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ATTORNEYS

August 14, 2009

HAND DELIVERED

Jeff R. Derouen Executive Director Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602-0615 421 West Main Street Post Office Box 634 Frankfort, KY 40602-0634 [502] 223-3477 [502] 223-4124 Fax www.stites.com

Mark R. Overstreet (502) 209-1219 (502) 223-4387 FAX moverstreet@stites.com

REGEIVED

AIIG 1 4 2009 PUBLIC BERVICE COMMISSION

RE: Application of Kentucky Power Company for a Certificate of Public Convenience and Authority to Construct a 138 kV Transmission Line in Perry County, Kentucky (P.S.C. Case No. 2009-00235)

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and six copies of Kentucky Power Company's application for a certificate of public convenience and authority to relocate a 1.04 mile span of the Beaver Creek-Hazard 139 kV transmission line southeast of Hazard in Perry County, Kentucky. The relocated line will span approximately 1.44 miles.

Please do not hesitate to contact me if you have an questions. VerAtruWyours.

Mark R. Overstreet

cc: Michael L. Kurtz Dennis G. Howard, II

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION RECEIVED

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IN THE MATTER OF:

THE APPLICATION OF KENTUCKY POWER COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT A 138 KV TRANSMISSION LINE IN PERRY COUNTY, KENTUCKY BEAVER CREEK – HAZARD (LEECO PROJECT) AUG 1 4 2009 Public Service Commission

Case No. 2009-00235

APPLICATION

Kentucky Power Company (Kentucky Power) moves the Commission pursuant to KRS 278.020(2), 807 KAR 5:001, Section 8, 807 KAR 5:001, Section 9 and 807 KAR 5:120 for a Certificate of Public Convenience and Necessity to Construct to remove 1.04 miles of the existing Beaver Creek-Hazard and construct a 1.44 mile 138 kV transmission line in its stead in Perry County, Kentucky. In support thereof Kentucky Power states:

Applicant

1. Kentucky Power is an electric utility organized as a corporation under the laws of the Commonwealth of Kentucky in 1919. A certified copy of Kentucky Power's Articles of Incorporation and all amendments thereto was attached to the Joint Application in Case No. 99-149¹ as Exhibit 1. The post office address of Kentucky Power is 101A Enterprise Drive, P.O. 5190, Frankfort, Kentucky 40602-5190. Kentucky Power is engaged in the generation, purchase, transmission, distribution and sale of electric power. Kentucky Power serves approximately 175,000 customers in the following 20 counties of eastern Kentucky: Boyd, Breathitt, Carter,

¹ In the Matter of: The Joint Application Of Kentucky Power Company, American Electric Power Company, Inc. And Central And South West Corporation Regarding A Proposed Merger, P.S.C. Case No. 99-149.

Clay, Elliott, Floyd, Greenup, Johnson, Knott, Lawrence, Leslie, Letcher, Lewis, Magoffin, Martin, Morgan, Owsley, Perry, Pike and Rowan. Kentucky Power also supplies electric power at wholesale to other utilities and municipalities in Kentucky for resale. Kentucky Power is a utility as that term is defined at KRS 278.010.

2. Kentucky Power is a wholly-owned subsidiary of American Electric Power Company, Inc. ("AEP.") The AEP System is a multi-state public utility holding company system that provides electric service to customers in parts of eleven states – Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia and West Virginia.

Existing Facilities to be Removed

3. Kentucky Power seeks authority to remove approximately 1.04 miles of the existing Beaver Creek-Hazard 138 kV line and in its place construct approximately 7,603 feet (1.44 miles) of 138 kV transmission line. The portion of the line to be removed is located within a right-of-way granted by Colony Coal & Coke Corporation and Kenmont Coal Company to Kentucky Power (then named Kentucky & West Virginia Power Company) pursuant to an April 1, 1930 agreement. Under the terms of its agreement with Colony Coal & Coke Corporation (predecessor in interest to ACIN, LLC) Kentucky Power agreed to relocate its "power line" whenever Colony or its lessees, successors or assigns "reasonably require a change of location of" the power line…." A copy of the April 1, 1930 agreement between Colony Coal & Coke Corporation, Kenmont Coal Company and Kentucky & West Virginia Power Company granting Kentucky Power an easement to construct its power lines is attached as **EXHIBIT 8**. LEECO, Inc is a lessee of ACIN, LLC (the successor in interest to Colony Coal & Coke Corporation) and has requested that Kentucky Power relocate the 1.04 mile section of the existing Beaver Creek-

Hazard 138 kV transmission line. The relocation is reasonably required to accommodate LEECO, Inc.'s elevation of its Buckeye Hollow mining impoundment. Failure to relocate the line will result in a National Electric Safety Code (NESC) vertical clearance violation as the LEECO slurry pool rises.

4. In addition to the approximately 1.04 miles of the existing Beaver Creek - Hazard 138 kV line, the proposed project will require the removal of one steel lattice tower, 3 - 397,000 MCM ACSR conductors and 1 -159 MCM ACSR shield wire.

The Proposed Project

5. The proposed new 138 kV transmission line will be constructed by placing a three pole running corner structure [K112-96A] on the existing centerline near structure K112-95. The company will construct 1.44 miles of 3 – 397,000 MCM ASCR conductor and 2 – 7#8 alumoweld shield wire line utilizing two and three pole standard 138 kV WPE steel pole H-Frame structures. The Company will place a second three pole running corner structure [K112-96G] to rejoin the existing centerline near structure K112-97. Three copies of a map of appropriate scale showing the location of the proposed transmission center line, the right of way and the boundaries of each property to be crossed by the line as indicated by the records of the Perry County Property Valuation Administrator are attached as **EXHIBIT 1**.

6. The total projected cost of the project is approximately \$1.375 Million. The proposed transmission line itself is projected to cost \$1,370,000. Related distribution work is projected to cost \$4,700. The proposed construction does not involve sufficient capital outlay to affect materially the financial condition of Kentucky Power. Construction will be financed through Kentucky Power's internally generated funds. After the proposed facilities are completed their estimated annual cost of operation will be approximately \$1,000.

7. The proposed transmission line will require a 100-foot right-of-way (fifty feet on each side of the centerline.)

Property Acquisition

8. The proposed transmission line will cross four parcels of property. Kentucky Power Company has secured the necessary easements from three of the property owners, and is currently in negotiations with the fourth owner. Before beginning construction, Kentucky Power will acquire the necessary rights-of-way or other property interest to build the project. The status of negotiations with affected property owners is illustrated on the table attached as **EXHIBIT 5.**

<u>The Proposed Relocation And Construction Is Required By</u> <u>The Public Convenience And Necessity</u>

9. The proposed relocation and new construction will not compete with any public utilities, corporations or persons and will not result in duplication of facilities. The proposed new construction is being undertaken pursuant to a binding contractual obligation of the Company and is required to permit continued use of the existing Beaver Creek-Hazard 138 kV transmission line, which is used to serve the Hazard and Perry County, Kentucky areas. As such, it is required by the public convenience and necessity.

Alternatives Considered

A. <u>Alternative Approaches</u>.

10. Kentucky Power considered four options: (a) taking no action; (b) abandoning the existing line and removing it from service; (c) taking the existing line out-of-service for the duration of LEECO's impoundment construction; and (d) relocating the line as proposed.

11. After due consideration, the Company rejected the first three options. The existing right-of-way agreement among the Company and the land and mineral owners obligates

the Company to relocate its facilities at the owners request and thus taking no action is not feasible. The second option, abandoning the existing line, likewise is not feasible. A review by AEP Transmission Regional Planning indicated the Beaver Creek-Hazard line is required to provide service in the Hazard and Perry County areas. Finally, the third option was not feasible because it would require post-construction clearances over the impoundment that cannot be achieved with the existing structures.

11. Kentucky Power determined the best option would be to relocate the affected structures and the existing transmission line as proposed. This option will fulfill Kentucky Power's obligation under its existing easement agreement. Additionally, relocation of the existing line will ensure reliable service is maintained in the Hazard and Perry County, Kentucky areas.

B. Alternative Routes.

12. The Company developed two alternative transmission line routes, designated as the Northern Route and the Southern Route. Three copies of a map of appropriate scale showing the location of the two alternative routes are attached as **EXHIBIT 2**. Kentucky Power retained the services of GAI Consultants, Inc. ("GAI"), Homestead, Pennsylvania, to develop and evaluate alternative line route locations for overall environmental suitability and feasibility. The two alternative routes were developed based upon several siting criteria, including compatibility with land use, minimization or impacts to resources, constructability, and landowner support. A copy of the GAI Transmission Line Siting Study Report is attached as **EXHIBIT 4**.

13. Large portions of the general area are covered by active surface mines, an existing slurry impoundment, and some forested areas. The Southern and Northern Alternatives begin near the existing AEP structure 112-95 (See Exhibit 2), which is located to the southeast of the

city of Hazard, in Perry County, Kentucky. The Northern Alternative departs from the existing line, runs northward across an active surface mining area for 0.5 mile, turns westward and spans the existing slurry impoundment for 0.5 mile,² and turns southward for 0.5 mile and reconnects with the existing transmission line near structure 112-97.

The Southern Alternative departs the existing line, begins southwestward across an active surface mining area for 0.75 mile, turns northwestward, spans Buckeye Creek Valley, parallels existing mining roads for 0.75 mile and reconnects to the existing transmission line near structure 112-97.

14. No substantial environmental impacts are anticipated with either alternative. Nevertheless, Kentucky Power concluded, based upon the following considerations and consistent with the recommendation of the GAI Consultants, that the Southern Alternative is the preferred route for the proposed 138 kV transmission line relocation. First, LEECO indicated that the Southern Alternative best compliments its current impoundment expansion plans (the reason for the relocation) and future mining expansion and operation plans. The Southern Alternative also will have a smaller impact on forest habitats than the Northern route (9.2 acres vs. 14.2 acres). Additionally, the Northern alternative would require five (five) turning angles as compared to the Southern's three angles. As a result, the Southern Alternative would cost slightly less to construct.

 $^{^{2}}$ The structures on the slurry crossing along the proposed "Northern Route" would be placed at elevations that would allow for proper clearance of the impoundment under all conditions (including those that would create the NESC violation in the present location.)

Notices

15. By letters dated and mailed first class mail, postage prepaid, Kentucky Power on August 13, 2009 notified all property owners, as indicated by the records of the Perry County Property Valuation Administrator, over whose land the transmission right-of-way is proposed to cross, of the proposed construction. The notification was mailed to the address for each property owner as indicated by the Perry County Property Valuation Administrator records. Included within the letters were:

(a) notice of the proposed construction;

(b) the docket number (P.S.C. Case No. 2009-00235) under which the application will be processed;

(c) the address and telephone number of the Commission's Executive Director;

(d) a description of the property owners' rights to request a public hearing and the right to request intervention;

(e) a description of the project and a map of the proposed route of the line.

