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January 23, 2013

**HAND DELIVERED**

Jeff R. Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

R Benjamin Crittenden  
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Re: Case No. 2012-00224

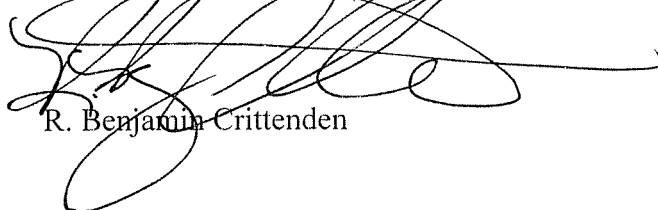
Dear Mr. Derouen:

Please find enclosed and accept for filing the original and ten copies of the direct testimony of Delinda K. Borden and Richard L. Howerton being filed by Kentucky Power Company.

Copies of the testimony are being served on counsel for Grayson along with a copy of this letter.

Very truly yours,

STITES & HARBISON, PLLC



R. Benjamin Crittenden

cc: W. Jeffrey Scott

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COMMISSION

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE**  
**PUBLIC SERVICE COMMISSION OF KENTUCKY**

**IN THE MATTER OF**

**PETITION AND COMPLAINT OF KENTUCKY POWER )  
COMPANY FOR A DECLARATION OF ITS )  
RIGHT PURSUANT TO KRS 278.018(1) TO SERVE )  
THOSE PORTIONS OF THE SAND GAP ESTATES ) CASE NO. 2012-00224  
GREENUP COUNTY, KENTUCKY LYING WITHIN )  
ITS CERTIFIED TERRITORY IN LIEU OF )  
GRAYSON RURAL ELECTRIC COOPERATIVE )  
CORPORATION )**

**DIRECT TESTIMONY OF**  
**DELINDA K. BORDEN AND RICHARD HOWERTON**  
**ON BEHALF OF KENTUCKY POWER COMPANY**

January 23, 2013



COMMONWEALTH OF KENTUCKY  
BEFORE THE  
PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF:

PETITION AND COMPLAINT OF KENTUCKY POWER )  
COMPANY FOR A DECLARATION OF ITS EXCLUSIVE )  
RIGHT PURSUANT TO KRS 278.018(1) TO SERVE )  
THOSE PORTIONS OF SAND GAP ESTATES IN GREENUP ) CASE NO. 2012-00224  
COUNTY, KENTUCKY LYING WITHIN ITS CERTIFIED )  
TERRITORY IN LIEU OF GRAYSON RURAL ELECTRIC )  
COOPERATIVE CORPORATION )

DIRECT TESTIMONY  
OF  
DELINDA K. BORDEN  
ON BEHALF OF  
KENTUCKY POWER COMPANY





**DIRECT TESTIMONY OF  
DELINDA K. BORDEN, ON BEHALF OF  
KENTUCKY POWER COMPANY**

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**INTRODUCTION**

1 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

2 **A.** My name is Delinda K. Borden. My position is Manager, Customer and  
3 Distribution Services , Kentucky Power Company (“Kentucky Power,” “KPCo”  
4 or “Company”). My business address is 12333 Kevin Avenue, Ashland,  
5 Kentucky 41102.

**BACKGROUND**

6 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**  
7 **BUSINESS EXPERIENCE.**

8 **A.** I received a Bachelor of Science degree in Electrical Engineering from Michigan  
9 Technical University in Houghton, Michigan in February of 1979. I joined  
10 Kentucky Power in December of 1979. I have worked as a Customer Services  
11 Engineer, Kentucky Region Business Services Supervisor, Economic  
12 Development Consultant, Paintsville Area supervisor, and Electrical engineer in  
13 the Company’s Engineering Department. Since 2006 I have served as Manager,  
14 Customer and Distribution Services in KPCO’s Ashland District.

15 **Q. WHAT ARE YOUR RESPONSIBILITIES AS MANAGER, CUSTOMER**  
16 **AND DISTRIBUTION SERVICES ?**

1 A. In my current position I oversee the various functions in distribution including  
2 Meter Revenue Operations, Customer Service, Distribution Line Construction and  
3 the Engineering Department. As such, I would be the first person to review all  
4 requests to have another utility provide service to a customer in KPCO's certified  
5 territory. Additionally, I have reviewed the applicable company records  
6 pertaining to the matters at issue in this proceeding and have discussed the  
7 relevant issues with current and former Kentucky Power employees who have  
8 knowledge of this issue.

9 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?**

10 A. Yes. I provided testimony in Case Number 2003-00228, *In the Matter of: Matrix*  
11 *Energy, LLC for Determination of Retail Electric Supplier.*

#### **PURPOSE OF TESTIMONY**

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
13 **PROCEEDING?**

14 A. My testimony addresses four issues. First, I provide a general description of the  
15 area at issue in this proceeding and the nearby locations where Kentucky Power  
16 provides service. Second, I address how the boundary was drawn between the  
17 certified territories of Kentucky Power and Grayson Rural Electric Cooperative  
18 Corporation ("Grayson RECC," "GRECC" or "Grayson") and where the  
19 residences at issue in this proceeding are located in relation to that boundary.  
20 Third, I describe the present controversy between Kentucky Power and Grayson  
21 RECC over service to the residences located at 414 Sand Gap Road, Argillite,

1 Kentucky (“Lot 14” or “Porter House”) and 397 Olivia Boulevard, Argillite,  
2 Kentucky (“Lot 25” or “Akers House”). Finally, I address the claims raised by  
3 Grayson RECC that Kentucky Power agreed to allow Grayson RECC to provide  
4 service to the residences.

**GENERAL DESCRIPTION OF THE AREA AT ISSUE**

5 **Q. PLEASE DESCRIBE GENERALLY FOR THE COMMISSION THE**  
6 **AREA AT ISSUE IN THIS PROCEEDING.**

7 A. The area in dispute is located in Greenup County, Kentucky and is roughly  
8 bounded by KY 67 (“Industrial Parkway”) on the east and an old mining road on  
9 the west. Prior to the beginning of construction of the Industrial Parkway in 2000,  
10 the disputed area was relatively undeveloped. Through the construction process  
11 in 2000, a “C”-shaped tract between the Industrial Parkway and the old mining  
12 road was delineated. Four residences have been constructed in or near the  
13 disputed area since 2005, including the residences at issue in this proceeding  
14 located at 414 Sand Gap Road and 397 Olivia Boulevard. This area has been  
15 subdivided, and it is anticipated that additional residences will be constructed in  
16 the future.

17 **Q. DOES KENTUCKY POWER HAVE DISTRIBUTION FACILITIES**  
18 **LOCATED IN OR NEAR THE AREA AT ISSUE IN THIS PROCEEDING?**

19 A. Yes. Maps showing the location of Kentucky Power’s distribution lines in the  
20 area were filed with the Commission in response to the Commission Staff’s First

1 Set of Data Request Item No. 8. These maps are also being filed as Exhibits to  
2 the testimony of Richard L. Howerton.

3 **Q. DOES KENTUCKY POWER PRESENTLY PROVIDE SERVICE TO ANY**  
4 **CUSTOMERS LOCATED IN OR NEAR THE AREA IN DISPUTE?**

5 **A.** Yes. Kentucky Power provides retail electric service to Sand Gap United Baptist  
6 Church, which is located approximately 1,807 feet north of 414 Sand Gap Road  
7 of the disputed territory. Kentucky Power has been providing service to Sand  
8 Gap United Baptist Church since March 27, 1990, according to billing records.

9 **Q. WOULD IT BE POSSIBLE FOR KENTUCKY POWER TO EXTEND ITS**  
10 **EXISTING FACILITIES TO PROVIDE SERVICE TO THE RESIDENCES**  
11 **LOCATED AT 414 SAND GAP ROAD AND 397 OLIVIA BOULEVARD?**

12 **A.** Yes. Kentucky Power has adequate and dependable existing distribution facilities  
13 in the vicinity that could be extended to provide reliable retail electric service to  
14 the residences located within its certified territory at 414 Sand Gap Road and 397  
15 Olivia Boulevard.

16 **Q. DO GRAYSON RECC FACILITIES INTERFERE WITH THE MOST**  
17 **EFFICIENT AND PREFERRED ROUTE FOR KENTUCKY POWER TO**  
18 **SERVE ITS CUSTOMERS IN THAT AREA, ESPECIALLY AS THIS**  
19 **AREA CONTINUES TO DEVELOP?**

20 **A.** Yes. Grayson RECC's distribution facilities in the area occupy certain of the  
21 rights of way, cross the roadway three times in serving two houses on the same  
22 side of the road, and interfere with Kentucky Power's ability to construct and

1 maintain its distribution facilities in an efficient, cost effective manner in its  
2 certified territory, for current as well as future customers.

