

BONIN GENERATION REDEVELOPMENT

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LUS Director

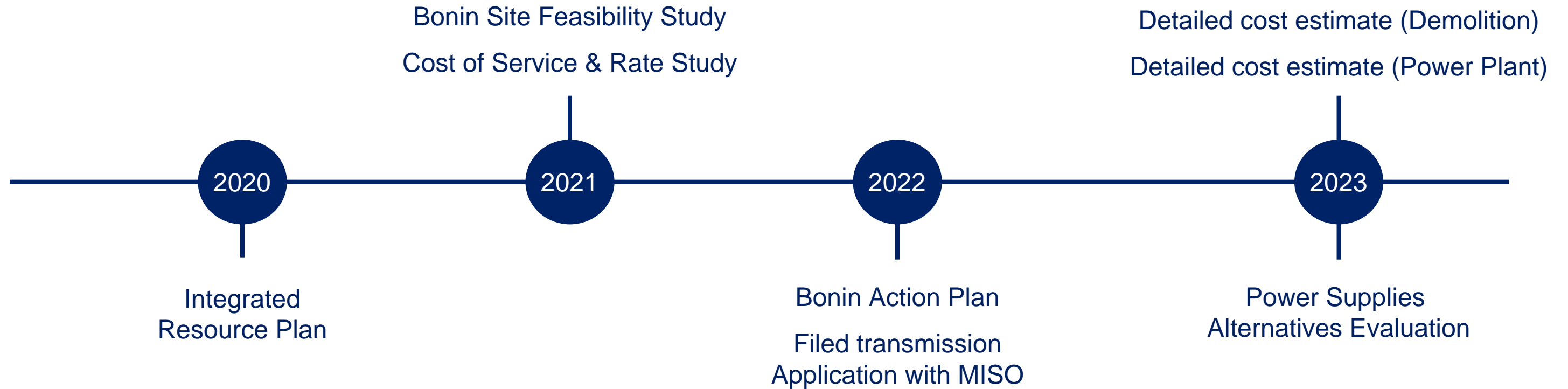


July 24 & 26, 2023

BACKGROUND

How did we get here?

We have done our due diligence...



Evaluations have concluded redevelopment of Bonin is the best option.



LUS POWER SUPPLY PATH FORWARD

1. Working with co-owners to retire RPS2 in 2027 timeframe
2. Currently negotiating solar power purchase agreement
3. Redevelop the Bonin facility with a new, natural gas-fired power plant
 - a. What is the Bonin SCGT redevelopment project?
 - i. Existing boilers would be demolished and new power plant rebuilt
 - ii. The new simple cycle power plant using natural gas for fuel
 - iii. The site would include a new administrative building, warehouse, and maintenance shop
 - iv. ~220 to 240 MW (for reference, RPS2 is ~250MW)
 - v. Starts operating in Spring 2028



WHY IS THIS THE BEST PROJECT FOR LAFAYETTE?

Reliability

- Provides reliable capacity to LUS and its customers
- Provides a backup source of electricity when renewables are not able to produce (i.e. allows the overall electric system to incorporate more renewables over time)
- Local power plant supporting the community