16. A notice of Kentucky Power's intent to construct the line, along with the information required by 807 KAR 5:120, Section 2(5), will be published one time in *The Hazard Herald*, a paper of legal record and general circulation for Perry County, during the week of August 17, 2009. This Application will be supplemented with the Affidavit of Publication when received. A copy of the text of the proposed notice is attached as **EXHIBIT 7**.

Exhibits And Required Documentation

17. The following exhibits and required documentation are attached to and made a part of this Application:

(a) Three maps of no less than one inch equals 1,000 feet of the proposed project showing the location of the proposed transmission center line, the right of way and the boundaries of each property to be crossed by the line as indicated by the records of the Perry County Property Valuation Administrator. [EXHIBIT 1];

(b) Three maps of no less than one inch equals 1,000 feet of the proposed project showing the location of the alternative routes considered. [EXHIBIT 2];

(c) Sketches of the typical transmission line support structures. [EXHIBIT 3];

(d) The report prepared by GAI Consultants, Inc. identifying and evaluating alternative line route locations for overall environmental suitability and feasibility. [EXHIBIT 4];

(e) The status of negotiations for acquisition of the necessary rights-of-way.

[EXHIBIT 5];

(f) Copies of the letters, including all enclosures, the list of the persons to whom they were mailed, their addresses as indicated by the records of the Perry County Property Valuation Administrator and the verification by Errol K. Wagner of the mailing of the letters. [EXHIBIT 6];

(g) The text of the notice and map will be published one time in *The Hazard Herald*, a paper of legal record and general circulation for Perry County, during the week August 17, 2009. [EXHIBIT 7]; and

(h) A copy of the April 1, 1930 agreement between Colony Coal & Coke

Corporation, Kenmont Coal Company and Kentucky & West Virginia Power Company granting

Kentucky Power an easement to construct its power lines. [EXHIBIT 8].

Communications

17. The Applicant respectfully requests that communications in this matter be addressed

to:

Mark R. Overstreet STITES & HARBISON, PLLC P.O. Box 634 Frankfort, Kentucky 40602-0634

Errol K. Wagner Kentucky Power Company P.O. Box 5190 Frankfort, Kentucky 40602-5190

ON BEHALF OF KENTUCKY POWER

WHEREFORE, Kentucky Power Company requests that the Commission issue an Order:

(a) Approving pursuant to KRS 278.020(2), 807 KAR 5:001, Section 8, 807 KAR
5:001, Section 9 and 807 KAR 5:120, the construction by Kentucky Power of the proposed
relocation of the Beaver Creek-Hazard (LEECO Project) 138 kV line;

(b) Granting Kentucky Power a Certificate of Public Convenience and Necessity for such construction as is necessary to complete the project;

(c) Granting Kentucky Power such other relief as may be appropriate.

This 14th day of August, 2009.

Respectfully submitted, UBS Mark R. Overstreet

STITES & HARBISON PLLC 421 West Main Street P.O. Box 634 Frankfort, Kentucky 40602-0634 Telephone: (502) 223-3477 Facsimile: (502) 223-4387 moverstreet@stites.com

CERTIFICATE OF SERVICE

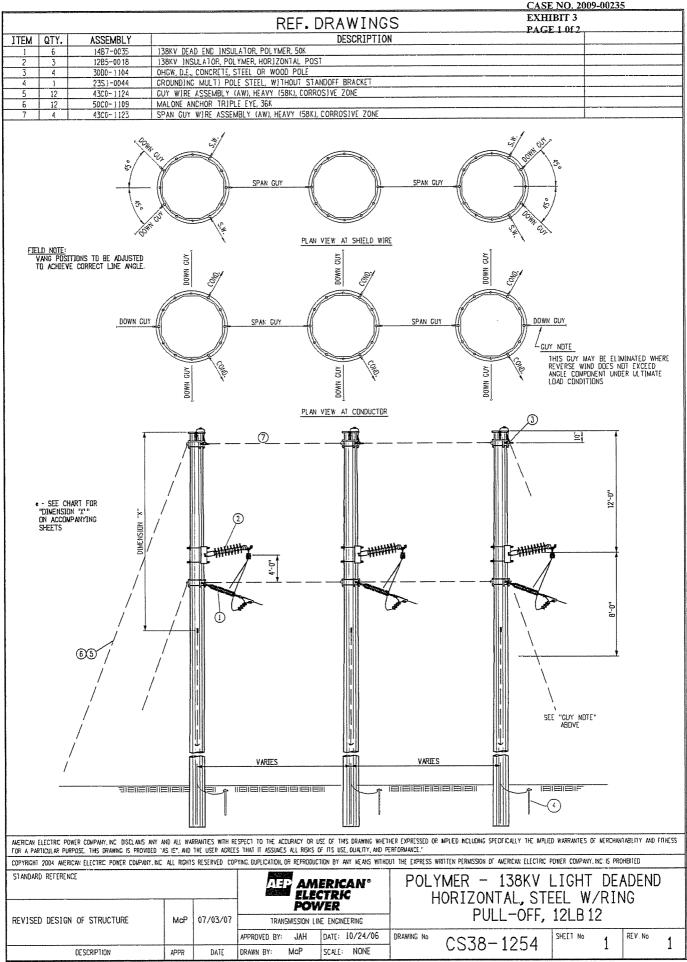
I hereby certify that a true and accurate copy of the foregoing was served by United States Mail, Postage Pre-paid, upon:

Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202 Dennis G. Howard II Larry Cook Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204

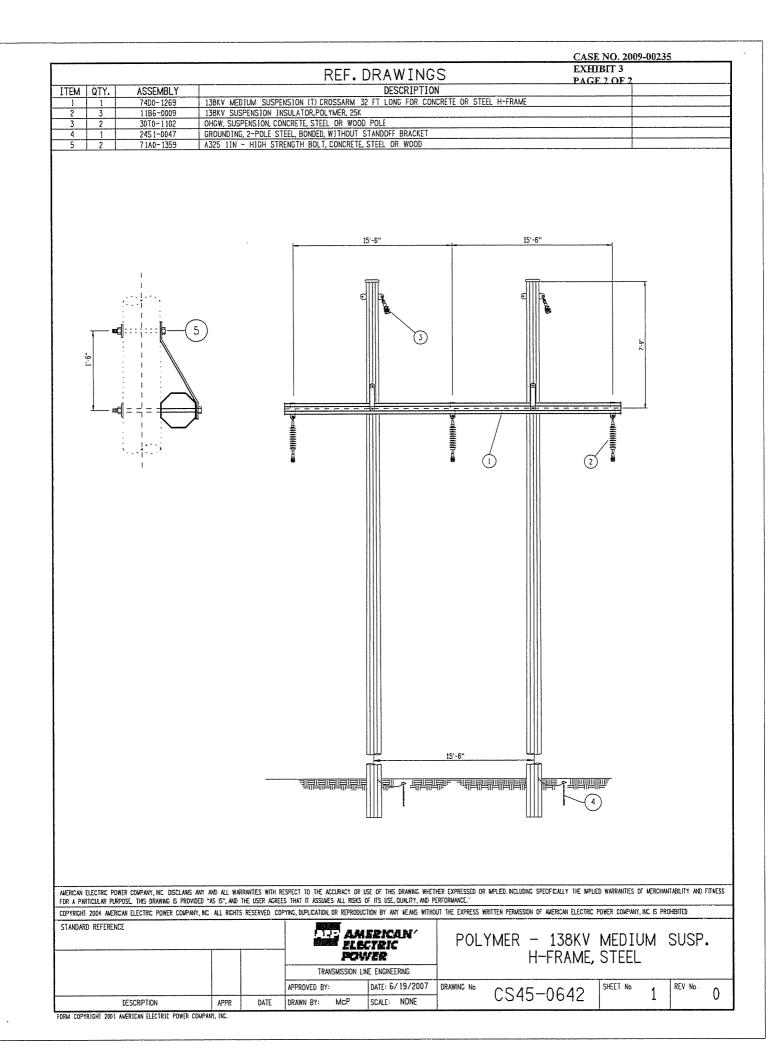
on this the 14th day of August, 2009.

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Mark R. Overstreet



FORM COPYRICHT 2001 AMERICAN ELECTRIC POWER COMPANY. INC.



KPSC Case No. 2009-00235 Exhibit 4

Report Beaver Creek-Hazard 138 kV Relocation Project (Between Structures No. 95 and No. 97) Transmission Line Siting Study

Kentucky Power Company Perry County, Kentucky

GAI Project: C081221.03, Task 010 July 2009

Prepared for: Kentucky Power Company P.O. Box 5190 101A Enterprise Drive Frankfort, Kentucky 40602 KentuckyPower.com

Prepared by: GAI Consultants, Inc. Pittsburgh Office 385 East Waterfront Drive Homestead, Pennsylvania 15120-5005 GAI Consultants.com

. . . transforming ideas into reality

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1.0 INTRODUCTION

American Electric Power (AEP), Kentucky Power Company's (Kentucky Power) parent company which is responsible for transmission engineering and planning, proposes to relocate 1.04 miles of the existing Beaver Creek-Hazard 138 kV transmission line (between Structures No. 95 and No. 97) in Perry County, Kentucky (KY) (the Project) (see Project Location Map, Figure 1). The Project will accommodate LEECO Incorporated's (LEECO's) Buckeye Hollow mining impoundment development plans. LEECO intends to raise the elevation of the impoundment. Under its lease agreement with LEECO, AEP is required to relocate its transmission line and structures under this circumstance. The relocation is also required to prevent a National Electrical Safety Code vertical clearance violation that would result from the altered pool elevation. Consequently, two alternative transmission line routes have been developed to relocate this section of line in order to ensure reliable service to the Hazard, KY area. Both alternative routes are approximately 1.5 miles in length. A 100-foot wide right-of-way (ROW) will be required for construction and operation. The relocated line will utilize a combination of steel H-frame structures and three pole steel structures (approximately 100-foot tall) (see Proposed Structure, Figure 2).

AEP retained GAI Consultants, Inc. (GAI) to review and evaluate the two alternative transmission line routes for overall environmental suitability and feasibility.

This report presents the results of an overall feasibility evaluation conducted by GAI between April 2009 and June 2009. Section 2 describes the methodology utilized in this investigation; Section 3 provides a discussion of the Project area features and environmental constraints in the study area; Section 4 describes the proposed alternatives; and Section 5 provides a comparative analysis of these alternatives.

2.0 METHODOLOGY

AEP first considered several options to accommodate LEECO's development plans. The options considered included the following:

- 1. No Action: AEP's existing ROW agreement with the land and mineral owners specifies that AEP will relocate its facilities at their request. Therefore, this alternative is not feasible.
- 2. Abandon Line and Remove from Service: Review by Transmission Regional Planning determined that the Beaver Creek-Hazard line is required to provide service in the Hazard and Perry County areas. Therefore, this alternative is not feasible.
- 3. Take Line Out of Service for Duration of Impoundment Construction: The required post-construction clearances over the impoundment cannot be achieved with the existing structures. Therefore, this alternative is not feasible.
- 4. Relocate the Affected Structures: Relocation of the existing line will fulfill AEP's obligation to not interfere with the property owner's development as covered in the existing ROW agreement.