3 **Q. IF THE COMMISSION DETERMINES THAT KENTUCKY POWER HAS**  
4 **THE EXCLUSIVE RIGHT TO PROVIDE RETAIL ELECTRIC SERVICE**  
5 **TO RESIDENCES LOCATED AT 414 SAND GAP ROAD AND 397**  
6 **OLIVIA BOULEVARD, WILL KENTUCKY POWER BE WILLING TO**  
7 **PURCHASE FACILITIES PRESENTLY UTILIZED BY GRAYSON RECC**  
8 **TO SERVE THE RESIDENCES?**

9 **A.** Yes, if a price can be mutually agreed upon for those facilities. Kentucky Power  
10 has approached Grayson RECC about the possibility of purchasing the  
11 distribution facilities currently in use and has inquired about the value of the  
12 facilities. To date, Grayson RECC has not indicated a willingness to sell the  
13 facilities. If Grayson RECC is unwilling to sell the facilities then a certain  
14 amount of duplication of electric facilities will result. However, this duplication  
15 will be the direct result of Grayson RECC placing facilities within Kentucky  
16 Power's certified territory in contravention of Kentucky's Certified Territory Law  
17 and then refusing to sell those facilities to Kentucky Power.

#### CERTIFIED TERRITORY

18 **Q. PLEASE DESCRIBE THE BOUNDARY BETWEEN THE CERTIFIED**  
19 **TERRITORIES OF KENTUCKY POWER AND GRAYSON RECC.**

20 **A.** I am not an attorney, but as a result of my position and work I am familiar with  
21 the manner in which service boundaries are established. The boundary between

1 the certified territories of Kentucky Power and Grayson RECC was drawn  
2 following the Kentucky General Assembly's enactment of Kentucky's Certified  
3 Territory Law in 1972. Retail electric suppliers were required to file with the  
4 Commission maps showing their existing distribution lines. Based upon those  
5 distribution lines, maps of the certified territories of each retail electric supplier  
6 were prepared. The boundary lines were drawn substantially equidistant between  
7 the existing distribution lines of adjoining retail electric suppliers. This process  
8 established the boundary between the certified territories of Kentucky Power and  
9 Grayson RECC.

10 **Q. DID KENTUCKY POWER AND GRAYSON RECC AGREE TO THE**  
11 **BOUNDARY DRAWN BY THE COMMISSION?**

12 **A.** Yes. Based on my review of the applicable boundary maps, it is clear that the  
13 boundary between the certified territories of Kentucky Power and Grayson RECC  
14 in this area was established on the USGS Argillite Quadrangle Map dated 1972  
15 (Photograph revised in 1978). This boundary map was signed by representatives  
16 of Grayson RECC on May 14, 1982 and representatives of Kentucky Power on  
17 May 21, 1982. This boundary has not been amended subsequently.

18 **Q. WHAT DOES THE BOUNDARY MAP ESTABLISHED BY THE**  
19 **COMMISSION AND AGREED TO BY KENTUCKY POWER AND**  
20 **GRAYSON RECC SHOW WITH RESPECT TO THE RESIDENCES AT**  
21 **ISSUE IN THIS PROCEEDING?**

22 **A.** Based on my review of the Boundary Map it appears that the residences located at  
23 414 Sand Gap Road and 397 Olivia Boulevard were within Kentucky Power's

1 certified territory. Kentucky Power retained the services of a surveyor, Richard L.  
2 Howerton, to offer an opinion about the location of the boundary in the area at  
3 issue. In testimony being filed with the Commission, Mr. Howerton concludes  
4 that the residences at issue are located in Kentucky Power's territory. Accordingly  
5 Kentucky Power should be entitled to provide retail electric service to these  
6 residences under the terms of Kentucky's Certified Territory Law.

### THE PRESENT CONTROVERSY

7 **Q. HOW DID KENTUCKY POWER DETERMINE THAT GRAYSON RECC**  
8 **IS PROVIDING RETAIL ELECTRIC SERVICE TO THE RESIDENCES**  
9 **AT ISSUE IN THIS PROCEEDING?**

10 **A.** Beginning in 2010, representatives of Kentucky Power noticed a residence was  
11 being built at 397 Olivia Boulevard. There was no evidence of electric service  
12 being provided to the residence at that time. Kentucky Power investigated service  
13 to the other three residences in the Sand Gap Estates area and discovered that  
14 Grayson RECC was providing retail electric service to all three of the residences.  
15 Kentucky Power never received an application for service for the 397 Olivia  
16 Boulevard residence, but soon after, Grayson RECC began providing retail  
17 electric service to the residence located at 397 Olivia Boulevard. The Company  
18 reviewed the Boundary Map and determined that two of the four residences in  
19 Sand Gap Estates are within Kentucky Power's certified territory, specifically 414  
20 Sand Gap Road and 397 Olivia Boulevard.

21 **Q. PLEASE DESCRIBE THE EFFORTS UNDERTAKEN BY KENTUCKY**  
22 **POWER TO RESOLVE THIS MATTER WITH GRAYSON RECC.**



1 A. On February 23, 2011, Kentucky Power first advised Grayson RECC that the  
2 residences located at 414 Sand Gap Road and 397 Olivia Boulevard are located  
3 within Kentucky Power's certified territory. Kentucky Power requested that the  
4 service to the residences be transferred to Kentucky Power. Despite subsequent  
5 communication between Kentucky Power and Grayson RECC, including a  
6 meeting on November 8, 2011 and letters from Kentucky Power to Grayson  
7 RECC dated October 11, 2011 and December 5, 2011, Grayson RECC continues  
8 to provide and charge for retail electric service to the two residences.

9 Q. HAS GRAYSON RECC ACKNOWLEDGED THAT THE TWO  
10 RESIDENCES AT ISSUE IN THIS PROCEEDING ARE LOCATED  
11 WITHIN KENTUCKY POWER'S CERTIFIED TERRITORY?

12 A. Yes, as I described previously, Grayson RECC signed the Commission's 1972  
13 Boundary Map, which shows that the territory at issue in this proceeding is  
14 located within Kentucky Power's certified territory.

**THE ALLEGED AGREEMENT**

15 Q. WITH RESPECT TO THE RESIDENCES LOCATED AT 414 SAND GAP  
16 ROAD AND 397 OLIVIA BOULEVARD, HAS KENTUCKY POWER  
17 CONTRACTED WITH GRAYSON RECC FOR THE PURPOSE OF  
18 ALLOCATING TERRITORIES AND CONSUMERS BETWEEN SUCH  
19 RETAIL ELECTRIC SUPPLIERS AND DESIGNATING WHICH  
20 TERRITORIES AND CONSUMERS ARE TO BE SERVED BY WHICH  
21 OF SAID RETAIL ELECTRIC SUPPLIERS?

1 A. No. Based upon my review of Company records and discussions with current and  
2 former employees who have knowledge of the boundary issue with Grayson  
3 RECC, Kentucky Power has not contracted with Grayson RECC concerning  
4 service to the area at issue in this proceeding. Kentucky Power has entered no  
5 agreement authorizing Grayson RECC to provide retail electric service to the  
6 residences located at 414 Sand Gap Road and 397 Olivia Boulevard, which are  
7 located within Kentucky Power's certified territory.

8 **Q. IN JULY OR AUGUST OF 2005, DID A KENTUCKY POWER FIELD**  
9 **ENGINEER ENTER INTO AN AGREEMENT WITH GRAYSON RECC**  
10 **UNDER WHICH GRAYSON RECC WOULD SERVE THE SOUTH WEST**  
11 **QUADRANT, BORDERED ON THE NORTH BY SAND GAP ROAD AND**  
12 **ON THE EAST BY THE INDUSTRIAL PARKWAY, COMING OFF**  
13 **TURKEY LICK, AND INCLUDING THE RESIDENCES LOCATED AT**  
14 **414 SAND GAP ROAD AND 397 OLIVIA BOULEVARD?**

15 A. No. No Kentucky Power field engineer entered into an agreement with Grayson  
16 RECC concerning service to the area at issue in this proceeding.

17 **Q. WOULD A FIELD REPRESENTATIVE BE AUTHORIZED TO BIND**  
18 **KENTUCKY POWER TO AN AGREEMENT AUTHORIZING GRAYSON**  
19 **RECC, OR ANY OTHER ELECTRIC UTILITY, TO PROVIDE SERVICE**  
20 **TO CUSTOMERS LOCATED WITHIN KENTUCKY POWER'S**  
21 **CERTIFIED TERRITORY?**

22 A. No. Kentucky Power field representatives do not possess the authority to enter  
23 into oral or written agreements authorizing other electric utilities to provide

1 service to customers located within the Company's certified territory.  
2 Additionally, it would be contrary to my understanding of how boundary disputes  
3 are handled for a utility to rely upon a purported agreement made by a field  
4 representative.

