

SOLAR

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according to Michelle Hixon, Director of Administrative Services and Communications for KYMEA. “ECI can be brought to full capacity within minutes of startup to compensate for the drop in Ashwood.”

KYMEA will buy 100% of the electricity produced by the project, which will provide electricity to 15,000 households. RWE Chief Development Officer Hanson Wood said RWE is thrilled to be moving forward, as this project has been in development for quite some time. Wood said the solar farm will

be greatly beneficial for years to come.

“In terms of benefits, I think first of all, it is low-cost energy to the community,” Wood said. “It is also providing grid resiliency at a time where being energy independent is just really important. For the local community, there were 250 jobs created during the construction cycle. There are \$6 million in property tax benefits that go into the state. And, harder to quantify, but the entire investment, \$141 million, the energy going out is going to be keeping the AC and lights on for folks.”

Some industry leaders have expressed concerns regarding the Trump administra-

tion’s position on the renewable energy sector. Wood has said that, while it is hard to predict if there will be a change in long-term federal policy, since the first Trump presidency and during the Biden presidency, he has seen a desire for more domestic manufacturing.

“If you were to map out where a lot of the new solar or battery plants are coming, they’re coming, actually, to the heartland of America — a lot of red states, which is really exciting,” Wood said. “It is hard to predict what the future will be, but I think there are two things that give me a lot of optimism: We know that this is going to be the decade of record

energy growth, and we need immediate sources of energy to be able to come online.”

For those skeptical of renewable energy, Wood said it does not have to be necessarily viewed as a “green thing” for it to be exciting. He said he likes to refer to renew-

able energy as “rural economic development.”

“It’s helping keep jobs in rural America. It’s helping investment in rural America, and it’s also aligned with a lot of other industries like data centers,” Wood said. “So, it is creating that infrastructure and that eco-

nom ic ecosystem that helps to keep families, you know, receiving the benefits of the energy products that we have here — everything from the farmers to the property taxes to the jobs.

- M G McKinley contributed to this report.

RIVERS

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ratepayers are residences and businesses.

It’s unclear why a discount that’s been in place for several years has drawn the attention of the Public Service Commission (PSC) in recent months, but the scrutiny has spurred Big Rivers’ leaders and the three electricity distribution cooperatives that the utility supplies to warn the PSC against trying to change the contract.

Gulley used the term “nuclear option” to describe the possibility that the PSC would order Big Rivers to refund to ratepayers the millions of dollars in fuel costs they covered for the steel mill.

Gulley said such a decision could force the nonprofit utility to seek an emergency rate increase and impact the utility’s ability to meet its loan obligations.

He said an emergency rate case “would be highly detrimental” and could have a significant “negative impact” on the utility’s credit rating and future costs to take out loans.

It’s also not clear if ratepayers knew about the arrangement between Big Rivers and Nucor that had them covering a significant portion of the steel mill’s electricity costs. In a response to questions from the Lantern including if ratepayers were aware of the arrangement, a Big Rivers spokesperson said the utility couldn’t share much about the ongoing case.

“We are very supportive of the unique Nucor development, which has provided numerous benefits to Big Rivers and its Member-Owners, as well as to the region and state,” Gulley said in a statement provided through the spokesperson.

QUESTIONS OVER FUEL COSTS

The contract between Big Rivers and the Nucor steel mill in Brandenburg became a point of contention in recent months as the commission reviewed Big Rivers’ fuel adjustment clause, a provision that allows utilities to automatically pass through to ratepayers the changing costs of fuel, typically coal or natural gas in Kentucky.

The PSC regularly reviews utilities’ use of the fuel adjustment clause to make sure only reasonable costs are being passed on to ratepayers. The PSC



Liam Niemeyer | Kentucky Lantern

Nucor’s steel mill in Meade County manufactures plates that go into the foundations of wind energy towers and other infrastructure and equipment.

can order a refund to ratepayers if it determines a utility has overcharged for fuel.

Big Rivers’ contract with Nucor exempted the industrial operation from paying its share of the variable fuel costs through the fuel adjustment clause. Those fuel adjustment clause costs were collected from other ratepayers instead, raising their fuel costs and utility bills.

Gulley, along with leaders of electricity distribution cooperatives Jackson Purchase Energy Cooperative, Meade County Rural Electric Cooperative Corporation and Ken-ergy Corp., argued to regulators the higher fuel charges for other ratepayers were well worth it because of the economic benefits that the Nucor steel mill in Brandenburg had provided.

The utility in a filing says the PSC approved the contract including what the utility says are provisions that the commission is now questioning — with Nucor in 2020 — even if the utility received no PSC guidance or directive specifically allowing it to exempt Nucor from paying for variable fuel costs.

The utility argued the provisions in the contract were “necessary” to land Nucor in Meade County.