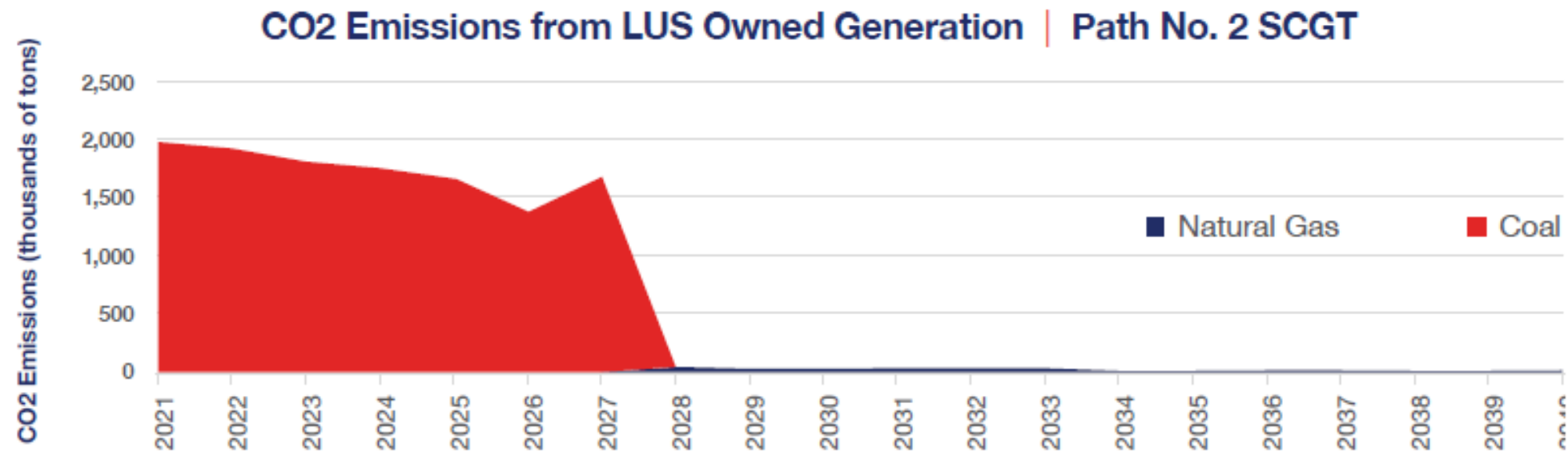
Cost-effective

- Lowest cost option available to LUS and its customers

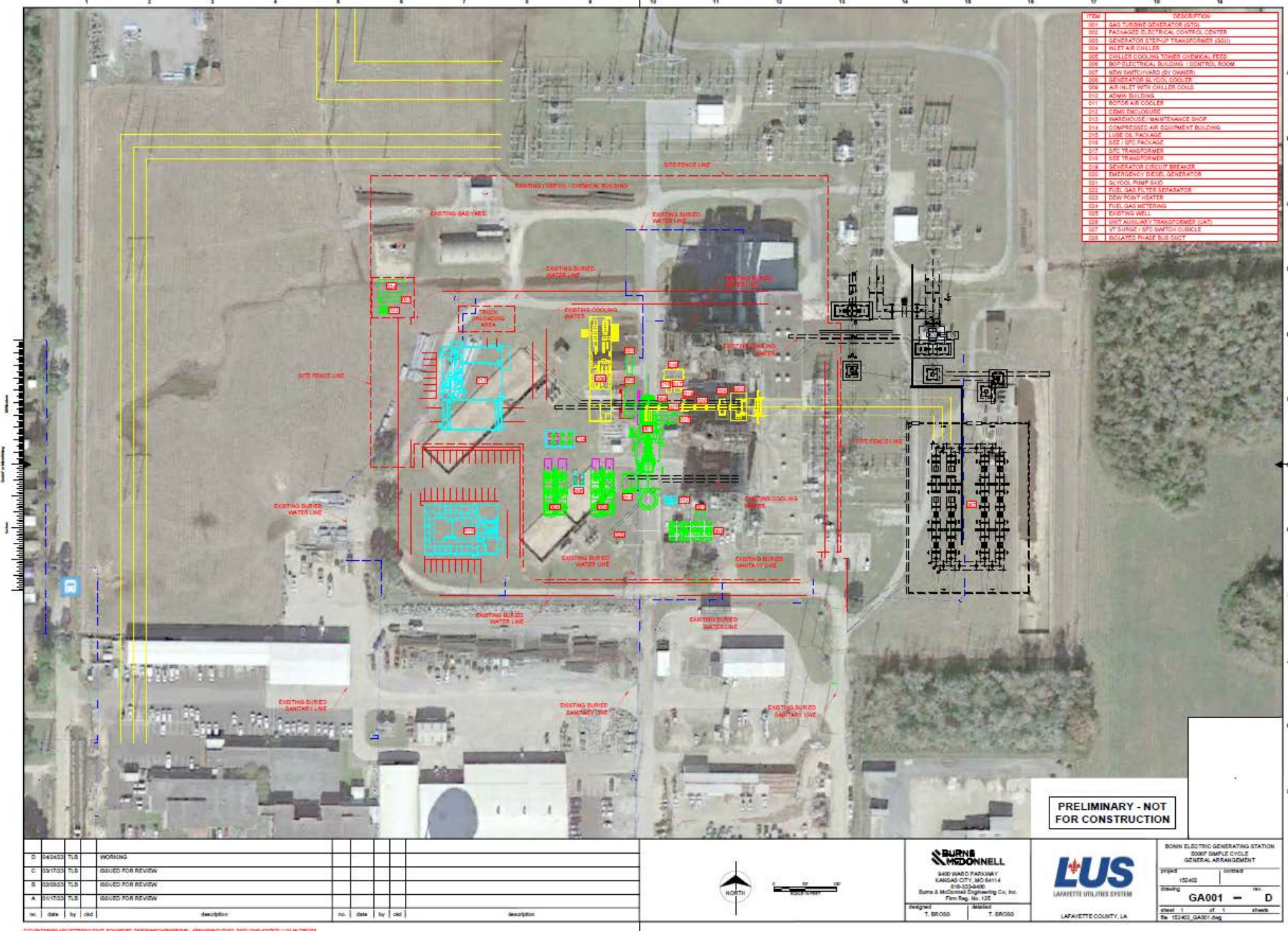
WHY IS THIS THE BEST PROJECT FOR LAFAYETTE?