5 **Q. PLEASE DESCRIBE THE STEPS KENTUCKY POWER WOULD TAKE**  
6 **IF AN ADJACENT ELECTRIC UTILITY SOUGHT AUTHORIZATION**  
7 **TO PROVIDE SERVICE TO A CUSTOMER LOCATED WITHIN THE**  
8 **COMPANY'S CERTIFIED TERRITORY.**

9 **A.** First, Kentucky Power would require that an agreement authorizing an adjacent  
10 utility to provide retail electric service to a customer located within the  
11 Company's certified territory be reduced to writing. Second, Kentucky Power  
12 would require that such an agreement be signed by its President. Finally,  
13 Kentucky Power would seek the Commission's approval for such an agreement  
14 through the filing of a formal petition. It is my understanding no such agreement  
15 would be valid or enforceable unless the Commission granted its approval and  
16 determined that the agreement would promote the purposes of KRS 278.016 and  
17 would provide adequate and reasonable service to all areas and consumers  
18 affected thereby.

19 **Q. DID ANY OF THESE STEPS OCCUR WITH RESPECT TO A**  
20 **PURPORTED AGREEMENT AUTHORIZING GRAYSON RECC TO**  
21 **PROVIDE RETAIL ELECTRIC SERVICE TO THE RESIDENCES**  
22 **LOCATED AT 414 SAND GAP ROAD AND 397 OLIVIA BOULEVARD?**

1 A. No. There is no written agreement authorizing Grayson RECC to provide service  
2 to the residences at issue in this proceeding. Kentucky Power management did  
3 not approve any such agreement. Moreover, approval was neither sought nor  
4 obtained from the Commission for the alleged agreement. As I testified  
5 previously, Kentucky Power has not agreed to allow Grayson RECC to provide  
6 service to the residences at issue.

7 **Q. DID THE ORIGINAL RESIDENT OF 414 SAND GAP ROAD, MARK**  
8 **TERRY, APPLY TO KENTUCKY POWER FOR RETAIL ELECTRIC**  
9 **SERVICE?**

10 A. No. Mr. Terry did not apply to Kentucky Power for retail electric service at that  
11 location.

12 **Q. PLEASE DESCRIBE THE PROCESS KENTUCKY POWER WOULD**  
13 **EMPLOY TO DETERMINE WHETHER A CUSTOMER APPLYING FOR**  
14 **RETAIL ELECTRIC SERVICE RESIDES WITHIN THE COMPANY'S**  
15 **CERTIFIED TERRITORY.**

16 A. When a customer requests service at a location that is close to the boundary with  
17 another electric utility, GPS coordinates are established at the location. The GPS  
18 coordinates are then checked against the KPSC certified boundary maps to  
19 determine whether the customer is located within the certified territory of  
20 Kentucky Power or the adjacent electric utility.

SUMMARY

21 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

1 A. Grayson RECC is providing retail electric service to residences located at 414  
2 Sand Gap Road and 397 Olivia Boulevard, Argillite in Greenup County,  
3 Kentucky. These residences are located within Kentucky Power's certified  
4 territory and Kentucky Power possesses the exclusive right to serve them under  
5 Kentucky's Certified Territory Law. Kentucky Power has not authorized Grayson  
6 RECC to provide electric service to these residences. Kentucky Power has  
7 distribution facilities located in the vicinity of the residences at issue in this  
8 proceeding and the Company is committed to providing those customers with  
9 high quality, retail electric service at a reasonable cost.

10 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

11 A. Yes.



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CORPORATION )**

**DIRECT TESTIMONY OF**

**RICHARD HOWERTON**

**ON BEHALF OF KENTUCKY POWER COMPANY**

**January 23, 2013**





**DIRECT TESTIMONY OF  
RICHARD L HOWERTON, ON BEHALF OF  
KENTUCKY POWER COMPANY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**CASE NO. 2012-00224**

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**DIRECT TESTIMONY OF  
RICHARD L HOWERTON, ON BEHALF OF  
KENTUCKY POWER COMPANY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**I. INTRODUCTION**

1 **Q: Please state your name, position and business address.**

2 **A:** My name is Richard L. Howerton. My position is Owner/Senior  
3 Engineer/Surveyor, Howerton Engineering & Surveying, PLLC. My business  
4 address is 404A Main Street, Greenup, Kentucky 41144.

**II. BACKGROUND**

5 **Q: PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**  
6 **BUSINESS EXPERIENCE.**

7 **A:** I received a B.S. in Civil Engineering from the University of Kentucky in 1995. In  
8 2001, I attained Licenses as a Professional Engineer and a Professional Land  
9 Surveyor, both in Kentucky. I have been the Owner/Operator of Howerton  
10 Engineering & Surveying, PLLC since 2001.

11 **Q: FOR WHAT OTHER COMPANIES HAVE YOU PROVIDED SURVEYING**  
12 **EXPERTISE?**

13 **A:** I have provided surveying expertise to: Commonwealth of Kentucky, Ohio Dept. of  
14 Natural Resources, Duke Energy Delivery Services, Greenup County Fiscal Court,  
15 Fleming County Fiscal Court, Scioto County Ohio Sanitary Engineer, and Northeast  
16 Kentucky Industrial Park Authority, just to name a few of our clients.

1 Q: WHAT ARE YOUR RESPONSIBILITIES AS OWNER/OPERATOR/  
2 ENGINEER/SURVEYOR?

3 A: I oversee the day-to-day operations including all engineering and surveying  
4 activities, of Howerton Engineering & Surveying, PLLC. I also certify all  
5 engineering and surveying documents.

6 Q: HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?

7 A: No.

8 **III. PURPOSE OF TESTIMONY**

9 Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS  
10 PROCEEDING?

11 A: The purpose of my testimony is to describe the efforts I undertook to determine the  
12 location of the boundary line between the certified territories of Kentucky Power  
13 Company and Grayson RECC at the Sand Gap Estates subdivision in Greenup  
14 County, Kentucky. In particular, I explain the basis for my conclusion that retail  
15 electric service to the residences located at 414 Sand Gap Road (Lot 14) and 397  
16 Olivia Boulevard (Lot 25) lie within Kentucky Power's certified territory. My  
17 testimony and the attached exhibits show the lots within Sand Gap Estates that are  
18 located in Kentucky Power's certified territory and those that are located in  
19 Grayson RECC's certified territory.

20 Q: PLEASE DESCRIBE THE SCOPE OF THE WORK KENTUCKY POWER  
21 ASKED YOU TO PERFORM IN THIS PROCEEDING.

1 A. Kentucky Power asked me to perform a survey of the area at issue in this  
2 proceeding in and around the Sand Gap Estates subdivision for the purpose of  
3 determining the residences located in Kentucky Power's certified territory and the  
4 residences located in Grayson RECC's certified territory.

5 **Q. DID KENTUCKY POWER DIRECT YOU TO CONCLUDE THAT THE**  
6 **RESIDENCES LOCATED AT 414 SAND GAP ROAD AND 397 OLIVIA**  
7 **BOULEVARD ARE LOCATED IN THE COMPANY'S CERTIFIED**  
8 **TERRITORY?**

9 A. No. Kentucky Power offered no directions about how I should conduct the survey  
10 or the results I should reach. The work I have done to determine the location of the  
11 boundary line has been independent and based solely on my professional judgment.  
12 I concluded that the residences located at 414 Sand Gap Road and 397 Olivia  
13 Boulevard are located in Kentucky Power's certified territory because that is what  
14 the results of my surveying work establish.

15 **Q: ARE YOU SPONSORING ANY EXHIBITS?**

16 A: Yes, Exhibits RLH-1 through RLH-14.

17 **Q: BRIEFLY EXPLAIN THE CONTENTS OF YOUR EXHIBITS.**

18 A: The following is a brief explanation of the contents of the exhibits I sponsor:

19 ■ Exhibit RLH-1: a map with aerial imagery showing Sand Gap Estates, the  
20 boundaries from the scanned map and the Kentucky Public Service Commission,  
21 and the nearest AEP/ Kentucky Power utility pole,

- 1       ▪ Exhibit RLH-2: a map using the scanned signed map showing Sand Gap Estates,  
2       the boundaries from the scanned map and the Kentucky Public Service  
3       Commission, and the nearest AEP/ Kentucky Power utility pole
- 4       ▪ Exhibit RLH-3: a smaller map of the two residences, at Lots 20 and 21, located in  
5       the Grayson RECC service territory,
- 6       ▪ Exhibit RLH-4: a map produced using State provided aerial imagery in lieu of  
7       imagery taken from Bing Maps. It shows a 100 foot buffer zone, as requested by  
8       the Kentucky Public Service Commission, around the imported boundary line  
9       from the Kentucky Public Service Commission web site,
- 10      ▪ Exhibit RLH-5: illustration of how to bring the hand drawn line onto the state plan  
11      projection for DR 2b,
- 12      ▪ Exhibit RLH-6: a smaller map prepared to highlight a residence located in the  
13      Kentucky Power service territory at Lot 14 and showing both a 100 foot and a 40  
14      foot buffer zone along the hand drawn boundary,
- 15      ▪ Exhibit RLH-7: photograph of residence on Lot 14\_ located in the Kentucky  
16      Power's certified territory,
- 17      ▪ Exhibit RLH-8: photograph of residence on Lot \_14\_\_ located in Kentucky  
18      Power's certified territory,
- 19      ▪ Exhibit RLH-9: photograph of residence on Lot \_14\_ located in Kentucky  
20      Power's certified territory,
- 21      ▪ Exhibit RLH-10: photograph of residence on Lot \_14\_\_ located in Kentucky  
22      Power's certified territory,

- 1       ▪ Exhibit RLH-11: photograph of residence on Lot \_21\_\_ located in Grayson  
2       RECC's certified territory,
- 3       ▪ Exhibit RLH-12: photograph of residence on Lot \_25\_\_ located in Kentucky  
4       Power's certified territory,
- 5       ▪ Exhibit RLH-13: photograph of residence on Lot \_25\_\_ located in Kentucky  
6       Power's certified territory, and
- 7       ▪ Exhibit RLH-14: photograph of residence on Lot \_25\_\_ located in Kentucky  
8       Power's certified territory.