Therefore, options 1 through 3 were rejected. Option 4, which involves relocating the existing line, would ensure reliable service is maintained in the Hazard, KY area. Hence, AEP retained GAI to complete a transmission line siting study.

The initial step in the siting study involved the identification of resources and environmental constraints on the LEECO property, specifically in areas surrounding the existing transmission line, the planned LEECO Buckeye Hollow mining impoundment, and the proposed alternative

transmission line routes. The Project is located to the southeast of the City of Hazard, in Perry County, KY (see General Location Map, Figure 3).

Corridor siting criteria were developed to form the basis of the approach to analyze alternative corridors through the Project area. These criteria were employed to avoid or minimize land use conflicts and impacts upon human, natural, visual, and cultural resources; regulatory conflicts; construction, operation and maintenance problems; and Project schedule delays.

Among the siting criteria employed were:

- avoid or minimize conflicts with existing and proposed future land uses, including the paralleling of existing utility transmission line corridors where possible;
- avoid or minimize impacts upon human, natural, visual, and cultural resources;
- avoid or minimize visibility from populated areas or heavily traveled roads;
- minimize impacts and construction costs by selecting shorter, more direct corridor routes;
- route corridors through terrain where economical construction and mitigation techniques can be employed, and where line operation and maintenance is feasible;
- consistency with AEP transmission needs, Project schedules, regulatory agency oversight requirements, and environmental regulations; and
- landowner support.

These siting criteria formed the basis of the impact/resource conflict avoidance methodology utilized to route the alternative corridors.

Based upon a review of recent aerial photography [United States Department of Agriculture (USDA) National Agriculture Imagery, 2006] and United States Geological Survey (USGS) topographic mapping (USGS, 1992a; 1992b; 1992c; and 1992d), AEP engineers identified alternative transmission line routes for further analysis. In general, the alternative routes were developed to avoid major environmental constraints. The routes were then evaluated through data collected from:

Literature Review and Data Collection

GAI collected published data and mapping of environmental resources within the Project area to identify significant environmental resources that could pose constraints for transmission line siting. These environmental resources included wetland, soils, geology, public lands, designated natural areas or preserves, wildlife areas, or recreation areas. GAI also reviewed available information concerning existing and future land uses within Perry County. These data were used to create a geographic information system (GIS) database to assist in the data analysis. The sources used to obtain these data are discussed in detail in the following sections.

As part of this effort, GAI reviewed recent aerial photography obtained from the USGS and AEP to update and refine feature locations identified by the literature review. These data were also incorporated into the GIS database.

Ground Reconnaissance

Initial field reviews were conducted between June 15, 2009 and June 17, 2009. Field reviews were used to verify identification of features on the aerial photographs, and

provide a current update on recent building construction. These efforts were limited to views from the LEECO Buckeye Hollow mining impoundment, public road crossings and other publicly-accessible sites. Data revisions and new information resulting from the ground reconnaissance were incorporated into the GIS database.

Agency Coordination

Coordination was conducted with federal and state agencies pertaining to potential occurrence and distributions of endangered and threatened species and cultural resources of concern.

Mining Company Coordination

Extensive coal mining activities are planned in the study area. In order to identify potential conflicts between current and future mining operations and operation of a transmission line, AEP met with representatives of LEECO concerning the compatibility of proposed alternatives with any potential future mining and land use plans.

Landowner Coordination

AEP has coordinated the Project with the landowners.

Section 3 discusses the environmental constraints identified within the study area as a result of these data collection efforts.

Each alternative route was assessed for resources within the 100-foot wide ROW and/or within 500 feet of the ROW centerline as identified in Table 1. In addition, the presence of airports (including private landing strips) was examined for an area within one-mile of the Project elements. The alternatives were then comparatively examined in regard to resource impacts to identify the most feasible route with the least impacts to construct the proposed Project.

Following completion of data collection efforts and compilation of the GIS database each alternative was evaluated based up on the data collected. Alternatives were examined for "fatal flaws" and overall feasibility was assessed as discussed in Section 5.

3.0 ENVIRONMENTAL CONSTRAINTS

3.1 Topography and Geology

The Project lies within the Cumberland Plateau and Mountains physiographic region of KY, commonly known as the Eastern Coalfields, which occupies the southwestern part of the Appalachian Plateau Physiographic Province. In general, the Cumberland Plateau is dominated by a series of sloping, uplifted, dissected plateaus capped by resistant sandstone layers [KY Geological Survey (KGS), 2005a]. The topography is characterized by deep, v-shaped valleys that have eroded through thick flat-lying or gently folded Pennsylvania age sedimentary bearing rocks. The elevations range from 500 feet to over 2,000 feet above sea level, but may exceed 4,000 feet in some locations. The only flat areas are along the valleys and major streams. See existing context photographs, Figure 4.

The Project is situated on the Pennsylvanian-aged rocks of the Middle Breathitt Formation. The Middle Breathitt Formation is composed of siltstone, some sandstone, and coal. This formation is not indicative of karst topography. There are no known geologic faults located near the Project. The topography in the vicinity of the Project ranges from approximately 1,000 to 1,600 feet msl in elevation based on topographic mapping.

Based on USGS landslide data, the Project is located within an area of high incidence of landslides (USGS, 1999). This is based on response of the soils to natural and artificial cutting, loading of slopes, and high precipitation. Modification by excavation and fill may lead to local landslides. Blasting can have an effect on the potential for slope failure.

3.2 Hydrocarbon Resources

Oil and natural gas are common commercially extractable natural resources of the Cumberland Plateau Region (KGS, 2005b). The Project is within the eastern KY Coal Field (KGS, 2005a). According to the KY Coal Education website, in 2006 there were 202 active surface mines and 214 active underground mines in eastern KY (KY Coal Education, 2006). Coal resources in the vicinity of the Project were located using mine maps from the Commonwealth of KY, KY Mine Mapping Initiative (2008). Review of these maps indicates that there are active and inactive surface mines in the Project vicinity. There is one active surface mine in the Project vicinity, the LEECO and James River Coal Co. Buckeye #1 Strip Mine State File Number (SFN) 18106-3 in the Hazard Number 7 and 8 coal seams. In addition, the Perry County Coal Corporation, Enterprise Coal Company, and the Kentucky River Coal Company operate active surface mines in the Project.

The abandoned underground mine operations within the vicinity of the Project include the LEECO Mine Number 62 (SFN 11305-48) in the Number 4 seam, LEECO, Inc. Mine Number 63 (SFN 11305-49) in the Number 4 seam, Mine Number 68 (SFN 11305-53) in the Amburgy seam, Kenmont Coal Company Number 7 Seam (SFN 180), Elben Coal Company Number 7, J & H Coal Company Number 9 seam (SFN 9986), and the Frugate and Young Coal Company Number 9 seam (SFN 10361).

Because the identification of mine openings conducted for this siting study was compiled from remote sensing sources, it is not comprehensive. Additional, unmapped, abandoned openings may occur in the area; field surveys would be required to locate all openings. As noted previously, AEP has coordinated with LEECO concerning planned mining activities in the vicinity of the Project.

There are gas wells and gas fields in the vicinity of the Project. Specifically, two gas wells are located within 300 feet of the existing transmission line and one gas well within 200 feet of the northern alternative route (KGS, 2005b). Locations of wells were obtained from data prepared by the KGS from the Kentucky Oil and Gas Well Records Database. Figure 5 (Constraints Map) shows the locations of mining features and gas wells within the vicinity of the Project.

3.3 Groundwater

There are no Sole Source Aquifers in KY [United States Environmental Protection Agency (EPA, 2006]). There are two groundwater wells located within 1,000 feet of the proposed alternative routes; both wells are utilized for commercial purposes [Kentucky Department for Environmental Protection, Division of Water (KYDEP, DOW), 2009].

3.4 Soils

Soils in the area were evaluated from the USDA, National Resource Conservation Service (NRCS) Web Soil Survey (2009) and the USDA NRCS Soil Survey Geographic (SSURGO) Database (2008). The soils in the vicinity of the Project include Fairpoint soils, steep, benched (FaF), the Dekalb-Rock outcrop - Latham association, steep (DLF), Shelocta - Cutshin association, steep (SCF), and Shelocta - Gilpin association, steep (SGF). All soils and soil associations are generally characterized by silt-loam and channery-loam soils overlying channery silt-loam subsoil. Parent material consists chiefly of shale and sandstone.

The Dekalb-Rock outcrop - Latham association typically occurs on ridges and the major soils in this association have low available water capacity and are well drained. Fairpoint soils typically occur on steep mountain slopes and on reclaimed lands, are well-drained, and have a low available water capacity. The Shelocta - Cutshin Association typically occurs on mountain slopes and the major soils in this association are well drained and range from low to high available water capacity. The Shelocta - Gilpin association typically occurs on mountain slopes and the major soils in this association are well drained and range from low to high available water capacity.

There are no prime farmland soils or hydric soils within the vicinity of the Project.

3.5 Land Use

Land use patterns were evaluated from aerial photographs, USGS topographic mapping, and from field observations. During the data collection and ground reconnaissance activities cited above in Section 2.0, existing buildings and development that post-date the existing mapping were located and incorporated in to the GIS database. Figure 5 provides aerial photography illustrating and identifying current land uses in the area; additionally, Figure 4 includes existing context photographs.

Currently, the vast majority of the area is covered by active surface mines, an existing slurry impoundment, and some forested areas. Forests dominate the mountains in the vicinity of the Project and the valleys are predominantly occupied by low-density rural residential development.

There are no cemeteries, hospitals, schools, or churches within 1,000 feet of any proposed alternative. The area contains one active surface mine and numerous oil and gas wells, coal exploration drill holes, and coal outcrops.

There are no known airports or landing strips within one-mile of any proposed Project elements (USGS, 1992a; 1992b; 1992c; and 1992d).

3.6 Cultural Resources

In order to assess archaeological site potential and architectural resources likely to be encountered by Project alternatives, GAI collected cultural resource data from a review of files maintained by the KY Heritage Council in its capacity as the KY State Historic Preservation Office (SHPO). GAI identified and mapped previously surveyed archaeological sites, engineering structures, and architectural resources within the vicinity of the Project. There are no previously recorded architectural or archaeological resources located within the vicinity of the Project. It is important to note that, particularly for archaeological resources, site boundaries are often undefined, and therefore, may be larger than the point data provided. Further investigation would be necessary to verify the extent and condition of resources or presence of previously unrecorded resources (both architectural and archaeological) and may determine that additional sites are present or that some known sites are substantially larger than currently mapped and thus could intrude into the area of potential effect.

3.7 Significant Natural Resources

3.7.1 Wetlands

The identification of wetlands within the area was based upon an office review of digital National Wetland Inventory (NWI) mapping [United States Fish and Wildlife Service (USFWS), 2007], supplemented by limited field views of the Project location in June 2009.

