

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY POWER)	
COMPANY FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO)	CASE NO.
CONSTRUCT A 138 KV TRANSMISSION LINE)	2011-00295
AND ASSOCIATED FACILITIES IN BREATHITT,)	
KNOTT AND PERRY COUNTIES, KENTUCKY)	
(BONNYMAN-SOFT SHELL LINE))	

SECOND INFORMATION REQUEST OF COMMISSION STAFF
TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001 is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due on or before December 16, 2011. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kentucky Power shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though

correct when made, is now incorrect in any material respect. For any request to which Kentucky Power fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

1. Refer to Exhibit 9 of the application and Kentucky Power's response to Item 24 of Commission Staff's First Information Request. Kentucky Power's response provided the status of easement acquisition of the necessary rights-of-way for the preferred alternative as of November 18, 2011. Provide an update regarding the acquisition of the necessary rights-of-way for the preferred alternative.

2. Refer to Exhibit 9 of the application.

a. Pages 9-11 of Exhibit 9 of the application indicate that the persons or entities listed were notified per the Property Valuation Administrator tax roll to ensure that a landowner was not left out of the notification process, but indicate that, according to the 2011 ground survey, an easement is not expected from those persons or entities. Explain why notice was given or attempted to the persons identified if an easement was not expected.

b. Pages 9-12 of Exhibit 9 of the application identify seven names for which the box for "Survey Permission Signed" is left blank. Those names include: Bobby Combs, Daniel & Misty Miller, David Justice Caines, Mid State Homes II, Lonnie Bryant, Robert L. Holiday, and Thurman Bud Gayheart.

(1) Subsequent to September 21, 2011, has Kentucky Power attempted to have survey permission granted from these persons or entities?

(2) If yes, what is the status of such attempts?

(3) If no, why not?

c. Page 12 of Exhibit 9 of the application identifies mineral owners. Provide an update for each entry on page 12 that identifies the current status of easement acquisition with mineral owners and lessees.

3. Refer to Kentucky Power's application, page 5. At paragraph 12, Kentucky Power states that it has contacted all property owners over whose property the line is expected to cross in connection with obtaining permission to survey their property. Kentucky Power further states that, as of the date of the filing of the application, only four property owners had expressed objections to the line.

a. Provide a copy of all of permission forms in which the property owner has registered project opposition.

b. Since the date the application was filed, have any persons, in addition to the four property owners, expressed project opposition to Kentucky Power?

(1) If yes, provide the names of the persons registering objections.

(2) If project opposition was expressed in writing, provide a copy of the written objection or objections.

4. Refer to Kentucky Power's response to Item 9(c) of Commission Staff's First Information Request regarding relocation risk.

a. Provide a copy of a line relocation clause in an easement agreement that Kentucky Power has used within the last ten years where:

- (1) Existing mineral extraction activities have been present;
- (2) Future mineral extraction activities are planned.

b. Identify any differences in current relocation clauses and the relocation clause involved in Case No. 2009-00235.¹

c. Explain the cost differential involved in easements that contain a relocation clause versus those easements that do not contain a relocation clause.

5. Refer to Exhibit 13 of the application, page 10, and Kentucky Power's response to Commission Staff's First Information Request, Item 14. An area between the central corridor and the southern corridor was not assigned to a corridor and, therefore, was not considered in creating and analyzing segments. This area appears to partly coincide with the area described in Kentucky Power's response to Item 15 of Commission Staff's First Information Request and is described as an area with linear residential development and a large subdivision. Provide a map showing the current residential and commercial/industrial land use in all corridors and the area between them. Include the preferred route on the map. Include all future residential and commercial/industrial sites utilizing information contained in the public record (i.e., information approved by a zoning board or information for which building permits or public roads have been approved).

6. Refer to Kentucky Power's response to items 7(a), 7(b), 7(d), and 7(e) and Item 14 of Commission Staff's First Information Request. Provide a map covering all of the corridors and the areas between the corridors, as identified in Kentucky Power's response to Item 14 of Commission Staff's First Information Request. Create one map

¹ Case No. 2009-00235, Application of Kentucky Power Company for a Certificate of Public Convenience and Necessity to Construct a 138 kV Transmission Line in Perry County, Kentucky (Ky. PSC Nov. 6, 2009).

showing mine facilities, such as active mine portals or processing facilities, previously mined areas, and areas permitted for mining. Map the information for areas permitted for mining by utilizing data from the Kentucky Mine Mapping System, available at <http://minemaps.ky.gov/>. [At the web site, click on Downloads tab, then download "Statewide Available Mine Maps (All Seams)," which is a GIS layer. Using that layer in a GIS application, select only active permits, and then follow the link for each active permit and download only the most recent map. The maps are georeferenced in the Kentucky State Plane Single Zone NAD83 coordinate system, so that the map images are automatically located correctly in your GIS application. It will be necessary to digitize each permitted area and classify it as surface or underground in order to make the map that is requested.] Include the preferred route on the map.

7. Refer to Kentucky Power's responses to items 23a. and 23d. of Commission Staff's First Information Request.

a. In the response to part a. regarding Right-Of-Way Acquisition Costs, reference is made to land values increasing due to increasing environmental restrictions on land use.

(1) Provide the statutory reference(s) and an explanation of each of the environmental restrictions impacting land costs.

(2) Explain in detail why the environmental restrictions have increased land costs.

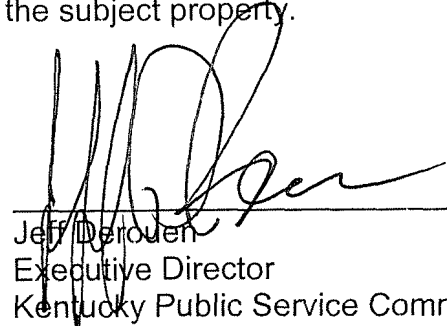
b. Refer to the response in item 23d. regarding the 2009-2010 and 2011 estimates of land costs.

(1) Provide a list of the credible sources referenced for the specific data gathered to determine the 2011 land costs.

(2) Provide the source(s) and the actual information for the comparable sales referenced in the response to the question.

(3) Do the comparable sales have the same estate (i.e. surface rights only) as is the case with Kentucky Power's right-of-way acquisitions?

(4) If the answer to part 3 above is "no," identify and explain how the sales for different estates were adjusted to the subject property.



Jeff Deroen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40601

DATED **DEC 08 2011**

cc: Parties of Record

Honorable Mark R Overstreet
Attorney at Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KENTUCKY 40602-0634

Ranie Wohnhas
Managing Director, Reg & Finance
American Electric Power
101 A Enterprise Drive
P. O. Box 5190
Frankfort, KY 40602