**IV. MAPS**

9   **Q: DID YOU PREPARE OR CAUSE TO BE PREPARED A MAP SHOWING**  
10   **ELECTRIC CONSUMING FACILITIES WITHIN THE GRAYSON RECC**  
11   **TERRITORY OF SAND GAP ESTATES ON THE INDUSTRIAL**  
12   **PARKWAY IN GREENUP COUNTY, KENTUCKY?**

13   **A:** Yes.

14   **Q: HOW DID YOU PREPARE THAT MAP?**

15   **A:** By utilizing a DRG file, a Digital Raster Graphic of a USGS 7.5 minute  
16   topographic map, we can insert this DRG file into a CAD system on a state plane  
17   projection. In this case, the projection was the Kentucky State Plane Grid North  
18   Zone, North American Datum 83. Once this DRG has been inserted as a raster  
19   image into a CAD drawing, the CAD drawing has the intelligence to recognize that  
20   the Digital Raster Graphic establishes its location based on the state plane  
21   coordinates of the boundaries of the DRG file. Next, a high resolution scan of a 7.5

1 minute map with the hand drawn boundary will produce a second image. This  
2 image file can be inserted into the CAD platform and scaled and rotated to match  
3 the four corners of the DRG file at its known state plane coordinates. Once this is  
4 done, we have an exact overlay of the scanned image on top of the Digital Raster  
5 Graphic image.

6 The line work that was produced on this scanned image can be digitized  
7 using Raster to Vector technology as well as manually and visually digitized. By  
8 zooming into the particular area of interest, this digitized version of the manually  
9 drawn line will produce a polyline inside the CAD drawing. The polyline width is  
10 adjusted to match the width of the line work as it was drawn on the original paper  
11 map. The polyline has a center line that is the actual definitive boundary between  
12 the Grayson RECC and Kentucky Power service territories. The center of the hand  
13 drawn line is the actual center of the boundary.

14 **Q: WHAT IS THE HORIZONTAL POSITIONAL TOLERANCE OF THE MAP?**

15 **A:** Creating a map in this method produces a plus or minus positional tolerance of 5  
16 feet. Therefore, in my judgment, this effort produces an accurate horizontal position  
17 which is established within a plus or minus 5 foot tolerance.

18 **Q: WHAT DOES THE MAP SHOW WITH RESPECT TO THE RESIDENCES**  
19 **LOCATED AT 414 SAND GAP ROAD AND 397 OLIVIA BOULEVARD?**

20 **A:** The map labeled Exhibit RLH-1 shows the location of the “Hand Drawn” boundary  
21 from the scanned map, agreed upon by both Grayson  
22 RECC and Kentucky Power representatives, and the “Imported” boundary, from the  
23 Kentucky Public Service Commission web site, as they relate to each other as well

1 as the existing residences. More specifically the map shows the electric service to  
2 the residences located at 414 Sand Gap Road (Lot 14) and 397 Olivia Boulevard  
3 (Lot 25) are located within the Kentucky Power service territory.

4 **Q: PLEASE DESCRIBE THE ACCURACY OF THE MAP.**

5 **A:** The relation of the buildings, structures, utility poles, and corner monuments shown  
6 on the map were taken using precision GPS surveying equipment with sub-  
7 centimeter accuracy.

8 **Q: DID YOU PREPARE OR CAUSE TO BE PREPARED MAPS**  
9 **IDENTIFYING THE LOCATION OF KENTUCKY POWER'S**  
10 **DISTRIBUTION LINES IN RELATION TO THE DISTRIBUTION LINES**  
11 **OF GRAYSON RECC IN THE AREA NEAR 414 SAND GAP ROAD AND**  
12 **397 OLIVIA BOULEVARD, ARGILITE, KENTUCKY?**

13 **A:** Yes.

14 **Q: HOW DID YOU PREPARE EACH OF THOSE MAPS?**

15 **A:** All the maps were prepared and plotted using an AutoCAD system.

16 **Q: WHAT DO THOSE MAPS SHOW WITH RESPECT TO THE**  
17 **DISTRIBUTION LINES OF KENTUCKY POWER AND GRAYSON RECC?**

18 **A:** Exhibits RLH-1, RLH-2, and RLH-4 show utility poles belonging to Grayson  
19 RECC set within the certified territory of Kentucky Power with service drops  
20 running to the residences along Sand Gap Road. Exhibit RLH-3 is a closer view of  
21 the two residences in Lots 20 and 21 that are located within Grayson RECC service  
22 territory. Exhibit RLH-6 is a closer view of the residence in Lot 14 that is located  
23 within Kentucky Power's service territory.



1 Q: YOU NOTE THAT THE KPSC REQUESTED YOU PREPARE A MAP  
 2 EXHIBIT RLH-4 SHOWING A 100 FOOT BUFFER ON EITHER SIDE OF  
 3 THE BOUNDARY LINE SHOWN ON THEIR SYSTEM. PLEASE  
 4 EXPLAIN WHY YOU ALSO PREPARED EXHIBIT RLH-6 WITH ONLY A  
 5 40 FOOT BUFFER.

6 A: The Commission Staff has indicated in its first set of data requests Item 14(b)(3)  
 7 that they believe that all of the maps submitted by the Kentucky utility companies  
 8 have a +/- 100 foot horizontal accuracy. However in this case, the original USGS  
 9 quality map, with the hand drawn line that was agreed upon by representatives of  
 10 both utilities, was used to determine the line, and because that line was very close  
 11 when compared to the line from the KPSC GIS file, this map is more accurate than  
 12 the +/- 100 foot tolerance. As in most things, starting from the original lessens the  
 13 amount the degradation to the work that would be found in a third or fourth  
 14 generation copy. Further, when the line width from the original signed map was  
 15 measured to the scale of the map, it was found to be only 80 feet wide, or +/- 40 feet  
 16 on each side of the centerline. Accordingly, it is my conclusion that the margin of  
 17 error for the boundary line shown in RLH-1 is, at most, +/- 40 feet.

18 Q: DID YOU REVIEW MAPS OR LEGAL DESCRIPTIONS FILED IN ANY  
 19 OF THE PUBLIC GOVERNMENT AGENCIES IN GREENUP COUNTY  
 20 FOR THE PLANS OR CONSTRUCTION OF SAND GAP ESTATES?

21 A: Yes.

22 Q: PLEASE DESCRIBE WHAT, IF ANYTHING, THOSE MAPS OR  
 23 DESCRIPTIONS SHOWED WITH RESPECT TO THE LOCATION OF 414

1 SAND GAP ROAD AND 397 OLIVIA BOULEVARD BEING LOCATED IN  
2 THE CERTIFIED TERRITORY OF EITHER KENTUCKY POWER OR  
3 GRAYSON RECC.

4 A: Those maps, plat deeds, and descriptions were found to be produced by Michel  
5 Back of Turning Point Surveying. They were mapped and compared to the CAD  
6 drawing provided by the Michel Back of Turning Point Surveying office. The  
7 information gathered from public records was consistent with the CAD file  
8 provided. The CAD file was then incorporated into the exhibit file our firm created  
9 to show the various Sand Gap Estates lots. As previously stated, the map of Sand  
10 Gap Estates was then correlated to the GPS data from the site survey. The location  
11 of the residences at 414 Sand Gap Road (Lot 14) and 397 Olivia Boulevard (Lot 25)  
12 are located on the same State Plane Coordinate system as the various images,  
13 property plats, and incorporated boundary lines.

14 Q: PLEASE SUMMARIZE YOUR FINDINGS.

15 A: Based on my surveying work, it is my professional judgment that, within the  
16 applicable margin of error of plus or minus five feet, the services of the residences  
17 in Lots 20 and 21 of Sand Gap Estates are within the service territory of Grayson  
18 RECC, but the services of the residences on Lots 14 and 25—which include the  
19 residences located at 414 Sand Gap Road and 397 Olivia Boulevard—lie within  
20 Kentucky Power’s service territory.

21 Q: DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?

22 A: Yes.

I DO HEREBY CERTIFY THIS DOCUMENT WAS PERFORMED UNDER MY DIRECTION. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY INFORMATION, KNOWLEDGE AND BELIEF.