The NWI mapping indicates no known wetlands within the vicinity of the Project although a portion of Buckeye Creek is mapped as an R4SBC feature, a seasonally flooded riverine intermittent streambed. No other NWI wetlands or surface features are located within the vicinity of the Project.

3.7.2 Surface Waters

The Project is within the North Fork Kentucky River watershed, a priority watershed designation by the Kentucky Division of Water (KYDEP, DOW, 2009). Buckeye Creek, a tributary of the North Fork Kentucky River, is mapped flowing through the area and crossing the existing line and both alternative routes; however, this stream was not located during field views of the Project alternatives. The Project vicinity has been significantly altered due to previous mining activities. The mapped location of Buckeye Creek is currently occupied by an impoundment area and other mining developments. There are no KYDEP, DOW-designated Wild Rivers or Exceptional Use Waters within the vicinity of the Project (KYDEP, DOW, 2009).

3.7.3 Threatened and Endangered Species and Unique Natural Communities

The USFWS, the KY State Nature Preserves Commission (KSNPC), and the KY Department of Fish and Wildlife Resources (KYDFWR) were consulted for information on the potential for the occurrence of rare, threatened, and endangered species and unique ecological communities in the Project vicinity.

The USFWS KY Field Office indicated that the Indiana bat (*Myotis sodalis*), a federally endangered species, may potentially occur within the vicinity of the proposed Project. The USFWS recommends: that the area be surveyed by a qualified biologist for caves, rockshelters, and abandoned mines; avoidance of any impacts to these areas; and restricting tree removal to the period between October 15 and March 31 (November 15 if any hibernacula are present). If trees must be cleared between April 1 and October 14, USFWS requests that a mist-net survey for the Indiana bat be conducted to determine potential for impacts, or that a Conservation Memorandum of Agreement be implemented between AEP and USFWS. AEP intends to comply with the USFWS recommendations.

A review of the KY Natural Heritage Program Database by the KSNPC indicated the presence of Rafinesque's big-eared bat (*Corynorhinus rafinesquii*), a federal species of management concern and KSNPC species of special concern, within one-mile of the Project. The KSNPC reported the presence of the Eastern small-footed myotis (*Myotis leibii*), a federal species of management concern and KSNPC threatened species, within two miles of the Project. The KSNPC recommended that surveys for both species be conducted by a qualified biologist if suitable habitat (forests, riparian corridors, caves, rockhouses, clifflines, auger holes, and abandoned mines) is to be disturbed.

A review of the KY Fish and Wildlife Information System by the KYDFWR indicated the presence of state threatened and endangered species within the vicinity of the Project. However, the KYDFWR does not anticipate impacts of the Project on any species or ecological communities under its jurisdiction.

3.7.4 Parks, Preserves, and Recreational Facilities

There are no nature preserves, natural areas, state parks, state trails, KYDFWR Wildlife Management Areas, or public hunting or fishing locations within the area (KYDFWR, 2009; KY Department of Natural Resources, 2009; and KY State Parks, 2009).

3.7.5 Vegetation

The Project falls within the Central Appalachian Ecoregion as defined by Omerick (1987). The region is naturally forested, with the high hills and low mountains covered by mixed mesophytic, Appalachian oak, and northern hardwood forest (EPA, 2007). Harsh topography, shallow and infertile soils, and a cool climate have limited agricultural production within the region to shallow sloping valleys. Forests in the region are highly diverse, containing a diverse assemblage of oak, pine, hickory, and maple species, including occurrences of hemlock, beech, and birch. This diverse canopy promotes a high diversity of understory plant species and wildlife throughout the region.

4.0 ALTERNATIVES DEVELOPMENT

As discussed in Section 2.0, potential alternative routes were developed by AEP based upon several siting criteria, including compatibility with land use, minimization or impacts to resources, constructability, and landowner support. These alternatives were developed in consultation with LEECO.

Two alternative transmission line routes were developed and designated as the Northern and Southern Alternative routes, respectively, as shown on Figure 6 (Alternatives Route Map). The Northern Alternative Route circumvents the planned LEECO impoundment expansion via a northerly route, while the Southern Alternative Route circumvents the planned LEECO impoundment via a southerly route. Both alternatives are approximately 1.5 miles long, utilize a combination of steel H-frame structures and three pole steel structures (approximately 100-foot tall), and avoid the impoundment area.

5.0 ANALYSIS

Table 2 provides a comparative summary of potential constraints and opportunities associated with alternatives. Comparisons of the potential impacts and opportunities associated with each of these alternatives are discussed below.

5.1 Topography and Geology

No substantial topographic or geologic constraints to construction or operation are anticipated in the vicinity of either of the alternatives.

5.2 Hydrocarbon Resources

Both of the alternatives would cross areas that have been previously strip mined, or are planned for strip mining operations in the future. Previous discussions with LEECO have indicated that the Southern Alternative Route compliments its future development plans.

Neither alternative route contains any mapped oil/gas wells, coal exploration drill holes, or coal outcrops within the ROW. A single gas well is located within 500 feet of the centerline of the Northern Alternative (Table 2). No impact to this facility is anticipated.

5.3 Groundwater

No special concern groundwater resources were identified within the 500 feet of either alternative route (Table 2). There is one mapped industrial groundwater well located within 500 feet of the Southern Alternative. No wells were found to be located within 500 feet of the Northern Alternative.

5.4 Soils

Neither alternative would impact prime farmland soil or hydric soils.

5.5 Land Use

Both alternatives are approximately 1.5 miles in length and would require approximately 18.0 acres of ROW acquisition (Table 2). All of the land crossed by both alternative routes is owned by LEECO and most of the land is utilized for active mining operations. The Northern Alternative would impact approximately 14.2 acres of forested land, while the Southern Alternative would impact approximately 9.2 acres of forested land (see Figure 5 and Table 2).

5.6 Socioeconomic Resources

No major structures were identified within the ROW, or within 500 feet of the centerline, of either alternative (Figure 5, Table 2). This includes residences, churches, commercial buildings, and barns. In addition, there were no cemeteries, schools, or hospitals identified within 500 feet of the centerline of either alternative route.

There are no airports or landing strips within one-mile of any proposed Project elements.

Both alternatives are located within an unoccupied and isolated area used for mining activities. The alternatives are in areas with limited viewsheds that are screened by topography, vegetation, or substantial distance from non-mining related development. Therefore, no substantial visual impacts are anticipated.

5.7 Cultural Resources

No previously recorded architectural or archaeological resources will be affected by either alternative route.

5.8 Natural Resources

There are no parks, state or federal forests, state wildlife management areas, refuges, designated natural areas or conservation areas, National Landmarks, or National Natural Landmarks in the Project vicinity.

No previously identified NWI wetlands will be impacted by the ROW of either alternative route. Both alternatives cross Buckeye Creek, according to published mapping; however, Buckeye Creek was not located during the field view of the Project. The stream location has been altered by mining activities and the existing impoundment.

As discussed previously, both alternatives would affect forested areas. The Northern Alternative would impact approximately 14.2 acres of forest within the ROW, and the Southern Alternative would affect approximately 9.2 acres. The forest areas affected are located on the edges of large tracts; no fragmentation effects are anticipated.

The potential for impact to rare bat species is presently under investigation. Both alternatives may affect forest areas that could potentially be used by Rafinesque's big-eared bat, the eastern small-footed myotis, and the Indiana bat.

6.0 SUMMARY

Table 2 provides a comparative summary of potential constraints and opportunities associated with each of the alternatives.

Based upon the evaluations conducted for this study, both proposed alternatives have nearly identical potential impacts regarding the environmental constraints examined within this report, with the exception of forest acreage, and the proximity of an industrial ground water well.

The Northern Alternative would impact approximately 14.2 acres of forested habitat, while the Southern Alternative would impact approximately 9.2 acres of forested habitat. In this respect, the Southern Alternative is preferred.

A single mapped industrial ground water well is located within 500 feet of the Southern Alternative. This well is part of LEECO's mining operation and would not be expected to be impacted by this alternative.

Neither alternative will affect socioeconomic resources, previously recorded cultural resources, or result in visual impacts.

LEECO has expressed that the Southern Alternative best compliments the current impoundment expansion plans and future mining expansion and operation plans.

Lastly, the northern alternative would require five turning angles as compared to the southern, which would require three; hence, the southern alternative would cost slightly less to construct.

For these reasons, the Southern Alternative is the Preferred Route for the proposed 138 kV transmission line relocation.

7.0 REFERENCES

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- United States Geological Survey. 1992a. Carrie, Kentucky 7.5-minute quadrangle (1:24,000).
- United States Geological Survey. 1992b. Hazard North, Kentucky 7.5-minute quadrangle (1:24,000).
- United States Geological Survey. 1992c. Hazard South, Kentucky 7.5-minute quadrangle (1:24,000).

United States Geological Survey. 1992d. Vicco, Kentucky 7.5-minute quadrangle (1:24,000).

TABLES

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Table 1

RESOURCE ANALYSIS PARAMETERS

	Area of Analysis	
Resource	Within 100-Foot Wide ROW	Within Approximately 500 Feet of the Centerline
Urban Features		
Residences	X	X
Business/Commercial Structures	X	Х
Schools	X	Х
Churches	X	X
Cemeteries	X	X
Barns	X	X
Other Major Structure/Facility	X	X
Residential Yards Crossed	X	X
Airports		Within One-Mile
Oil/Gas Wells	Х	X
Coal Outcrop	X	Х
Water Wells	Х	Х
Future Land Use		1
Industrial/Commercial Development	X	
Surface Mining	Х	
Natural and Cultural Resources		1
Wetlands	X	
Streams and Waterbodies	Х	
Forest	Х	
Prime Farmland Soils	X	
Previously Documented Architectural Resources	Х	X
Previously Documented Archaeological Resources	X	X
Potential Rare Species Occurrence	X	Х
Recreational and Aesthetic Resources	L	
Bikeways	X	
Scenic Byways/Parkways	X	
Trails	X	
Park/Recreation Areas	X	