Environmentally friendly

- Reduces CO2 generated by LUS by transitioning away from coal



NEW SITE LAYOUT



no.	date	by	chk	description	no.	date	by	chk	description
D	04/24/22	TLS		WORKING					
C	03/17/22	TLS		ISSUED FOR REVIEW					
B	03/03/22	TLS		ISSUED FOR REVIEW					
A	01/17/22	TLS		ISSUED FOR REVIEW					




PRELIMINARY - NOT FOR CONSTRUCTION



3400 WARD PARKWAY
KANSAS CITY, MO 64114
913-233-9400
Burns & McDonnell Engineering Co., Inc.
Flm Reg. No. 125

designed: T. BROGG
checked: T. BROGG



LAFAYETTE UTILITIES SYSTEM
LAFAYETTE COUNTY, LA

BONN ELECTRIC GENERATING STATION
5000T SIMPLE CYCLE
GENERAL ARRANGEMENT

Project: 152402 Sheets: 000000

Drawing: **GA001** - D

Sheet: 1 of 1 Date: 152402_GA001.dwg



EXISTING SITE RENDERING



NEW SITE RENDERING



HEBERT RD



WILLOW ST





MONARCH DR



TOTAL COSTS AND IMPACTS TO RATES

- Recent studies estimated the cost of demolition and new power plant
- MISO interconnection studies will determine costs for transmission (first cost estimate expected in July from MISO)
- Existing LUS debt matures in 2029, new debt for power plant will likely require a modest rate increase, but utility financial forecast is robust
- This project is the lowest power supply alternative for LUS and its customers

Category	Cost (\$ Millions)
Demolition	\$ 12
New Power Plant	\$ 255
MISO Transmission Costs*	\$ 50
Financing Fees / Interest	\$ 33
Total	\$ 350

* Preliminary Allowance – MISO study results will determine costs

ADDITIONAL INFORMATION

Additional information about this project can be found on LUS's website at <https://www.lus.org/bonin-redevelopment>



THANK YOU