*Richard Howerton* 1/21/2013  
 RICHARD L. HOWERTON, PE PS CFM GJL  
 DATE

# GRAYSON RECC SERVICE AREA

## LEGEND

- E — — — — — AGREED BOUNDARY FROM SIGNED USGS MAP FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION, DATED 1982.
- UE — — — — — BOUNDARY FROM SHAPE FILE PROVIDED BY THE KENTUCKY PUBLIC SERVICE COMMISSION.
- E — — — — — EXISTING GRAYSON RECC UTILITY LINE.
- UE — — — — — EXISTING GRAYSON RECC UNDERGROUND UTILITY LINE.
- GPS MONUMENT: 1/2" REBAR W/ CAP
- RIGHT OF WAY MONUMENT
- ⊞ ELECTRIC METER
- ⊞ UTILITY POLE
- ⊙ IRON PIN FOUND (TURNING POINT/ BACK)

## GRAPHIC SCALE



( IN FEET )  
 1 inch = 200 ft.

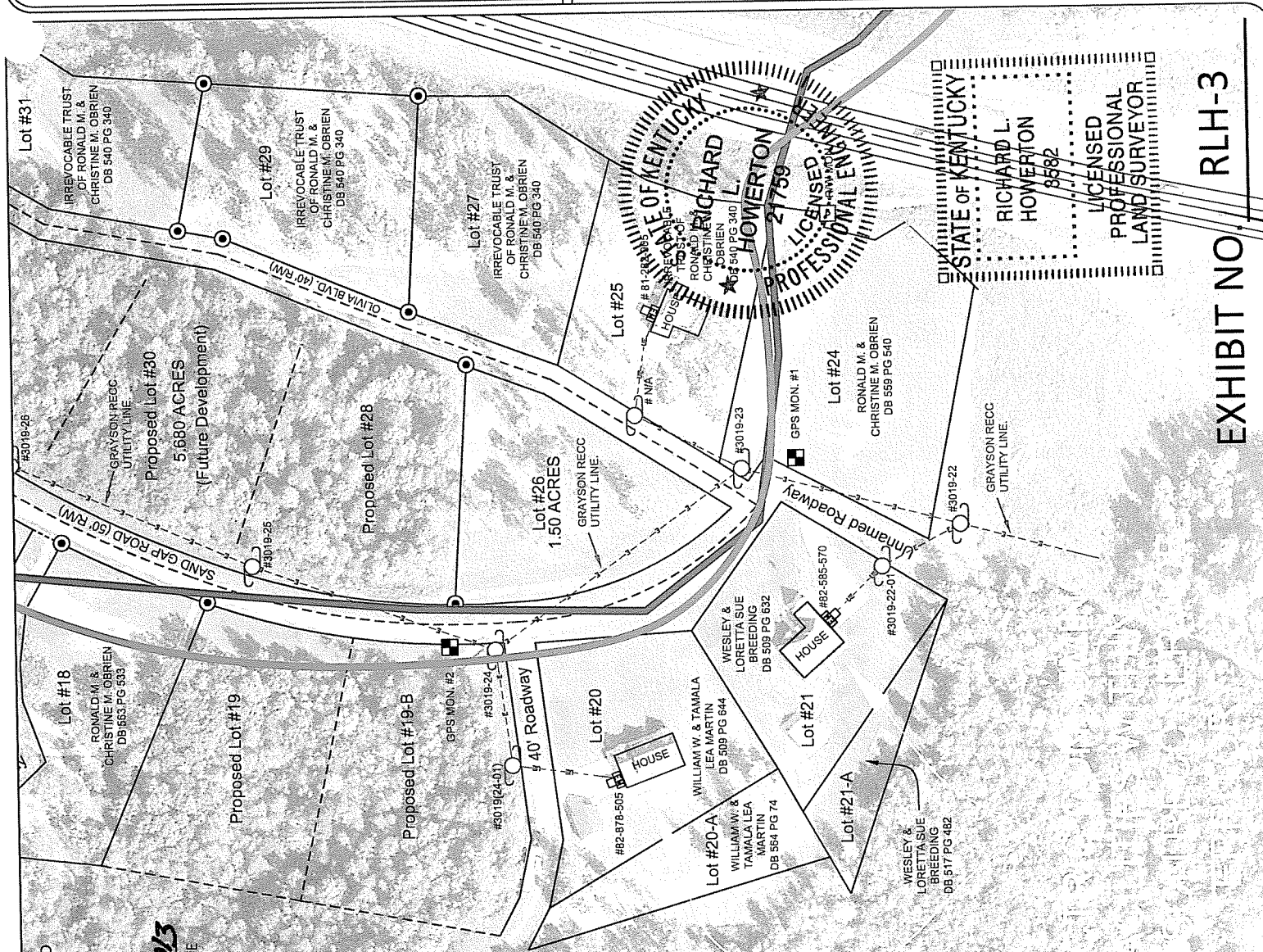


EXHIBIT MAP SHOWING ELECTRIC CONSUMING FACILITIES WITHIN THE GRAYSON RECC TERRITORY AT SAND GAP ESTATES ON THE INDUSTRIAL PARKWAY IN GREENUP COUNTY KENTUCKY.

**AEP AMERICAN ELECTRIC POWER**  
 825 TECH CENTER DRIVE  
 GAHANNA, OH, 43230-8250

**HOWERTON ENGINEERING & SURVEYING PLLC**  
 404-A MAIN STREET  
 GREENUP KENTUCKY  
 (800) 473-5884  
 533 SECOND STREET  
 PORTSMOUTH, OH 45662  
 (740) 354-3684

REVISIONS	
JOB #	DATE
50003	DEC. 17, 2012
SCALE	
1" = 200'	
SHEET	OF
1	1

EXHIBIT NO. **RLH-3**

RICHARD L. HOWERTON  
 8682  
 LICENSED PROFESSIONAL LAND SURVEYOR

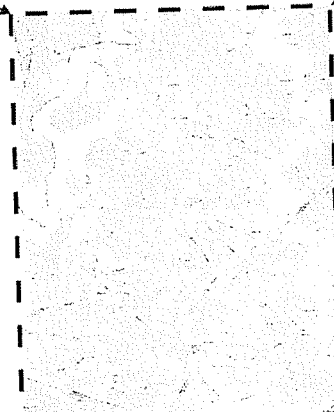
STATE OF KENTUCKY  
 RICHARD L. HOWERTON  
 8682  
 LICENSED PROFESSIONAL ENGINEER  
 27759

**DATA RESPONSE**

**2b.**

LAT.: 38-30-00  
LONG.: 82-52-30

LAT.: 38-30-00  
LONG.: 82-45-00



**USGS ARGILLITE, KY QUAD**

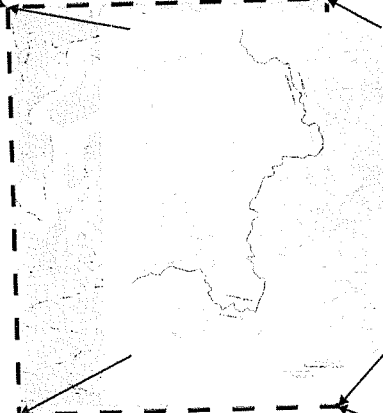
LAT.: 38-22-30  
LONG.: 82-52-30

LAT.: 38-22-30  
LONG.: 82-45-00



LAT.: 38-30-00  
LONG.: 82-52-30

LAT.: 38-30-00  
LONG.: 82-45-00



**SCANNED MAP  
DIGITALLY REPRODUCED**

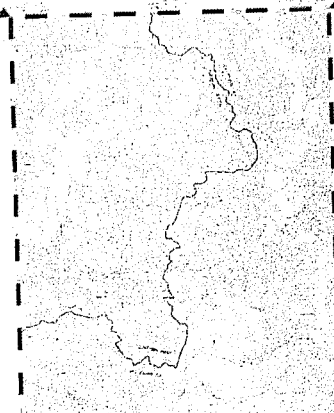
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LONG.: 82-52-30

LAT.: 38-22-30  
LONG.: 82-45-00



LAT.: 38-30-00  
LONG.: 82-52-30

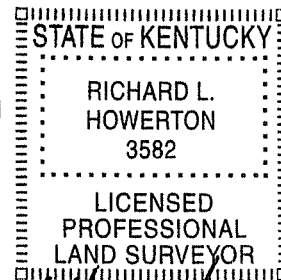
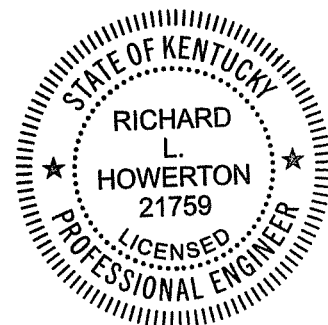
LAT.: 38-30-00  
LONG.: 82-45-00



**RECTIFIED MAP WITH  
EXACT GEOMETRIC  
LOCATION**

LAT.: 38-22-30  
LONG.: 82-52-30

LAT.: 38-22-30  
LONG.: 82-45-00



*Richard Howerton*  
1/21/2013  
**EXHIBIT: RLH-5**



I DO HEREBY CERTIFY THIS DOCUMENT WAS PERFORMED UNDER MY DIRECTION. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY INFORMATION, KNOWLEDGE AND BELIEF.