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Table 2

COMPARATIVE ANALYSIS SUMMARY

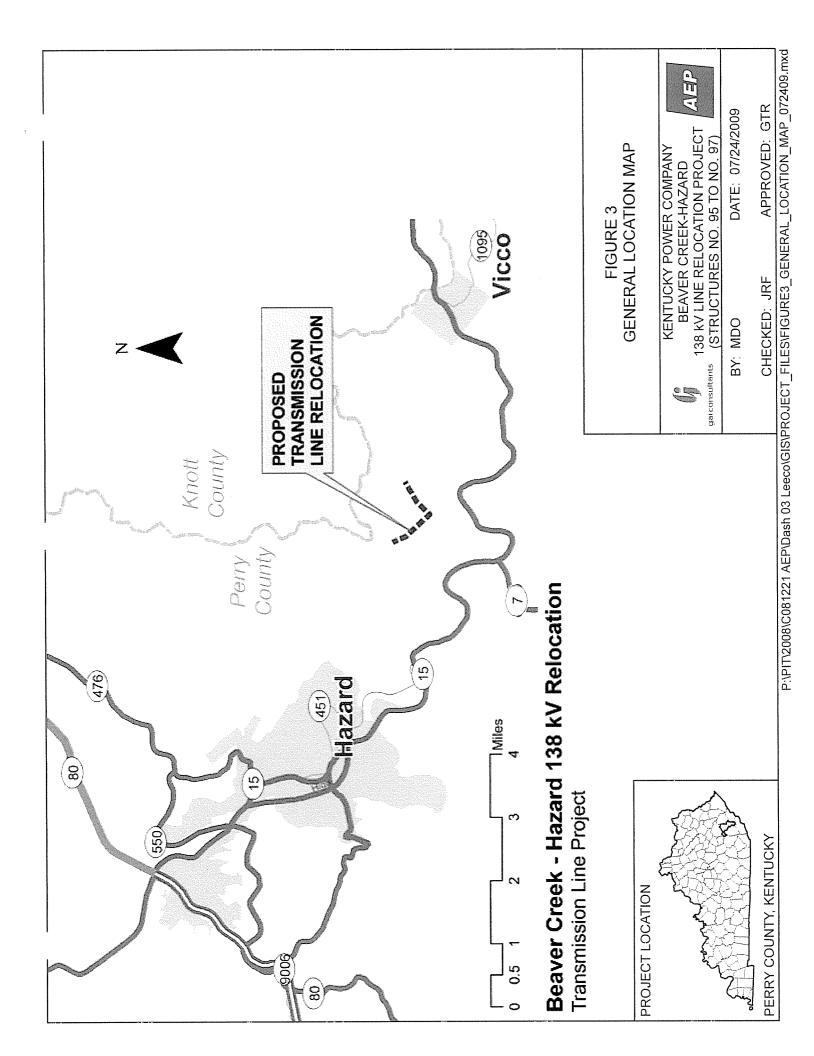
Route	Northern Alternative	Southern Alternative
Socioeconomic Resources		1 ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Length (miles)	1.5	1.5
Total Row Required (acres)	18.2	18.2
Parcels within ROW	3	4
Residences	0/0	0/0
Commercial Buildings	0/0	0/0
Schools	0/0	0/0
Churches	0/0	0/0
Barns	0/0	0/0
Other Structures	0/0	0/0
Total Major Structures	0/0	0/0
Cemeteries	0/0	0/0
Residential Areas (acres)	0.0	0.0
Public Roads	0	0
Water Wells	0/0	0/1
Parks/Recreation Areas	0/0	0/0
Natural and Cultural Features		
Wetlands (acres)	0.0	0.0
Streams	1	1
Forests (acres)	14.2	9.2
Previously Recorded Architectural Resources	0/0	0/0
Previously Recorded Archaeological Resources	0/0	0/0
Potential Rare Species	3	3
Prime Farmland Soils (acres)	0.0	0.0
Hydrocarbon Resources		
Oil/Gas Wells	1/0	0/0
Coal Outcrops	0/0	0/0
Coal Exploration Holes	0/0	0/0
Recreational and Aesthetic Resources		
Bikeways	0/0	0/0
Scenic Byways/Parkways	0/0	0/0
Trails	0/0	0/0
Park/Recreation Areas	0/0	0/0

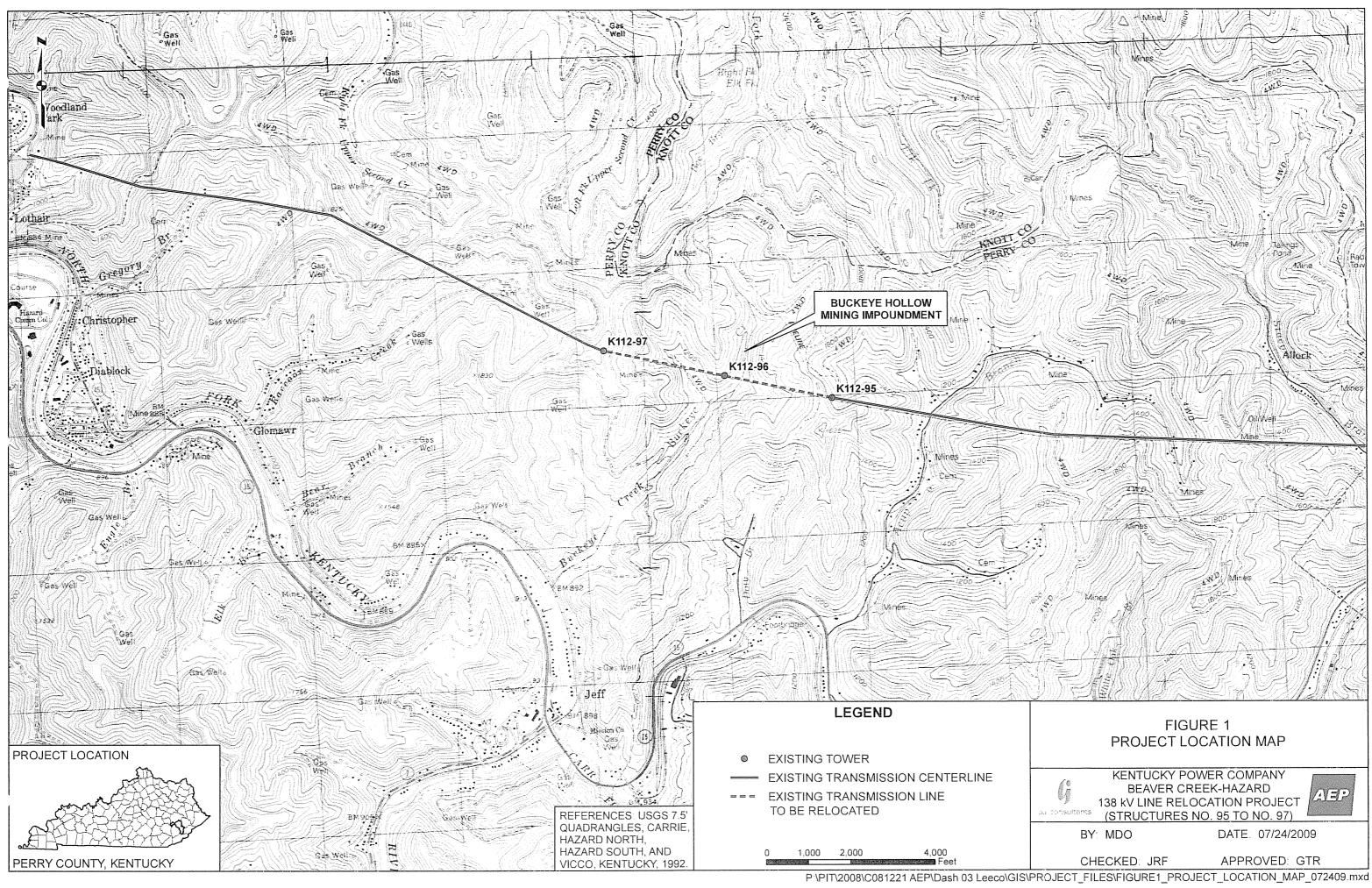
Note:

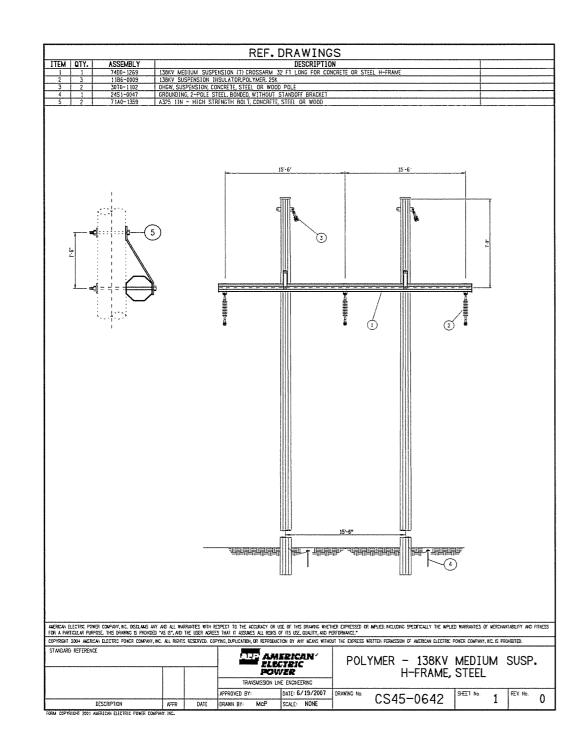
¹ #/# indicates number in ROW/number within 500 feet where appropriate.