“Undoubtedly, it has been a win,” Gulley said. “I’m not sure it was everything that was promised, but I also recognize that Nucor is an international company and operates on a global basis.”

This question of ratepayers covering the cost of a large industrial customer’s discount arises at a time when power-intensive data centers are looking to negotiate electricity deals with utilities.

“If utilities are going to be negotiating one-off special contracts with new large (electricity) loads, it certainly has the possibility of things like this being missed and socialized over to the bills of all the other ratepayers in Kentucky,” said Byron Gary, an attorney with the environmental legal group Kentucky Resources Council.

Gary, whose group intervenes in utility regulation cases before the PSC, wasn’t involved in the Big Rivers case focusing on Nucor’s contract but did review the filings in the case before the PSC.

But in an interview with the Lantern, Gary questioned whether the economic development arguments justify requiring other ratepayers to bear Nucor’s variable fuel costs, though he declined to offer an opinion on whether the arrangement was appropriate.

He also said the arrangement between Nucor and Big Rivers could potentially violate PSC precedent that requires companies subject to economic development electricity agreements to cover variable costs.


Nucor contract has helped stabilize Big Rivers’ finances

Big Rivers has asked the PSC, which traditionally speaks through its written orders, for a decision. The utility also has suggested options the PSC could take that would allow the utility to maintain its arrangement, including offering ratepayers a report on the costs of fuel costs for the Nucor steel mill.

During the June 4 hearing, Gulley said having Nucor as a customer has strengthened the utility’s recently shaky financial position. Big Rivers had to raise rates after aluminum smelters stopped purchasing power from the utility. Consumer advocates have previously raised concerns about significant increases in utility bills and electricity costs for Big Rivers’ ratepayers in the past 15 years.

“I have worked to change the focus at Big Rivers to serve our members and to be member focused. I’ve made great progress in the last 18 months,” said Gulley, who was hired as the utility’s president and CEO in 2023. “This is a pivotal moment for us, and we’ll chart the course for the next three to five years.”

Kentucky Lantern is a nonprofit news site covering state government and politics.



LEGAL NOTICE

ORDINANCE #2025-01
AN ORDINANCE ADOPTING THE CITY OF PROVIDENCE, KENTUCKY, ANNUAL BUDGET FOR THE FISCAL YEAR 07/01/25 THROUGH 06/30/26

WHEREAS, annual budget proposal has been prepared and delivered to the City Council; and **WHEREAS**, the City Council has received such budget proposal and made necessary modifications, **NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF PROVIDENCE** that an annual budget total of \$11,890,236.00 is hereby adopted, per line item, as follows:
FIRST READING: SPONSORED BY C.M. PALMER
SECOND READING:
APPROVED:
MOTION MADE BY:
SECOND BY:
VOTE:

Tom Glover, Mayor

Tiffany Conrad, City Clerk

ORDINANCE SUMMARY
ORDINANCE NO. 2025-01
CITY OF PROVIDENCE, KENTUCKY
FISCAL YEAR ANNUAL BUDGET
07/01/25 THROUGH 06/30/26

Account	Estimated Revenue	Estimated Expenditures
Special Revenue	\$3,666,490.00	\$3,666,490.00
Utility Fund	\$5,113,337.00	\$5,113,337.00
General Fund	\$2,977,121.00	\$2,977,121.00
PG&RC	\$133,288.00	\$133,288.00
Grand Total	\$11,890,236.00	\$11,890,236.00

A complete copy of the itemized budget is available without charge at the office of the City Clerk, City Hall, Providence, KY.
Prepared and certified by Bobby D. Murray, Attorney

SPECIAL REVENUE ACCOUNT 2025-2026

ESTIMATED REVENUE		ESTIMATED EXPENDITURES	
LGEA: Coal Severance	\$10,355	Big Hill Cemetery Maintenance	\$7,800
LGEA: Mineral Severance	\$6,333	Community Center Maintenance	\$3,600
Big Hill Cemetery Interest	\$124	Lakeview Cemetery Maintenance	\$9,989
Community Center Interest	\$58	Street Maintenance - Road Aid	\$73,101
Community Center Rentals	\$2,600	Collection and distribution project	\$1,379,000
Lakeview Cemetery Interest	\$119	Wastewater Treatment Project	\$2,193,000
Municipal Road Aid	\$73,101		
Lakeview cemetery plots	\$1,200		
Big Hill Cemetery Plots	\$600		
Collection and distribution project	\$1,379,000		
Wastewater Treatment Project	\$2,193,000		
TOTAL ESTIMATED REVENUE	\$3,666,490	TOTAL ESTIMATED EXPENDITURES	\$3,666,490

