

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
POWER COMPANY FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY TO)	
PERFORM UPGRADE, REPLACEMENT, AND)	CASE NO. 2019-00154
INSTALLATION WORK AT ITS EXISTING)	
SUBSTATION FACILITIES IN PERRY AND)	
LESLIE COUNTIES, KENTUCKY)	

ATTORNEY GENERAL'S INITIAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (“Attorney General”), and submits these Initial Data Requests to Kentucky Power Company (hereinafter “KPCo” or the “Company”) to be answered by September 30, 2019, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate requested item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or 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.

(6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible, and in accordance with Commission direction.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings

and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction

or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

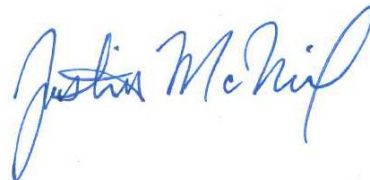
(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

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Electronic Application of Kentucky Power Company for a Certificate of Public Convenience and Necessity to Perform Upgrade, Replacement, and Installation Work at its Existing Substation Facilities in Perry and Leslie Counties, Kentucky
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1. Refer to Mr. Ali's testimony, Exhibit KA-1, AEP Guidelines for Transmission Owner Identified Needs.
 - a. Refer further to page 14 of Exhibit KA-1. Fully explain how KPCo considered and incorporated any stakeholder input through either the Annual Stakeholder Summits or through the processes at PJM.
2. Refer to Mr. Ali's testimony, unnumbered page 10. Fully explain KPCo's approach and methodology to providing alternative solutions to stakeholders for Supplemental Projects in the PJM TEAC and Sub-regional RTEP meetings.
 - a. Further refer to Mr. Ali's testimony, unnumbered pages 10–11, which describes Supplemental projects as just as necessary as Baseline projects and "grounded in good utility practice." Confirm that each Supplemental project is subject to review and analysis by the Kentucky Public Service Commission ("Commission") of its necessity and that it will not result in wasteful duplication under the statutes regarding Certificate of Public Convenience and Necessity ("CPCN").
 - b. Explain why KPCo would choose to designate a project as Supplemental which may be justified as Baseline under PJM criteria.
 - c. Identify any recent projects which KPCo designated as Supplemental, but which could have been justified as a Baseline project.
3. Refer to Mr. Lasslo's testimony, page 15. Explain the extent of emergency repairs that have been necessary for the components in the current application, the specific effects of any such emergency repairs, and state roughly when those emergency repairs occurred.
 - a. Provide the Operations and Maintenance expenses for the Hazard and Wooton substations for the past five (5) years.
4. Refer to Mr. Lasslo's testimony, page 17. Explain what specific factors will determine the final cost of the mobilization described herein, ranging from \$50,000 up to potentially \$250,000.
5. Refer to Mr. Wohnhas' testimony, page 7. Explain whether any aspect of the current project specifications has changed since the filing of the Application. If so, explain the financial impact of any change.
6. Refer to the Application, generally. Has KPCo begun any of the work subject to this Application?

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7. Refer to the Application, page 4, wherein it states that “The Hazard Substation originally was constructed in the early 1940s.”
 - a. Explain whether Kentucky Power’s territory, generally, is the same today as it was in the 1940s. For instance, are the load centers and generation sites generally the same today as they were in 1940?
8. Refer to the Application, page 6, wherein it states that “The designation of a project or project component as Baseline or Supplemental in turn determines the procedure by which PJM reviews a project.”
 - a. Explain, in detail, the procedure by which PJM reviews projects designated as Supplemental.
9. Refer to the Application, page 8.
 - a. Explain what Kentucky Power’s current minimum design standards are.
 - b. Explain what PJM’s current minimum design standards are.
 - c. Explain to what degree equipment’s failure to meet “current minimum design standards” is taken into account when planning Kentucky Power’s transmission system.
 - d. Explain Kentucky Power’s current substation communication and protection equipment standards are.
 - e. Explain to what degree failure to meet current standards for substation communications and protection equipment is taken into account when planning Kentucky Power’s transmission system.
10. Refer to the Application, page 9, wherein it discusses the existing 161 kV Circuit Breaker M being “29 years old.”
 - a. What is the useful life for a circuit breaker of that type?
 - b. What is the manufacturer’s recommendation for number of fault operations for that type of circuit breaker?
 - c. How many fault operations has Circuit Breaker M experienced?
 - d. Does Kentucky Power treat the criteria of fault operations exceeding the manufacturer’s recommendation equally for any fault in excess of the manufacturer’s recommendation? For instance, if the manufacturer’s recommendation is 10 fault operations, is a circuit breaker with 11 fault operations treated, all else equal, the same as a circuit breaker with 100 fault operations, or is the number of instances in excess of the manufacturer’s recommendation weighted differently?