*Richard L. Howerton*  
 RICHARD L. HOWERTON, PE PS CFM/CLL DATE: 1/22/2013

**LEGEND**

— AGREED BOUNDARY FROM SIGNED USGS MAP FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION, DATED 1982.

--- 40'± BUFFER ZONE OF AGREED BOUNDARY FROM SIGNED USGS MAP FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION, DATED 1982.

--- BOUNDARY FROM SHAPE FILE PROVIDED BY THE KENTUCKY PUBLIC SERVICE COMMISSION

--- 100'± BUFFER ZONE OF KENTUCKY PUBLIC SERVICE COMMISSION BOUNDARY

--- EXISTING GRAYSON RECC UTILITY LINE

--- EXISTING GRAYSON RECC UNDERGROUND UTILITY LINE

■ GPS MONUMENT: 1/2" REBAR W/CAP

□ RIGHT OF WAY MONUMENT

⊕ ELECTRIC METER

○ UTILITY POLE

○ IRON PIN FOUND (TURNING POINT/BACK)

**GRAPHIC SCALE**



( IN FEET )

1 inch = 200 ft.

**GRAYSON RECC SERVICE AREA**

**ELECTRIC CONSUMING FACILITY WITHIN AEP SERVICE TERRITORY**

EXHIBIT MAP SHOWING ELECTRIC CONSUMING FACILITY WITHIN THE AEP TERRITORY AT LOT 14 OF SAND GAP ESTATES ON THE INDUSTRIAL PARKWAY IN GREENUP COUNTY KENTUCKY.

**AEP AMERICAN ELECTRIC POWER**  
 825 TECH CENTER DRIVE  
 GAINESVILLE, OH, 43220-8250

**HOWERTON ENGINEERING & SURVEYING PLLC**

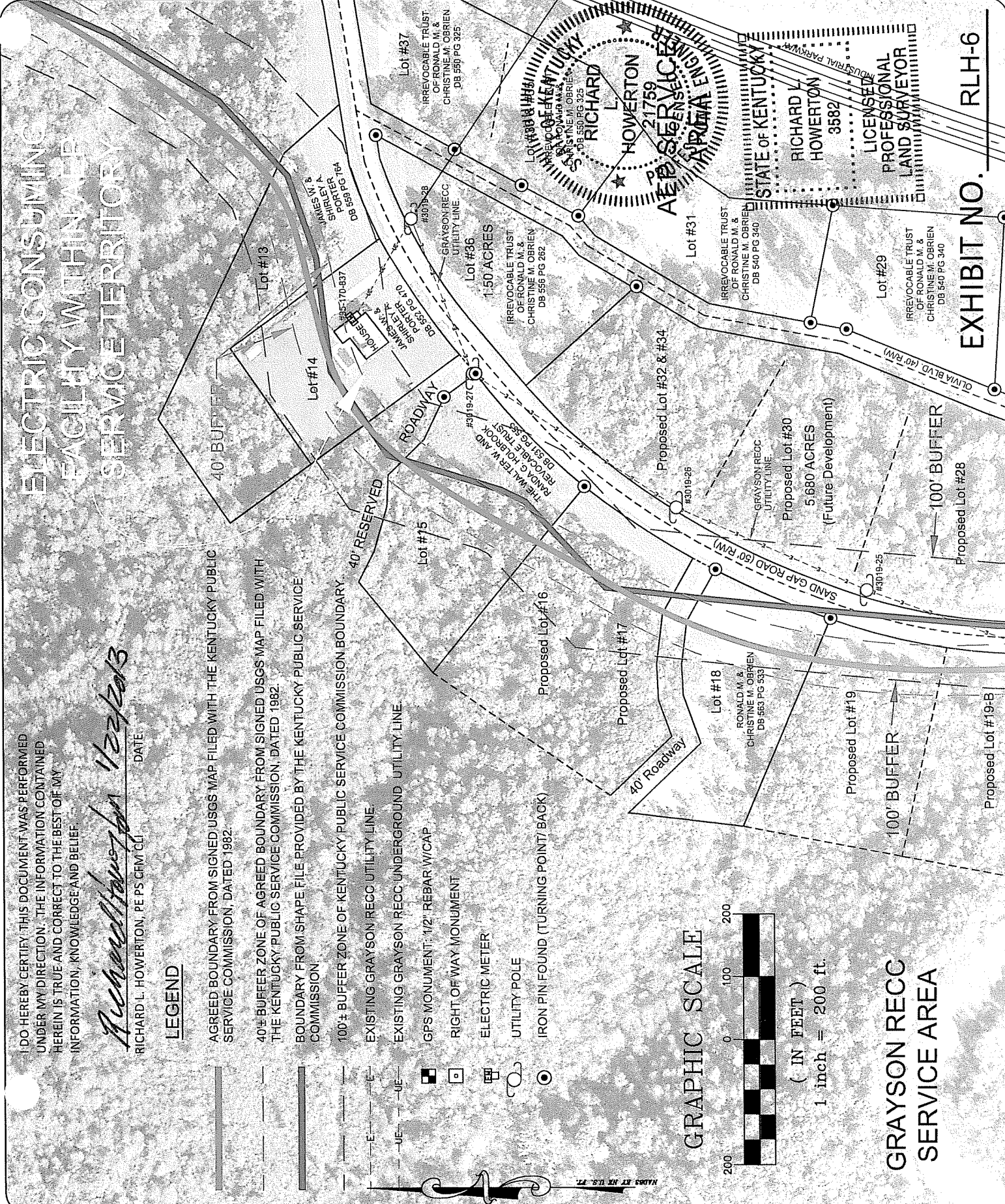
404-A MAIN STREET  
 GREENUP COUNTY, KENTUCKY  
 (606) 473-5664  
 (740) 354-3684

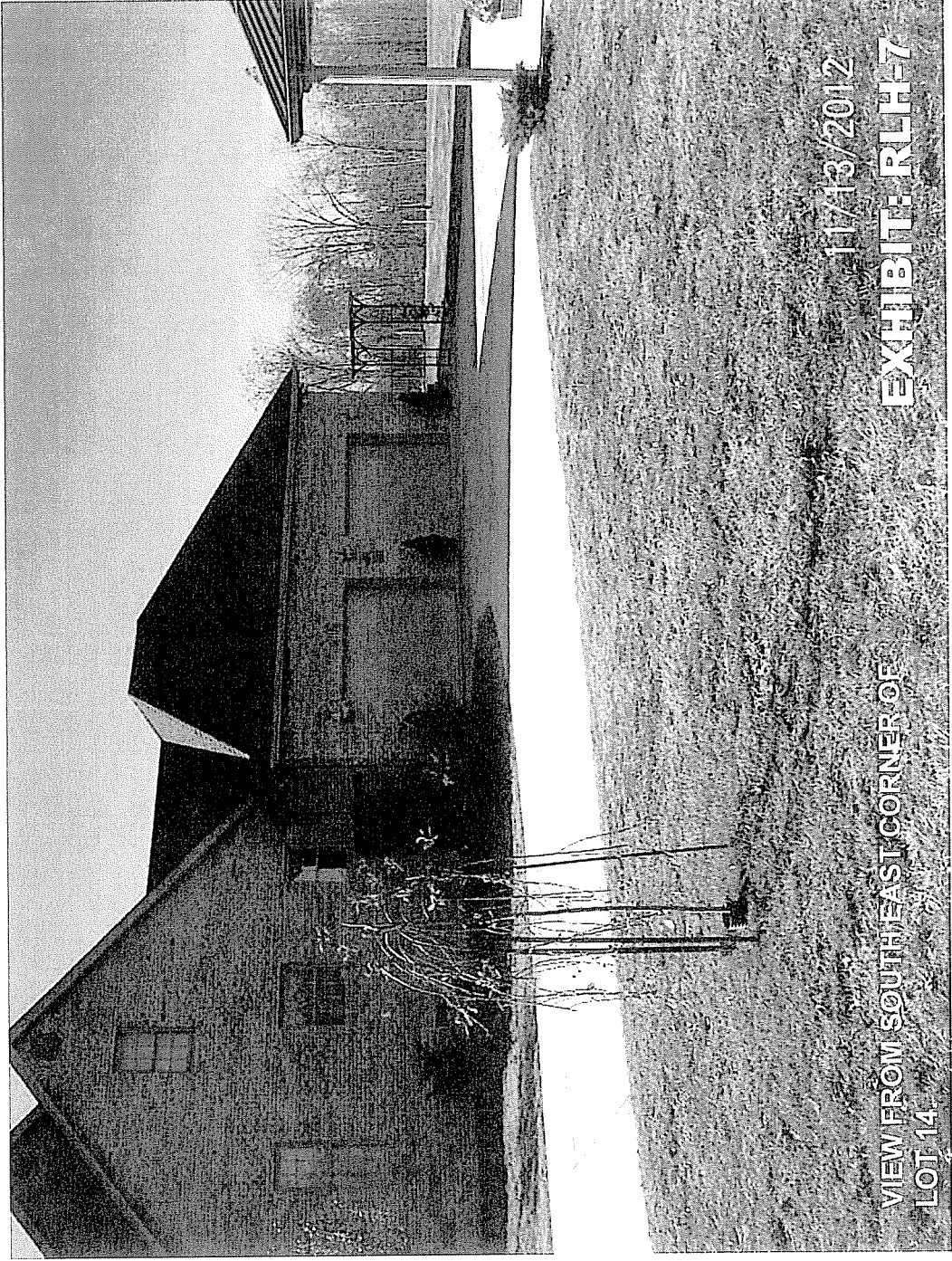
**SITE EXHIBIT**

REVISIONS	
JOB #	201013
DATE	JUN. 22, 2012
SCALE	1" = 200'
SHEET	1 OF 1

**EXHIBIT NO. RLH-6**

**RICHARD L. HOWERTON  
 LICENSED PROFESSIONAL  
 LAND SURVEYOR**





11/13/2012

EXHIBIT: RLH-7

VIEW FROM SOUTHEAST CORNER OF  
LOT 14.

