EPIC will now move into the Closed Session. Only members of the EPIC Board are permitted to attend and participate in the Closed

Session. In addition to Board members, I am asking Dave Melanson and Vera Brown from our staff to attend the Closed Session to provide technical support. At this time, we will cease live streaming of our meeting. Upon our return, we will resume broadcast of this meeting and the open session portion of this public meeting on the University's Zoom weblink.

IV. Return to Open Session

Rodney Andrews stated the following: We are now returning to Open Session. We do have a quorum. As required under the Open Meetings Act, no final action was taken nor was any consensus made during closed session.

V. Executive Committee Nominations and Vote

Rodney Andrews stated that at this time we will now have nominations for the Executive Committee. Rodney noted that EPIC has received nominations for the following EPIC members: Jeff Brock, Wes Cate, Caryl Pfeiffer, and Ashli Watts. Rodney Andrews asked for nominations from the floor. No nominations from the floor were made.

EPIC members were asked to vote for two individuals for the Executive Committee.

Jeff Brock received 5 votes. Wes Cate received 7 votes. Caryl Pfeiffer received 5 votes. Ashli Watts received 8 votes.

Rodney Andrews stated that we do not have a majority for any candidate and stated that we would vote again.

VI. Executive Committee Vote #2

EPIC members were asked to vote for two individuals for the Executive Committee.

Jeff Brock received 5 votes. Wes Cate received 8 votes. Ashli Watts received 9 votes. Caryl Pfeiffer received 4 votes.

Ashli Watts was elected to the Executive Committee.

VII. Executive Committee Vote #3

EPIC members were asked to vote for one individual for the Executive Committee.

Jeff Brock received 5 votes. Wes Cate received 8 votes.

Rodney Andrews stated that we do not have a majority for any candidate and stated we would try another round of voting.

VIII. Executive Committee Vote #4 and Motion to Return to Closed Session

EPIC members were asked to vote for one individual for the Executive Committee.

Jeff Brock received 5 votes. Wes Cate received 8 votes.

Rodney Andrews stated that we have several options. He informed EPIC members they could vote again or go into Closed Session to discuss candidates.

Todd Case made the following motion: Pursuant to KRS 61.810(1)(f) and in accordance with KRS 61.815, I move that the Commission Board go into Closed Session for discussion of the potential appointment of individual members to the Chair, Vice Chair, and Executive Committee position.

Motion seconded by Nat Adams. The motion carried without dissent.

IX. Return to Open Session and Vote to Adjourn the EPIC Meeting

Jeff Brock made a motion to adjourn the meeting. Motion seconded by Todd Case.

Four individuals voted in favor of adjourning the meeting. Nine voted to not adjourn. The meeting remains open.

X. Executive Committee Vote #5

EPIC members were asked to vote for one individual for the Executive Committee.

Jeff Brock received 5 votes. Wes Cate received 8 votes.

Rodney Andrews stated that we do not have a majority vote.

Nat Adams moved that EPIC proceeds to a vote of Chair and Vice Chair of the Commission and delay voting on the final Executive Committee member until that vote is taken.

Jeff Brock seconded the motion. The motion carried without dissent.

XI. EPIC Chair Nominations and Vote

Rodney Andrews stated that at this time we will now have nominations for EPIC Chair. Rodney noted that EPIC had two nominations for Chair: Jeff Brock and Ashli Watts. Rodney Andrews asked for nominations from the floor. No nominations from the floor were made.

Jeff Brock received 5 votes. Ashli Watts received 8 votes.

Rodney Andrews stated that this election requires a majority of the Board and that we do not have a majority. Keith Murt made a motion to vote again for EPIC Chair

XII. EPIC Chair Vote #2

Jeff Brock received 4 votes. Ashli Watts received 9 votes.

Ashli Watts was elected as Chair of the Energy Planning & Inventory Commission Board.

XIII. EPIC Vice Chair Nominations and Vote

Rodney Andrews stated that at this time we will now have nominations for EPIC Vice Chair. Rodney noted that EPIC had one nomination for Vice Chair: Caryl Pfeiffer. Rodney Andrews asked for nominations from the floor. Nat Adams nominated Jeff Brock. The nomination was seconded by Todd Case. Matt Partymiller nominated Wes Cate.

Jeff Brock received 8 votes. Caryl Pfeiffer received 2 votes. Wes Cate received 3 votes.

Rodney Andrews stated we are required to have a majority of the Board vote for this candidate.

Caryl Pfeiffer stated she would be happy to change her vote to Jeff Brock.