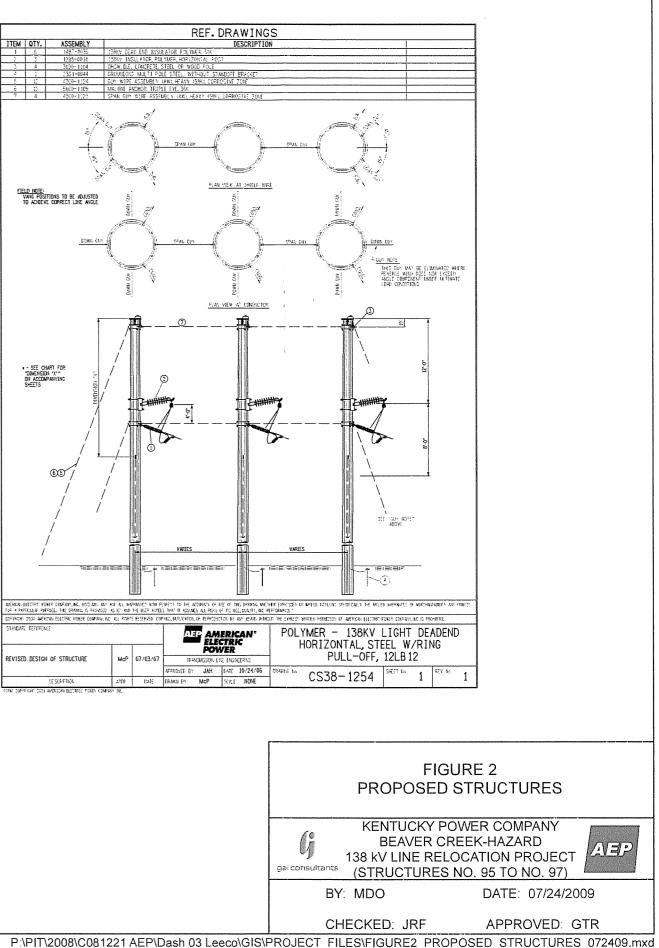
FIGURES

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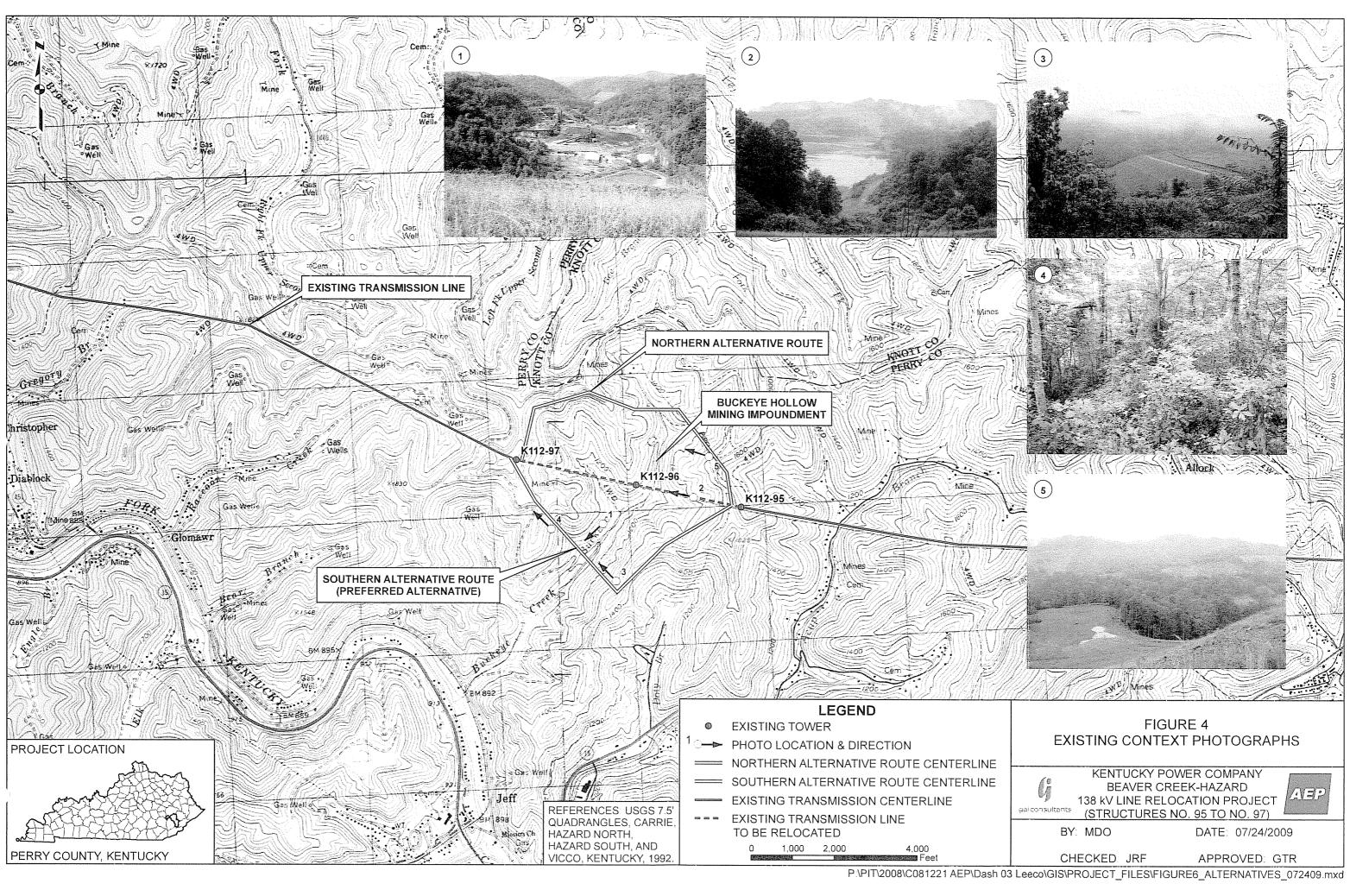


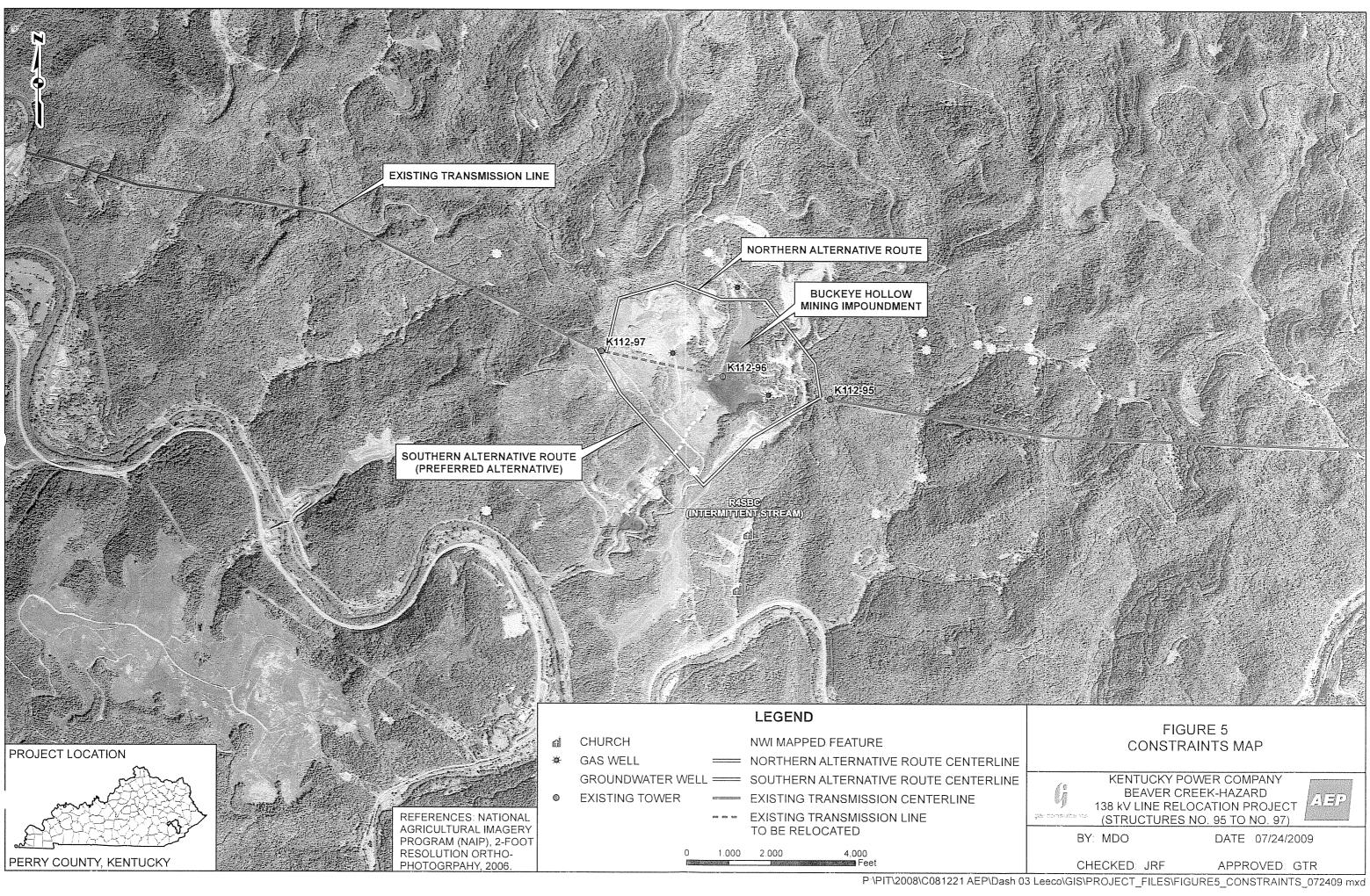


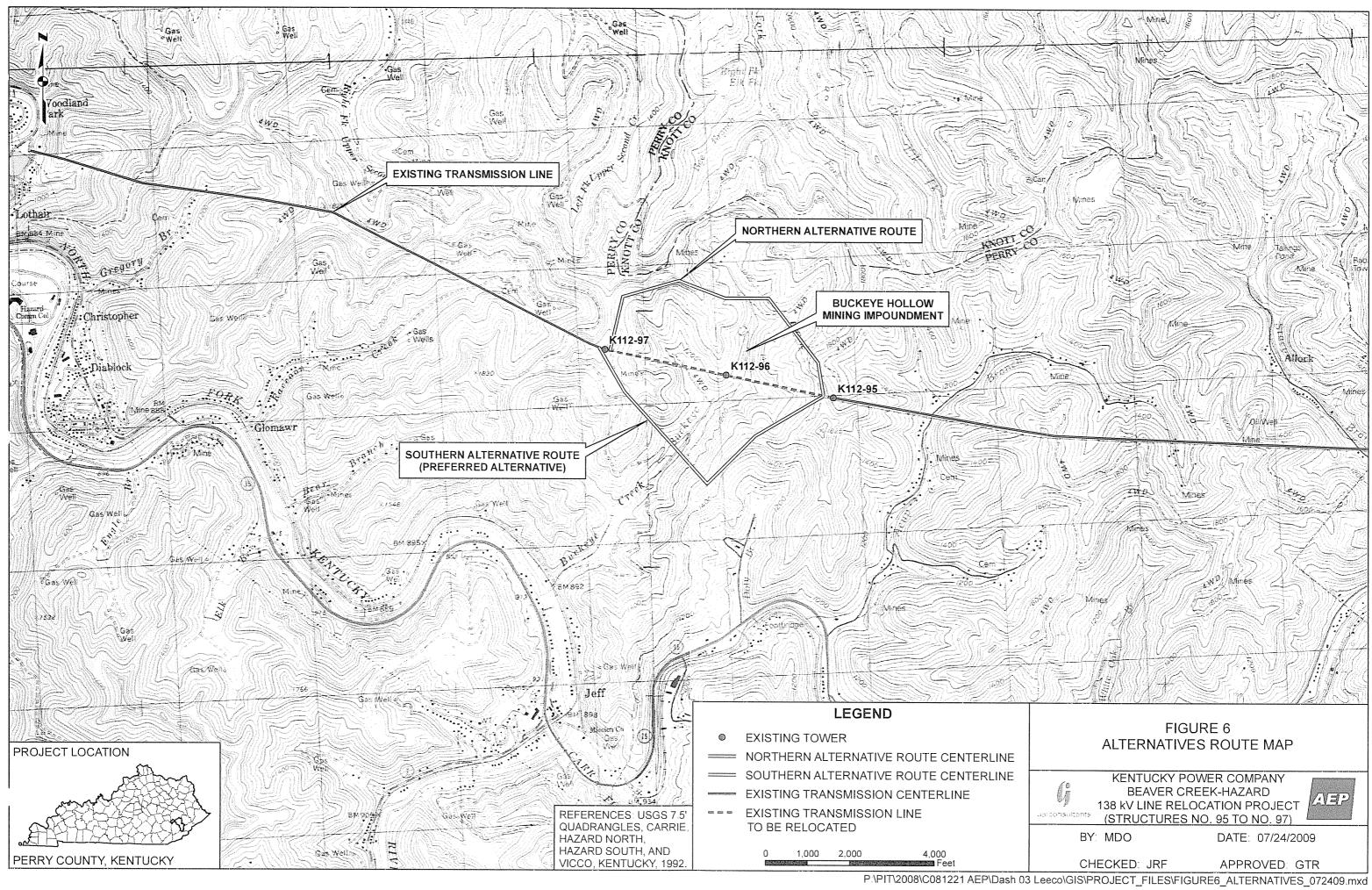












BEAVER CREEK - HAZARD				
Tract#	Map #	Parcel #	Name Address Phone	Easement Date
1 Surface owner	139	8	ACIN LLC P.O. Box 1257 Hazard, KY 41701 Ph:606-436-3231	7/15/2009
1 Mineral owner	139	8	Kentucky River Properties, LLC P.O. Box 269 Hazard, KY 41702 Ph: 606-439-4518	5/28/2009
2 Fee owner	139	8	ACIN LLC P.O. Box 1257 Hazard, KY 41701 Ph:606-436-3231	7/15/2009
3 Surface owner	154	1	Kentucky West Virginia Gas Company 106 Lank Branch P.O. Box 3878 Pikeville, Ky 41502 Ph:606-433-2964	work in progress
3 Mineral owner	154	1	ACIN LLC P.O. Box 1257 Hazard, KY 41701 Ph:606-436-3231	7/15/2009
1,2 Leesee	139	8	Leeco LLC P.O. Box 309 Jeff, KY 41751 Ph:606-439-3075	7/15/2009

