STATE OF NEBRASKA NEBRASKA POWER REVIEW BOARD

Received State of Nebraska Power Review Board Filed at <u>+00 pm</u> This <u>20</u> day of <u>Juny</u> 20<u>32</u> By: <u>Proceed</u> Honeyron Title: <u>Russness</u> Wolconer

11257

TERRY BUNDY GENERATING STATION EXPANSION) Application No.: PRB- <u>405</u> (~)
LINCOLN ELECTRIC SYSTEM, CITY OF	 APPLICATION FOR AUTHORITY TO CONSTRUCT ELECTRIC
LINCOLN, NEBRASKA 9445 ROKEBY ROAD) GENERATION FACILITIES AND) RELATED FACILITIES
LINCOLN, NE 68526)
)

Lincoln Electric System, City of Lincoln, Nebraska ("LES"), hereinafter referred to as the "Applicant", applies to the Nebraska Power Review Board for an order authorizing it to construct electric generation facilities and/or related facilities in Lancaster County, Nebraska, as hereinafter set forth below:

(1) Description of Proposed Electric Generation Facility:

- A. Size of Unit: <u>52 MW individually and 104 MW combined</u>
- B. Location of alternate locations: <u>N/A</u>
- C. Type of unit or alternate types: <u>Two Aeroderivate Dual Fuel (Natural Gas and Fuel</u> <u>Oil) Combustion Turbines</u>
- D. If nuclear, type of reactor: N/A
- E. Have engineering feasibility studies been completed in regard to this facility? <u>Yes</u> If so, has a copy of same been filed with the NPRB? <u>No</u>
- F. Has a consulting engineer for design and construction management been retained?
 <u>Applicant has contracted with HDR, Inc. for all engineering design services.</u>
 <u>Construction management activities will be coordinated by Applicant in-house.</u>

(2) Overall Project Schedule:

- A. Estimated completion date of all engineering studies: 5/2/2025
- B. Estimated date of commencement of construction: 7/1/2026
- C. Estimated date the facility will engage in commercial operation: 6/1/2029

(3) Total Estimated Cost:

A. Total cost of generation station: <u>\$165,000,000</u>

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- B. Total cost of substations and switch yards or any other related facilities, not including transmission lines: <u>\$15,000,000</u>
- C. Total estimated cost: \$180,000,000
- D. How is the proposed facility to be financed: <u>The facility will be primarily financed</u> <u>through the issuance of long-term, tax-exempt bonds.</u>

(4) Description of Facility and Related Facilities:

Applicant is seeking to expand its existing 169-MW Terry Bundy Generating Station ("TBGS") – located at 7707 Bluff Road, Lincoln, Nebraska – with the addition of two new aeroderivative, dual-fuel combustion turbines, each nominally rated at 52 MW. The primary fuel source for these units will be natural gas, but they will also be capable of operation on fuel oil. The TBGS currently consists of three such aeroderivative combustion turbines, two of which are capable of operating in conjunction with a steam turbine in a combined cycle configuration.

(5) The owners of electric generation facilities, electric transmission lines, and/or related facilities:

Lincoln Electric System, City of Lincoln, Nebraska 9445 Rokeby Road Lincoln, NE 68526

Organizations known to the applicant whom the applicant believes to be interested in this application are:

Applicant will defer to the Power Review Board in the determination of interested parties for this Application in accordance with Rule 012 of the Rules of Practice and Procedure Before the Nebraska Power Review Board.

- (6) Waivers and consents: None at the time of the filing of this application.
- (7) The proposed electric generation facilities and/or related facilities will serve the public convenience and necessity, and the applicant can most economically and feasibly supply the electric service resulting from the proposed construction or acquisition without unnecessary conflict and duplication.

See Exhibit A

(8) Applicant submits this application on the condition that the Lincoln City Council will grant approval to Applicant to construct the generation facilities described herein. Should the Lincoln City Council not approve the construction of the generation facilities described herein, Applicant will seek to withdraw this application.

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LINCOLN ELECTRIC SYSTEM, CITY OF LINCOLN, NEBRASKA

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ATTORNEY FOR LES

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EXHIBIT A

STATEMENT OF PUBLIC CONVENIENCE, NECESSITY AND FEASIBILITY

Lincoln Electric System ("LES"), referred to herein as Applicant, states that the proposed electric generation facilities will serve the public convenience and necessity, and that the Applicant can most economically and feasibly supply the electric service resulting from the proposed construction without unnecessary conflict or duplication.

In August 2024, the Southwest Power Pool ("SPP") approved the last pieces of a suite of new resource adequacy rules designed to help ensure system reliability across the SPP footprint. These rules greatly accelerate the Applicant's need for additional capacity to maintain compliance with SPP's associated reserve margin requirements, thus demonstrating the public convenience and necessity of the proposed resource additions.

The Applicant evaluated all options feasibly capable of meeting its near-term generating resource need, including wind, solar, battery storage and various natural gas resources, ultimately finding the proposed addition of two aeroderivative natural gas combustion turbines at the Applicant's existing Terry Bundy Generating Station to be the most economical solution. In part, this is due to leveraging existing infrastructure installed during the original construction of the Terry Bundy Generating Station – fuel, water and electrical support systems, plus switchyard and transmission facilities – that was specifically designed to support these two unit additions.

Finally, the project comes without unnecessary conflict or duplication, as it is located within the Applicant's service territory and is singularly designed to meet the Applicant's pending near-term resource adequacy needs.