Jeff Brock was elected as Vice Chair of the Energy Planning & Inventory Commission Board.

XIV. Executive Committee Vote #6

EPIC members were asked to vote for one individual for the Executive Committee.

Jeff Brock received 5 votes. Wes Cate received 8 votes.

Nat Adams moved for adjournment. Jeff Brock seconded that motion.

XV. Vote to Adjourn EPIC meeting

Four individuals voted in favor of adjourning the meeting. Nine voted to not adjourn. The meeting remains open.

XVI. Executive Committee Vote #7

EPIC members were asked to vote for one individual for the Executive Committee.

Jeff Brock received 5 votes. Wes Cate received 8 votes.

XVII. Move into Closed Session

Todd Case made the following motion: Pursuant to KRS 61.810(1)(f) and in accordance with KRS 61.815, I move that the Commission Board go into Closed Session for discussion of the potential appointment of individual members to the Chair, Vice Chair, and Executive Committee position.

Motion seconded by Nat Adams. The motion carried without dissent.

Rodney Andrews stated that at this time, EPIC will go into Closed Session. To clarify, no final action will be taken nor will any group consensus be made during closed session. Any appointments or votes will be made in open session following the discussion.

XVIII. Return to Open Session and Vote on Majority of Those Appointed to EPIC

Brian Weisker made a motion to vote on the final Executive Committee position based on the majority of those that have been appointed to EPIC, rather than a majority of the commission. Matt Partymiller seconded the motion.

Nat Adams made a note of parliamentary procedure. Nat Adams stated his objection to this vote due to EPIC not currently having bylaws as well as a member that has yet to be appointed.

Rodney Andrews read the motion to be voted upon: The motion is to proceed with a vote of a majority of the members of the Commission board that have been appointed.

Ten people voted in favor of the motion. Four individuals voted against the motion.

The motion passed.

XIX. Executive Committee Vote #8

EPIC members were asked to vote for one individual for the Executive Committee.

Jeff Brock received 6 votes. Wes Cate received 8 votes.

Wes Cate was elected as to the Executive Committee.

XX. Adjournment

Nat Adams made a motion to adjourn the meeting and the motion was seconded by Keith Murt; the motion carried without dissent.

Energy Planning and Inventory Commission
Bylaw Work Session
October 22, 2025, 11:30AM EST

Members Present:

Chair Ashli Watts
Rodney Andrews
Jeff Brock
Wes Cate
Eston Glover
Talina Matthews
Caryl Pfeiffer
Todd Case
Senator Stephen West (virtually)
Representative Susan Miles (virtually)

Note: A quorum was not present. This was an informal work session, and no official business was conducted.

Executive Director Eric King presented the draft bylaws and walked through each article. Members discussed various sections and provided feedback on language, structure, and procedural details. King took notes on suggested changes for incorporation into a revised draft.

No motions were made and no votes taken.

The work session concluded at 1:00PM

EXECUTIVE COMMITTEE MEETING

Energy Planning and Inventory Commission
Executive Committee Meeting
October 22. 2025 1:00 PM

Chair Ashli Watts called the meeting to order at 1:01PM.

Members Present:
Ashli Watts
Eston Glover
Ed Holmes
Wes Cate
Rodney Andrews

All members of the Executive Committee were present.

Adoption of Bylaws

Executive Director King presented the revised bylaws incorporating feedback from the work session.

Eston Glover moved to adopt the bylaws as amended, provided the Executive Director makes the necessary changes reflecting the edits discussed. Wes Cate seconded. Motion passed.

Independent Legal Counsel

The Committee discussed the need for EPIC to retain independent legal counsel.

Eston Glover moved to direct the Executive Director to explore the procurement process at UK that would allow EPIC to retain its own counsel. Ed Holmes seconded. Motion passed with Rodney Andrews abstaining.

Next Executive Committee Meeting

Chair Watts announced the next Executive Committee meeting will be November 6, 2025, at 9:00AM EST to discuss the workplan and budget for EPIC.

Adjournment

There being no other business, Rodney Andrews moved to adjourn. Wes Cate seconded. Motion carried and the meeting adjourned at 1:45PM.

MEETING WITH PUBLIC SERVICE COMMISSION
Energy Planning and Inventory Commission
Board Meeting with the PSC
October 22, 2025 2PM

EPIC Members Present:
Ashli Watts
Rodney Andrews
Jeff Brock
Wes Cate
Eston Glover
Talina Matthews
Caryl Pfeiffer
Matthew Partymiller
Todd Case
Mark Gooch

A quorum was present.