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Verification of Mailing

I, Errol K. Wagner, being first duly sworn, state that on August 13, 2009 I caused the information required by 807 KAR 5:120, Section 1 (3) to be mailed to each property owner, as indicated by the records of the Perry County Property Valuation Administrator, whose property the proposed transmission line will cross.

Errol K. Wagner

COMMONWEALTH OF KENTUCKY))) COUNTY OF FRANKLIN

The foregoing instrument was subscribed and sworn to before me on this 14th day of August, 2009, by Errol K. Wagner.

My commission expires:

January 35, 2015 Ludy & Resguest



Kentucky Power P 0 Box 5190 101A Enterprise Drive Frankfort, KY 40602 KentuckyPower.com

August 13, 2009

Leeco LLC P.O. Box 309 Jeff, KY. 41751

Dear Sir/Madam:

Re: Application of Kentucky Power Company to Relocate A Section of its Beaver Creek-Hazard 138 kV transmission line southeast of Hazard in Perry County, Kentucky – P.S.C. Case No. 2009-00235

Kentucky Power Company proposes to relocate a 1.04 mile section of its Beaver Creek-Hazard 138 kV transmission line situated southeast of Hazard in Perry County, Kentucky. The relocated line, which will measure 1.44 miles, is planned to cross property in which you have an interest according to the records of the Perry County Property Valuation Administrator.

On or about August 14, 2009, Kentucky Power intends to file an application with the Public Service Commission of Kentucky seeking authority to relocate the line. Pursuant to 807 KAR 5:120, Section 2(3), Kentucky Power is providing the following information regarding the proposed relocation and the Commission proceeding:

(a) The Commission proceeding has been assigned Case No. 2009-00235;

(b) The address and phone number of the Executive Director of the Public Service Commission is:

Jeff R. Derouen Executive Director Public Service Commission of Kentucky 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40602-0615 (502) 564-3940

(c) You have the right to request a local public hearing in Perry County by sending a written request to the Executive Director of the Commission at the address above. The local

public hearing must be requested no later than 30 days after Kentucky Power files its application with the Commission. The requirements for the written request are set forth in 807 KAR 5:120, Section 3(2) and 807 KAR 5:120, Section 3(3).

You also have the right to request leave to intervene as a party in proceeding in which the Commission will consider Kentucky Power's application seeking authority to relocate the line. Intervention in Commission proceedings is governed by 807 KAR 5:001, Section 3(8).

The regulations governing your right to seek a public hearing and your right to request leave to intervene may be found at <u>http://www.lrc.state.ky.us/kar/title807.htm</u>

(d) The proposed new 138 kV transmission line will be constructed by placing a three pole running corner structure K112-96A on the existing centerline near structure K112-95. The company will construct 1.44 miles of 3 - 397,000 MCM ASCR conductor and 2 - 7#8 alumoweld shield wire line utilizing two and three pole standard 138 kV WPE steel pole H-Frame structures. The Company will place a second three pole running corner structure K112-96G to rejoin the existing centerline near structure K112-97. A map showing the proposed route of the relocated line is enclosed.

Please do not hesitate to contact me at (502) 696-7010 if you have any questions.

Sincerely,

Enold Wogner

Errol K. Wagner Director Regulatory Services



Kentucky Power P 0 Box 5190 101A Enterprise Drive Frankfort, KY 40602 KentuckyPower com

August 13, 2009

Kentucky River Properties, LLC P.O. Box 269 Hazard, KY 41702

Dear Sir/Madam:

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Sincerely,

Magner

Errol K. Wagner Director Regulatory Services



Kentucky Power P 0 Box 5190 101A Enterprise Drive Frankfort, KY 40602 KentuckyPower.com

August 13, 2009

ACIN LLC P.O. Box 1257 Hazard, KY 41701

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Sincerely,

mer Errol K. Wagne

Director Regulatory Services



Kentucky Power P 0 Box 5190 101A Enterprise Drive Frankfort, KY 40602 KentuckyPower.com

August 13, 2009

Kentucky West Virginia Gas Company 106 Lank Branch P.O. Box 3878 Pikeville, KY 41502

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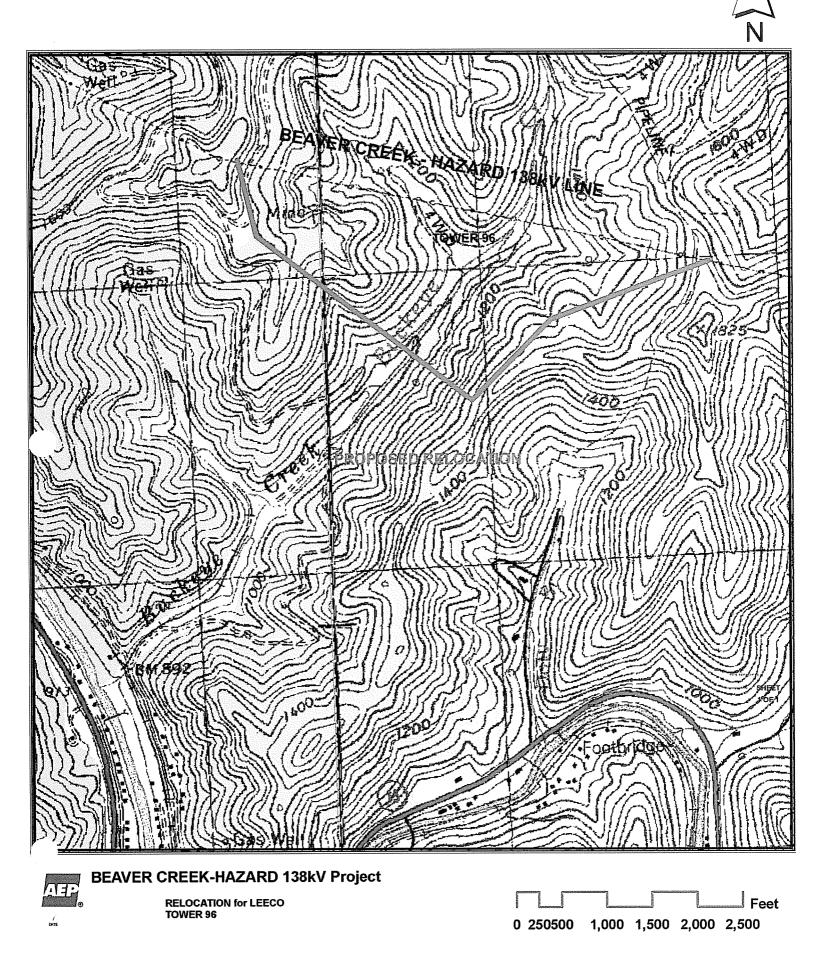
Please do not hesitate to contact me at (502) 696-7010 if you have any questions.

Sincerely,

yogner

Director Regulatory Services

KPSC Case No. 2009-00235 Exhibit 6



807 KAR 5:001. Rules of procedure.

(8) Intervention and parties. In any formal proceeding, any person who wishes to become a party to a proceeding before the commission may by timely motion request that he be granted leave to intervene. Such motion shall include his name and address and the name and address of any party he represents and in what capacity he is employed by such party.

(b) If a person granted leave to intervene desires to be served with filed testimony, exhibits, pleadings, correspondence and all other documents submitted by parties, and to be certified as a party for the purposes of receiving service of any petition for rehearing or petition for judicial review, he shall submit in writing to the secretary a request for full intervention, which shall specify his interest in the proceeding. If the commission determines that a person has a special interest in the proceeding which is not otherwise adequately represented or that full intervention by party is likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings, such person shall be granted full intervention.



Kentucky Power P 0 Box 5190 101A Enterprise Drive Frankfort, KY 40602 KentuckyPower.com

August 11, 2009

KENTUCKY PRESS ASSOCIATION

ATTN: Rachael McCarty

FAX 502-875-2624

Dear Ms. McCarty:

As you requested, we are faxing information to be published in the Classified Section under "Legal Notices" in the Hazard Herald P.O. Box 869 Hazard, KY 41702 newspaper in the Kentucky Power service area.

We are requesting the notice and map appear the week of August 17, 2009 thru August 23, 2009.

A copy of the final ad after it is reset should be "faxed" to the below address for our approval.

As we discussed, <u>immediately following publication</u>, your office will prepare a notarized affidavit and forward it along with the tear sheet to the address below.

The invoice for any costs associated with the service should be mailed to the address below.

Judy K. Rosquist Kentucky Power Company Regulatory Services P.O. Box 5190 Frankfort, KY 40602

If you have any questions, please call Judy at 502-696-7011.

Thank you,

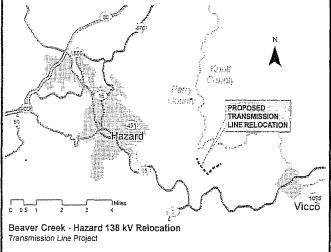
Errol K. Wagner

Director Regulatory Services

PUBLIC NOTICE

Kentucky Power Company (KPCo) gives notice that it will file an application seeking a Certificate of Public Convenience and Necessity authorizing it to construct in Perry County. Kentucky a 138 kV electric transmission line approximately 1.44 miles in length that will run between Kentucky Power's existing Beaver Creek-Hazard 138 kV centerline near Structure K112-95 and ending at existing centerline near Structure K112-97. The proceeding has been assigned Case No. 2009-00235.