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11. Refer to the Application, page 11, paragraph 29, wherein it states that many of the Hazard Substation's components "are approaching or have exceeded their projected operating lives."
 - a. Does this statement apply to "many" or a majority of the Hazard Substation's components?
 - b. Substantiate with documentary evidence the statement made in the Application.
 - c. Which of the components on page 12, paragraph 30 "are approaching or have exceeded their projected operating lives?"
12. Refer to the Application, page 16, paragraph 44. Explain if the amounts provided are absolute costs or are incremental to current operating costs and ad valorem taxes.
13. Refer to the Application, page 16, paragraph 48. Explain which permits are expected to be required.
14. Refer to the Application, page 20, paragraph 58. Which equipment, plant, or property subject to this Application that is being replaced, upgraded or repaired has not reached the end of their useful life?
15. Refer to Mr. Ali's testimony, unnumbered page 4, wherein he discusses certain equipment that is "no longer supported by manufacturers." Further reference is made to Exhibit KA-1, Page 9 of 16.
 - a. Explain what "failure adder" was added to the Hazard Substation for the equipment that was no long supported by manufacturers.
 - b. Explain how these "failure adders" are calculated and to what degree they were considered in prioritizing the Hazard Substation improvements.
16. Refer to Mr. Ali's testimony, unnumbered page 4, lines 2-4. Specifically which components subject to this Application "are approaching or have exceeded their projected operating lives, are no longer supported by their manufacturers or are suffering from corrosion, damage, leaks and other malfunctions?"
17. Refer to Mr. Ali's testimony, unnumbered pages 5-6. Explain to what degree Kentucky Power independently participates in the PJM transmission planning process so as to protect and represent its and its customers' interests.
18. Refer to Mr. Ali's testimony, unnumbered page 6, lines 21-22. Explain the PJM standards that certain Supplemental Projects must address referenced in the testimony.
19. Refer to Mr. Ali's testimony, unnumbered page 8. Explain the statement on lines 7-8, "It is also important to understand that Supplemental Projects that the Company presents

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through the PJM stakeholder process are no different from the types of projects for which the Company previously sought, and the Commission previously granted, certificates of public convenience and necessity before Kentucky Power joined PJM.”

20. Refer to Mr. Ali's testimony, unnumbered page 8, lines 18-20. Explain what is meant by “Kentucky Power ultimately determines the mix of Supplemental Projects needed to maintain the reliability of its transmission grid within the AEP Zone.” Any response should include the identification of the employee(s) of Kentucky Power with the power and responsibility to make the ultimate determination.
21. Refer to Mr. Ali's testimony, unnumbered page 10.
 - a. What entity has the ultimate authority to determine the need underlying a Supplemental Project?
 - b. What entity has the ultimate authority to determine the need underlying a Baseline Project?
 - c. Does PJM review the need underlying a Supplemental Project proposed by a transmission owner?
 - d. What entity has the ultimate authority to determine the solution deemed a Supplemental Project?
 - e. What entity has the ultimate authority to determine the solution deemed a Baseline Project?
22. Refer to the Mr. Ali's testimony, unnumbered page 15. Explain whether the communication equipment at the Wooton substation has exceeded its useful life and/or whether it is support by the manufacturer.
23. Refer to Mr. Ali's testimony, unnumbered page 8. As to the issue of obsolescence and concerns over the expected life of equipment, confirm that any new equipment Kentucky Power installs as a result of this case will also have an expected lifespan or planned obsolescence from the manufacturer.
 - a. Fully explain the Company's stance toward this as an ongoing issue and any steps Kentucky Power will take to extend the expected lifespan of equipment or otherwise mitigate the impact of obsolescence.

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24. Refer to Mr. Ali's testimony, unnumbered page 8, discussing inputs and drivers of its Supplemental projects, including Infrastructure Resilience. Explain whether the Company is able to quantify the specific benefits of the proposed upgrades in terms of infrastructure resilience.
 - a. If so, provide any such quantification and explanation.
 - b. If not, explain why not.

25. Refer to Mr. Ali's testimony, unnumbered page 8, discussing inputs and drivers of its Supplemental projects, including Customer Service. Explain whether the Company is able to quantify any amount of expected increases to future load.

26. Reference the Application, generally. For the projects subject to the Application, provide the stations' percentile within the Kentucky Power footprint using AEP's internal metrics that measure stations' risk and subsequent impact of failure.