The meeting was held at the Public Service Commission offices. PSC Chair Angie Hatton welcomed EPIC members and introduced her colleagues on the Commission and PSC staff.

Members from both commissions discussed opportunities for coordination and information sharing going forward. This was an introductory meeting to establish working relationships.

No action was taken.

The meeting concluded at 4:30PM

Submitted by:
Eric King, Executive Director

Meeting of the Energy Planning & Inventory Commission
November 11, 2024

The inaugural meeting Energy Planning & Inventory Commission (EPIC) was held virtually via Zoom on Monday, November 11, 2024.

I. Call to Order

Rodney Andrews, EPIC Executive Committee member and Director of the University of Kentucky Center for Applied Energy Research, called the meeting to order.

II. Attendance

The following members of EPIC were present: Rodney Andrews, Todd Case, Keith Murt, Talina Matthews, Mark Gooch, Eston Glover, Caryl Pfeiffer, Jeffrey Brock, John Crockett, Ed Holmes, Wes Cate, Ashli Watts, Rebecca Goodman, Brian Weisker, and Suzanne Miles.

III. Review of Commission Structure

Rodney Andrews provided a review of the overall Commission function, structure, and budgetary status.

IV. Selection of EPIC Chair, Vice-Chair, Executive Committee Members

Rodney Andrews mentioned the need to select an EPIC Chair, Vice Chair, and two members of the Executive Committee. Dr. Andrews reminds members of the Commission of the language in the statute that states the following: “Other than being a customer of retail electric service, no member of the executive committee shall have any current employment, contractual, or other direct financial relationship with any utility at the time of their appointment or during their service on the executive committee.”

Wes Cate asked a question about whether his selling commodities to utilities would preclude him from serving on the Executive Committee.

Several EPIC members discuss the composition of the Executive Committee and overall Commission leadership. There were numerous questions about the role and responsibilities of the Executive Committee members as well as the Chair and Vice Chair of the Commission.

Rebecca Goodman suggested tabling the nominations for Executive Committee until EPIC ascertains some legal clarification about who can serve. Mark Gooch seconded the motion. There was no opposition.

Suzanne Miles asked whether we should ask legal counsel input from the Kentucky House of Representatives and Kentucky Senate.

Todd Case suggested tabling the Chair and Vice Chair nominations until after talking with legal counsel until we receive that legal clarification. Mark Gooch seconded the motion. There was no opposition.

V. Meeting Frequency

Rodney Andrews stated that his office would be reaching out about a 2025 meeting schedule. EPIC is supposed to meet quarterly. The schedule will be resolved by the next meeting.

Rebecca Goodman suggested sending out a regular schedule to EPIC members ahead of time. Dr. Andrews stated that this will be the plan.

Ed Holmes asked if EPIC would meet virtually. Dr. Andrews said meetings can be either in-person or virtual or a mixture thereof.

VI. Discussion of Draft Bylaws

Rodney Andrews stated that this is charge of the Executive Committee. Dr. Andrews asked that if any EPIC member has bylaws that they find effective to please share with him.

Jeff Noel volunteered to allow legal counsel from the Kentucky Cabinet for Economic Development to help draft bylaws for EPIC.

VII. Executive Director Job Summary

Rodney Andrews stated that EPIC is empowered to hire an Executive Director for the Commission. They will be a UK employee and will report to the EPIC Board. Dr. Andrews stated he sent a draft of the job summary to EPIC and is seeking comments over the next two weeks. Dr. Andrews emphasized this is a job summary and not a complete job description.

Ashli Watts asked if this was intended to be a full-time position. Dr. Andrews stated that his belief is that this would be a full-time job.

Jeff Brock asked about education and qualifications as well as salary range. Dr. Andrews asked EPIC members to send in suggestions on education and qualifications. He said he would work with UK Human Resources, the EPIC Board, and EPIC Executive Committee on salary range.

VIII. Plan to Address the Energy Complex Assessment Report Requirement

Rodney Andrews noted that the legislation charged EPIC with developing an Energy Complex Assessment. He mentioned that since it took a while for appointments to EPIC, he suggested developing an Energy Complex Assessment Work Plan.

Rebecca Goodman asked if EPIC would like to use Kentucky Energy Profile Report. Dr. Andrews said he would certainly like to use that.

Rebecca Goodman proposes we develop an Energy Complex Assessment Work Plan. I also propose we use the Energy Security Plan. Caryl Pfeiffer seconded that motion. There was no opposition.

IX. Other Business

Talina Matthews made a motion to adjourn the meeting.