Interested parties have a right to intervene in these proceedings and to request a local public hearing. Should you have any questions concerning the case, please contact Mr. Jeff R Derouen, Executive Director of the Kentucky Public Service Commission, P. O. Box 615, 211 Sower Boulevard, Frankfort, KY 40602-0615, or call 502/564-3940. Questions concerning the project may also be directed to Errol K. Wagner, Director of Regulatory Services, Kentucky Power Company, 101A Enterprise Dr., P. O. Box 5190, Frankfort, KY 40602-5190 or call 502/696-7010.



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131-132-134-135-136-127-138-140 Easement No. T. R/W No.2235 Map No. 2235 Line Name Beover Creek-Hazard

THIS AGREEMENT, made this the 1st day of April, 1930, between the COLONY COAL & COKE CORPORATION, a Virginia corporation, and its Lessee, KENMONT COAL COMPANY, Inc., parties of the first part, and KENTUCKY & WEST VIRGINIA POWER COMPANY, Inc., a Kentucky corporation, party of the second part,

WITNESSETH:

That for and in consideration of One Dollar cash in hand, paid by the party of the second part to the parties of the first part, receipt whereof is hereby acknowledged, the said parties of the first part grant unto the said party of the second part, without warranty of title, the right to erect and maintain through the lands of the parties of the first part, in Perry County, Kentucky, drained by the waters of Buckeye Creek and Acup Creek of Carrs Fork of the North Fork of the Kentucky River, and along the route hereinafter described, a powerline with such cross-arms, insulators and wires thereon as in the judgment of the party of the second part are necessary for carrying currents of electricity, all wires to be kept not less than 25 feet above the ground, and such power line on and through the Jands of the parties of the first part to be located as shown by Drawing No. B-2343 dated April 1st, 1930, attached hereto and made a part hereof, on a line described as follows: .

TRACT NO. 1: COLONY COAL & COKE CORP., MINERALS

PEARL COMES HEIRS, SURFACE COLONY COAL & COKE CORP. MINERAL KENMONT COAL COMPANY, LESSEE

Beginning at a point on the property line between the lands of Pearl Combs Heirs (fee) and

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Pearl Combs Heirs (Surface), Colony Coal & Coke Corporation(mineral), Kenmont Coal Company (Lessee), said point being designated as "Point of Beginning" and being in the sixteenth line of Jackson D. Combs 400 acre survey dated March 14, 1845, and being S 22° OB' W a distance of LO25 feet from the sixteenth corner thereof, said point also being approximately N 79° O9' W a distance of 1650 feet from the point where the centerline of this right of way leaves the property of Colony Coal & & Corporation, leased to M. K. and P. E. Marlowe; running thence N 79° O9' W for a distance of 360 feet to a point on top of a spur ridge on the property line between the surface lands of Pearl Combs Heirs and Logan Combe Heirs (Colony Coal & Coke Corp. being the mineral owner of both tracts), said point being designated as "Point of Ending" and being S 33° 52' W a distance of 110 feet from a property corner marked by a 6" chestnut oak tree.

TRACT NO. E:

COLONY COAL & COKE CORP. MINERALS

LOGAN COMES HEIRS, SURFACE COLONY COAL & COKE CORP. MINERAL KENMONT COAL COMPENY, LESSEE

Beginning again at a point on top of a spur ridge on the property line between the surface lands of Pearl Combs Heirs and Logan Combs Heirs (Colony Coal & Coke Corp. being the mineral owner of both tracts), said point being designated as "Point of Beginning" and being S 33° 52' W a distance of 110 feat from a property corner marked by a 6" chestnut oak tree; runningthence N 79° 09' W for a distance of 1063 feet to a point; running thence N 77° 23' W for a distance of 10 feet to a point on top of the ridge between Buckeye and Acup Creeks, on the property line between the surface lines of Logan Combs Heirs and the fee lands of Colony Coal and Coke Corporation, Baid point being designated as "Point of Ending" and being N 8° 02' H a distance of 570 feet from a property corner marked by a 36" white oak tree, said property being a common corner to the surface lands of Logan Combs Heirs and Pearl Combs Heirs and fee lands of Colony Coal & Coke Corp.

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ACT NO. 3: COLONY COAL & COKE CORP. F

COLONY COAL & COKE CORP. FEE KENMONT COAL COMPANY, LESSEE

Beginning again at a point on the top of the ridge between Buckeye and Acup Creeks on the property line between the surface Lands of Logan Combs Heirs and the fee Lands of Colony Coal & Coke Corp., said point being designated as "Point of Beginning" and being N 8° O2' E a distance of 570 feet from a property corner marked by a 36" white oak tree, said property corner being a common corner to the surface Lands of Logan Combs Heirs and Pearl Combs Heirs and the fee Lands of Colony Coal & Coke Corp.; running thence N 77° 23' W for a distance of 3170 feet to a point on the property line between the fee Lands of Colony Coal & Coke Corporation and surface Lands of same, the minerals of which are owned by Kentucky River Ceal Corp., said point being designated as "Point of Ending" and being in Pater Cove Branch of Buckeye Creek about 900 feet above, its mouth.

TRACT NO. 4:

COLONY COAL & COKE CORP. SURFACE

COLONY COAL & COKE CORP. SURFACE KENTUCKY RIVER COAL CORP. MINERAL KENMONT COAL COMPANY, LESSEE

Beginning again at a point on the property line between the fee lands of Colony Goal & Coke Corp. and the surface lands of sema, the minerals of which are owned by the Kentucky River Coal Corporation, said point being designated as "Point of Beginning" and being in Peter Cove: Branch of Buckeye Creek about 900 feet above its mouth; running thence N 77° 23' W for a distance of 2250 feet to a point on the property line between the surface lands of Colony Coal & Coke Corp., and Garrett Combs (Kentucky River Coal Corp. being the mineral owner of both tracts), said point being designated as "Point of Ending" and being N 48° 15' H a distance of 15 feet from a property corner witnessed by 3 ohestnut oaks on top of a high knob on the ridge between Buckeye Creek and Raccoon Creek, said property corner being a common corner to the surface lands of Colony Coal & Coke Corp., Garrett Combs and John Wesley Combs.

All as shown by Drawing B-2343 dated April 1, 1930, attached hereto and made a part hereof.

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TOGETHER with the right of ingress and egress to said powerline for the purpose of constructing, inspecting, repairing, maintaining and removing same, together with the crossarms, insulators and wires thereon, and the right to clear off timber from the distance of fifty (50) feet fin either side of the line (and also to remove timber at a greater distance which in falling would strike the line of the parties of the second part), upon making satisfactory arrangements with the parties who own, or are interested in said timber.

It is further agreed between the parties hereto that the party of the second part shall pay the parties of the first part, and its tenants, successors and assigns, any and all damages they or either or any of them may from time to time in any wise sustain, whether to person or to property, by reason of the construction, maintenance, use or operation of said preservation of equipment, or any part thereof, across the premises of the parties of the first part.

It is further covenanted between the parties hereto that should the parties of the first part, its lessees, maccessors or assigns, or either of them, the owners or lessees of the land through which said line passes, ever desire, or from time to time should want to use or occupy said land, or any portion thereof, occupied by said powerline for any purpose, which would in the judgment of the parties of the first part, its lessees, successors or assigns, or either of them, reasonably require a change of location of said powerline, then and in that event the said parties of the second part shall, upon being requested

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by either of the parties of the first part, the lessees, successors or assigns, or any of them, at its own expense, change said powerline as may be required by the said party of the first part, its lessees, successors or assigns, or either of them, within a reasonable time and to another reasonably suitable location on first parties' property.

It is further covenanted and agreed by the party of the second part that it will save the parties of the first part, their successors and assigns, harmless from any and all claims and demands by it or its successors or assigns or employees, on account of damage or injury to its said power line or to its employees by reason of the manner in which the parties of the first part, their successors or assigns, have conducted or may hereafter conduct their operations upon the land across which this easement is granted.

This agreement is executed in triplicate.

WITNESS the signatures of the parties hereto, by their seals duly attested.

COLONY COAL COKE CORPORATION, President Secretary KENMONT SOFT COMPANY, INCORPORATED. Attest President Secretary KENTUCKY & WEST VIRGINIA POWER COMPANY, INC. Attest President Secretar 131-5 Lippinon Ic

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STATE OF VIRGINIA)

ROANOKE)

CITY

OF

I, <u>HERREMANNEE</u>, a Notary Public in and for the State and City aforesaid, do certify that on this day the foregoing agreement was produced to me in the City aforesaid, and acknowledged and delivered by D. D. Hull, Jr., to be the act and deed of the Colony Coal & Coke Corporation. Also produced to me in the City aforesaid, and delivered by J. W. Cure to be the act and deed of the Colony Coal & Coke Corporation, and of J. W. Cure, Secretary of that Company. Me formulation Expires Out 7,1989

My commission expires Operation 1211, 533

to-wit

WITNESS my hand this 21 day of uprice, 1930.

Notary Public.

STATE OF OFFO } to-wit:

I, <u>United Public</u>, a Notary Public in and for the County and State <u>aforssaid</u>, certify that the foregoing agreement between the Colony Coal & Coke Corporation and others, and the Kentucky & West Virginia Power Co. Inc., was this day produced to me in my said County and State and acknowledged and delivered by Elmer Miller to be the act and deed of the Kenmont Coal Company Inc., and of Elmer Miller, President of that Company. Also produced to me in my said County and State and delivered by <u>Aford</u> (1000) be the app and deed of the Kenmont Coal (Suppany, Inc., and of <u>County</u> of the app and deed of the Secretary of that Company.

My commission expires WITNESS my hand this day

Ų P__ Notary Public County Ohio.

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CASE NO. 2009-00235 EXHIBIT 8 PAGE 7 OF 8 STATE OF to-wit: COUNTY OF E. 10 , a Notary Public in and for the State and County aforesaid, do certify that on this day the foregoing agreement was produced to me in the County afore-said, and acknowledged and delivered by said, and acknowledged and delivered by the bound and the Company, Inc., and of <u>Heo. N. Jund</u>, Vice-President of that Company. Also produced to me in the County aforesaid, and delivered by <u>Frank B. Ball</u> to be the act and to be the act and deed of the Kentucky & West Virginia Power Company, Inc., and of himself as Secretary of that Company. My commission expires o WITNESS my hand this. day of . 1930. Notary Public. County HOTARY PURILIC REW YORK COUNTY SHAP ? NEW YORK REGISTER'S HO. IRSAN COMMISSION EXPRES MARCH EN 160 STATE OF KENTUCKY Set COUNTY OF PERRY. I, Ella C. Hopkins, Clerk of the County Court in and for the County and State aforesaid, do certify that the foregoing Agreement from Colony Coal & Obke Corporation, and others was on the 25 day of June 1930, lodged in my office for record; whereupon the same together with this and the foregoing certificate have been duly recorded in my said office. MINESS my hand as Clerk aforesaid, this 25 day of June 1930. ELLA CA HOPKIN LERK DD HJr; MRJ A. E. F. O.D. ROMPOSE DEAL SITATION CONFICE Checked By Effect 4-19-30 GC #2237

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