Estimated Expenditures General Fund 2025-2026

Expenses	PMG&RC	Admin	Code	Enf./Zoning	EMS	Fire	Police	Sanitation	Street	Park/Cem	Alcohol	Total
Salaries	\$75,350	\$34,800		\$19,968	\$450,000	\$300,000	\$336,000	\$53,000	\$137,200	\$28,000	\$7,200	\$1,441,518
FICA	\$5,765	\$2,700		\$1,530	\$35,160	\$23,600	\$25,705	\$4,100	\$10,700	\$2,200	\$600	\$112,060
Unemployment Tax	\$140	\$70		\$60	\$1,000	\$750	\$850	\$300	\$450	\$100	\$30	\$3,750
Employees Benefits	\$0	\$0		\$0	\$9,600	\$7,200	\$0	\$0	\$2,400	\$0	\$0	\$19,200
Health Insurance	\$13,980	\$0		\$0	\$52,030	\$22,708	\$5,230	\$7,766	\$15,500	\$7,750		\$124,964
Retirement Employer	\$9,310	\$2,100		\$3,720	\$85,580	\$57,300	\$63,100	\$9,870	\$26,000	\$5,300	\$1,350	\$263,630
Advertising	\$300	\$0		\$750	\$1,000	\$1,000	\$500	\$200	\$200	\$200	\$0	\$4,150
Bank Service Charge	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$10,000		\$0	\$200,000	\$37,000	\$1,000	\$20,000	\$25,000	\$15,000	\$47,085	\$355,085
Chemicals	\$0	\$0		\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$500
Cleaning Supplies	\$0	\$0		\$0	\$800	\$500	\$1,500	\$0	\$0	\$0	\$0	\$2,800
Detention CTR (Trustee)	\$0	\$0		\$0	\$0	\$0	\$0	\$3,000	\$3,000	\$2,000	\$0	\$8,000
Discount & Release Taxes	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dues/Subscriptions/Permits	\$300	\$2,000		\$0	\$17,238	\$0	\$1,500	\$1,500	\$0	\$0	\$40	\$22,578
Fire Prevention	\$0	\$0		\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$500
Fuel/Oil	\$0	\$4,500		\$0	\$7,000	\$6,500	\$10,000	\$15,000	\$10,000	\$8,500	\$0	\$61,500
Incentive Pay	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance/Liability	\$17,082	\$0		\$0	\$16,380	\$16,380	\$17,082	\$17,082	\$17,082	\$17,082	\$0	\$118,170
Insurance/Life	\$0	\$0		\$0	\$187	\$186	\$186	\$186	\$186	\$0	\$0	\$931
Interest/Note Payment	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Landfill Charges	\$0	\$0		\$0	\$0	\$0	\$0	\$40,000	\$0	\$0	\$0	\$40,000
Laundry & Cleaning	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance/Repairs	\$0	\$20,000		\$0	\$15,000	\$9,000	\$5,000	\$20,000	\$35,000	\$15,000	\$0	\$119,000
Medical Supplies	\$0	\$0		\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
Miscellaneous	\$0	\$0		\$0	\$250	\$1,000	\$1,500	\$0	\$0	\$0	\$0	\$2,750
Office Supplies	\$1,000	\$5,000		\$1,000	\$500	\$500	\$2,000	\$0	\$0	\$0	\$250	\$10,250
Other Supplies	\$0	\$15,000		\$0	\$750	\$5,000	\$5,000	\$2,500	\$3,000	\$1,100	\$0	\$32,350
PIOLT to WC	\$0	\$4,010		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,010
Postage/Shipping	\$200	\$200		\$200	\$250	\$250	\$400	\$0	\$0	\$0	\$100	\$1,600
Physical/Drug Testing	\$400	\$500		\$0	\$800	\$500	\$500	\$500	\$500	\$200	\$0	\$3,900
Professional Fees	\$75	\$95,000		\$0	\$25,000	\$1,500	\$1,000	\$0	\$0	\$0	\$0	\$122,575
Rent/Lease	\$0	\$0		\$0	\$300	\$300	\$0	\$0	\$0	\$0	\$0	\$300
Telephone	\$1,500	\$3,000		\$0	\$3,000	\$3,000	\$6,000	\$0	\$0	\$0	\$9,600	\$26,100
Testing/Calibration	\$0	\$0		\$0	\$1,000	\$750	\$0	\$0	\$0	\$0	\$0	\$1,750
Training/Travel	\$1,000	\$1,000		\$0	\$2,000	\$3,500	\$3,000	\$1,000	\$1,000	\$0	\$0	\$12,500
Transfer to Other Funds	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Utility Fund	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Workman's Compensation	\$0	\$0		\$0	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$0	\$12,600
Uniforms/Clothing Allowance	\$0	\$0		\$0	\$2,100	\$5,000	\$5,000	\$1,000	\$4,000	\$1,000	\$0	\$18,100
Total	\$126,402	\$199,880		\$27,228	\$958,725	\$506,524	\$494,153	\$199,104	\$293,318	\$105,532	\$66,255	\$2,977,121