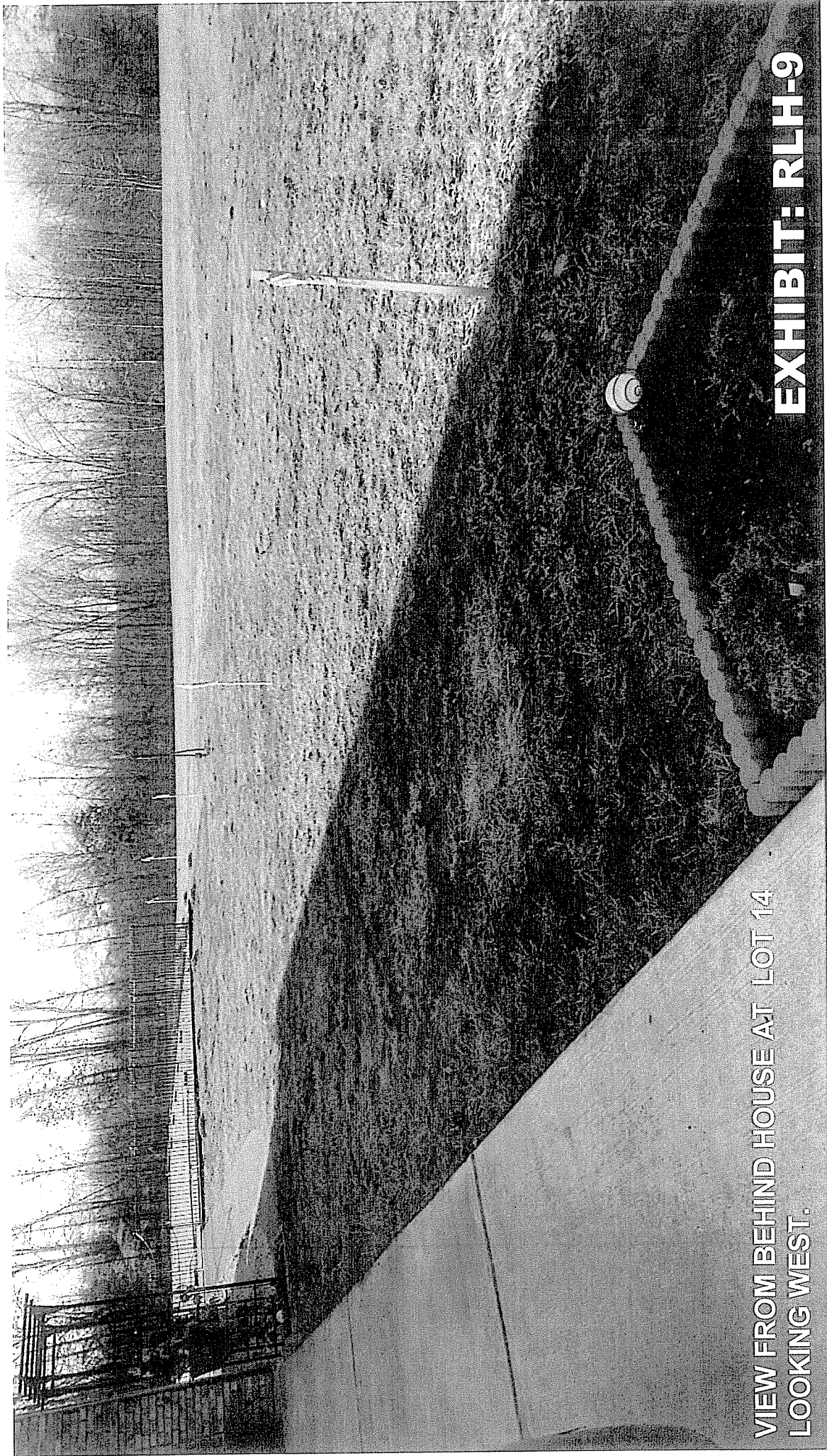




11/13/2012

**EXHIBIT: RLH-8**

VIEW FROM EAST SIDE OF LOT 14  
FROM BEHIND GARAGE BLDG  
LOOKING WEST



VIEW FROM BEHIND HOUSE AT LOT 14  
LOOKING WEST.