Estimated Expenditures Utility Side 2025-2026

Expenses	Admin-Off	Admin-Shop	Electric	Gas	Sewer Trt	Water Trt	Sewer Dist	Water Dist	Total
Salaries	\$171,219	\$89,200	\$199,712	\$80,000	\$45,500	\$148,100	\$80,000	\$130,000	\$943,731
FICA	\$14,131	\$6,825	\$15,280	\$6,200	\$3,500	\$11,400	\$6,200	\$9,950	\$73,486
Unemployment Tax	\$550	\$300	\$600	\$250	\$150	\$480	\$250	\$400	\$2,980
Employees Benefits	\$13,432	\$0	\$2,400	\$0	\$2,400	\$2,400	\$2,400	\$25,432	\$25,432
Health Insurance	\$22,520	\$7,325	\$28,570	\$28,570	\$14,652	\$14,652	\$14,652	\$14,652	\$145,593
Retirement Employer	\$34,550	\$16,650	\$37,500	\$14,900	\$8,950	\$28,100	\$14,900	\$24,700	\$180,250
Contract Labor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Advertising	\$600	\$0	\$100	\$500	\$0	\$1,000	\$0	\$100	\$2,300
Bank Service Charge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$4,100	\$20,000	\$100,000	\$15,000	\$50,000	\$50,000	\$10,000	\$40,000	\$289,100
Chemicals	\$0	\$0	\$0	\$0	\$52,000	\$165,100	\$9,750	\$1,000	\$227,850
Dues/Subscriptions/Permits	\$2,500	\$0	\$500	\$2,500	\$0	\$1,500	\$5,000	\$5,000	\$17,000
Fuel/Oil	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,400	\$70,400
Insurance/Liability	\$17,082	\$17,082	\$17,082	\$17,082	\$17,082	\$17,082	\$17,082	\$17,082	\$136,656
Insurance/Life	\$186	\$186	\$186	\$186	\$186	\$186	\$186	\$186	\$1,488
Maintenance/Repairs	\$3,200	\$20,000	\$50,000	\$11,000	\$30,000	\$30,000	\$20,000	\$30,000	\$194,200
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Supplies	\$7,000	\$3,000	\$500	\$500	\$0	\$0	\$0	\$0	\$11,000
Other Supplies	\$8,000	\$15,000	\$50,000	\$15,000	\$20,000	\$70,000	\$500	\$10,000	\$188,500
Payment of Borrowed Monies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Postage/Shipping	\$7,700	\$500	\$600	\$1,000	\$0	\$1,000	\$0	\$0	\$10,800
Physical/Drug Testing	\$400	\$500	\$500	\$200	\$200	\$500	\$400	\$400	\$3,100
Professional Fees	\$18,000	\$0	\$30,000	\$25,000	\$50,000	\$50,000	\$65,000	\$2,500	\$240,500
Purchased Electric/Gas	\$0	\$0	\$1,996,000	\$289,000	\$0	\$0	\$0	\$0	\$2,285,000
Rent/Lease	\$4,000	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$9,000
Retirement Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Security Bond	\$3,040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,040
Telephone	\$1,300	\$1,200	\$0	\$0	\$1,250	\$1,250	\$0	\$0	\$5,000
Testing/Calibration/Analysis	\$0	\$0	\$0	\$0	\$0	\$3,000	\$0	\$0	\$3,000
Training/Travel	\$500	\$1,000	\$1,200	\$4,000	\$1,500	\$2,500	\$500	\$500	\$11,700
Uniforms/Clothing Allowance	\$1,600	\$2,000	\$3,000	\$1,800	\$1,000	\$3,000	\$1,000	\$2,000	\$15,400
Workmen's Compensation	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$16,800
Total	\$337,710	\$212,868	\$2,545,830	\$524,788	\$310,476	\$618,350	\$259,920	\$303,370	\$5,113,306

ESTIMATED REVENUE 2025-2026

UTILITY FUND:		
Cut-on & Tap Fees	\$25,000	
Electrical Sales	\$3,086,572	
Gas Sales	\$664,475	
Interest Earned	\$3,105	
Prior Coal & Mineral Serv cary over	\$23,800	
Recovery of Bad Debts	\$9,000	
Reimbursement Others	\$20,050	
Service Charges	\$33,265	
Sewer Revenue	\$613,250	
Water Sales	\$595,817	
Water/Sewer Fee	\$39,003	
TOTAL ESTIMATED REVENUE	\$5,113,337	

ESTIMATED REVENUE 2025-2026</