**EXHIBIT: RLH-9**

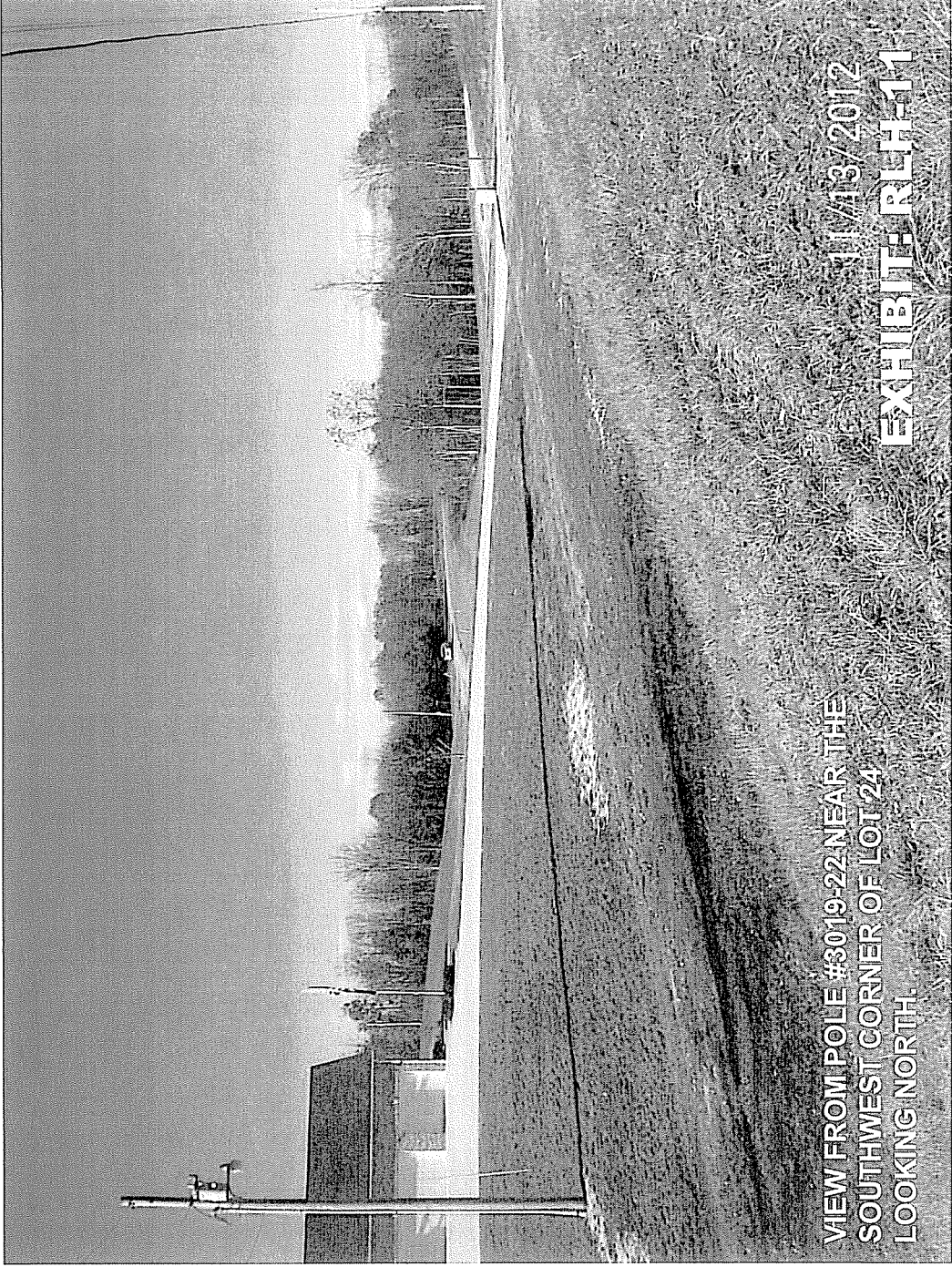




11/13/2012

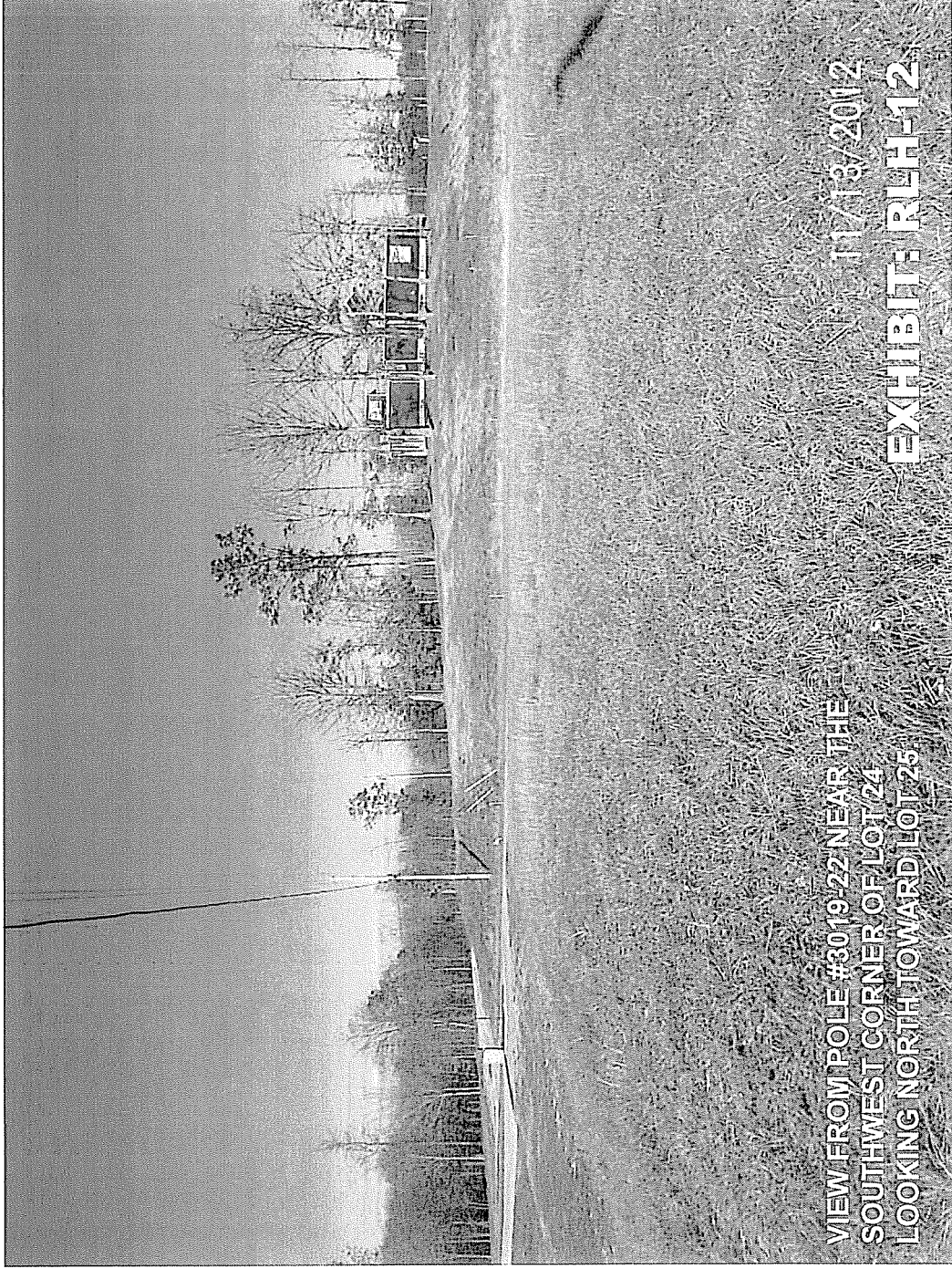
**EXHIBIT: RLH10**

VIEW FROM REAR SIDE OF LOT 14  
LOOKING SOUTHWEST



VIEW FROM POLE #3019-22 NEAR THE  
SOUTHWEST CORNER OF LOT 24  
LOOKING NORTH.

11/13/2012  
EXHIBIT: RLH-11



VIEW FROM POLE #3019-22 NEAR THE  
SOUTHWEST CORNER OF LOT 24  
LOOKING NORTH TOWARD LOT 25

11/13/2012

**EXHIBIT: RLH-12**

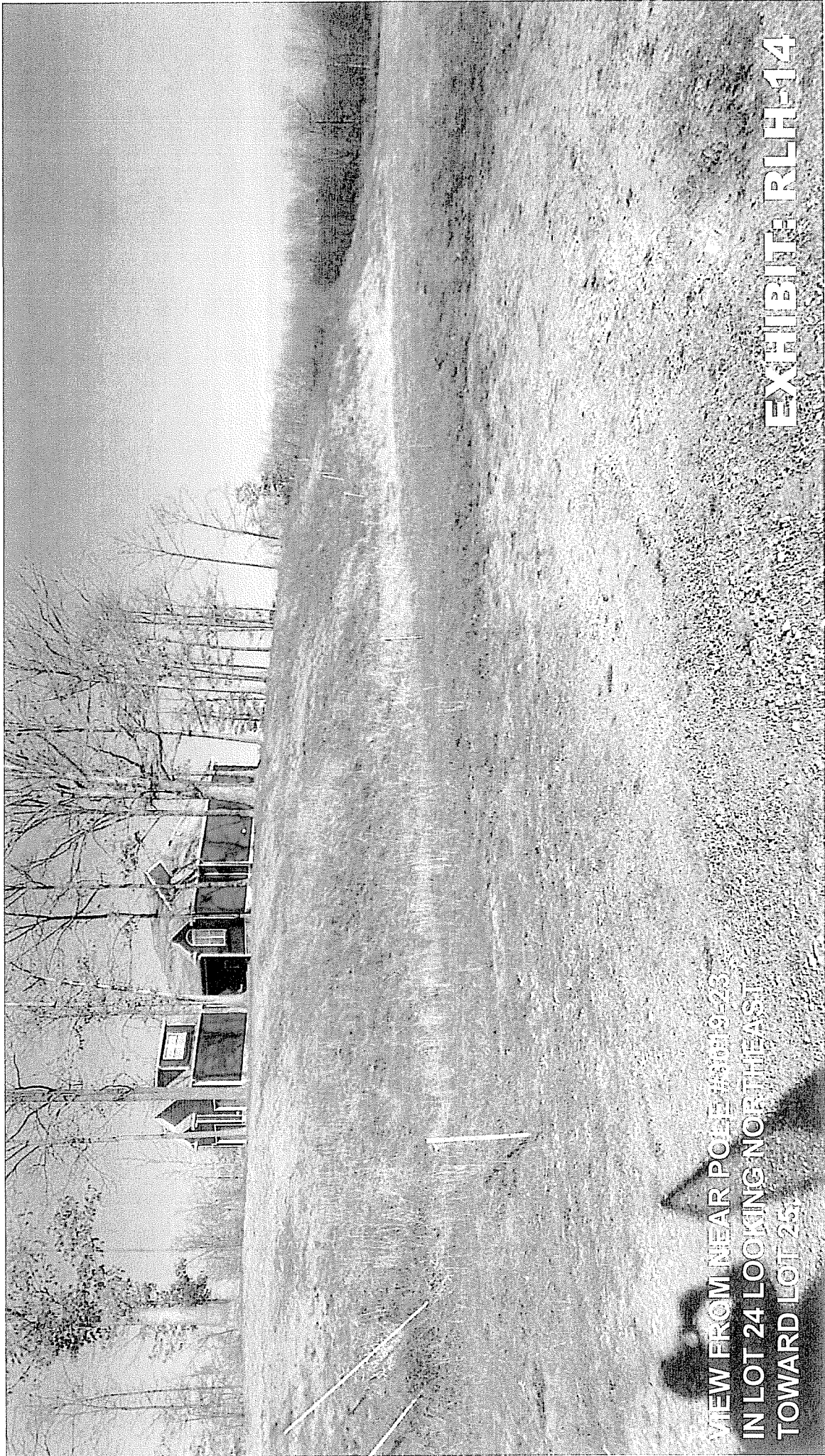




ANOTHER VIEW FROM POLE #3019.22 NEAR  
THE SOUTHWEST CORNER OF LOT 24  
LOOKING NORTHEAST TOWARD LOT 25

11/13/2012

**EXHIBIT: RLH-13**



VIEW FROM NEAR POLE #3019-23  
IN LOT 24 LOOKING NORTHEAST  
TOWARD LOT 25.

EXHIBIT RLH-14