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September 11, 2023

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ELECTRONICALLY FILED

Linda C. Bridwell
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RE: **Case No. 2021-00346** (Post-Case Correspondence File)

Dear Ms. Bridwell:

By this letter, Kentucky Power Company provides the Commission with updates to the estimated in-service date for the Garrett Area Improvements 138 kV Transmission Project (“Project”), for which the Commission approved a certificate of convenience and public necessity to construct by its Orders dated March 8, 2022 and April 13, 2022, in the above-referenced case. For the reasons stated below, the Company estimates an approximate 12-month delay in placing a portion of the transmission line into service due to delays in acquiring right-of-way for the entire line. The remaining portion of the transmission line will be placed into service as originally scheduled.

The Company has kept the Commission apprised of its property acquisition efforts via monthly property acquisition reports filed in the post-case files of this matter. As detailed in the Company’s most recent property acquisition report, filed September 8, 2023, the Company has acquired the right-of-way for 10 of the 106 parcels affected by the transmission line or its right-of-way.

Since receiving the Commission’s order granting the CPCN, the Company has been working diligently to investigate and resolve constructability issues, finalize the transmission line route, and research and confirm real property ownership as part of right-of-way acquisition. In January 2023, the Company filed its Motion for Approval to Modify As-Filed Centerline, requesting to modify the centerline, and corresponding structures, in 11 locations from the as-filed locations originally included in its Application. Modification of the as-filed centerline was required in each of the 11 location due to ground constraints identified during the detailed design undertaken by the Company in the months after the CPCN was issued.

In addition, as a result of further detailed investigation, including field surveys and title searches, the Company has identified an additional 25 property owners from which the Company

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must acquire right-of-way than originally described in its Application. The Company provided updates with respect to these additional property owners in its monthly property acquisition reports. The Company has also identified six parcels owned by a collection of unidentified heirs, which will require additional time and resources to identify all the heirs that have an interest in those properties. In addition, the Company must acquire a large volume of right-of-way specifically with respect to the portion of the transmission line that runs from Softshell Station to the Garrett Station, as this section alone crosses 80 properties, owned by 80 separate owners, and an additional 25 third-party property owners for access road easements, including approximately six mineral or land companies. As such, the Company expects that it will require additional time to acquire the right-of-way on this section of the transmission line, in addition to the typical amount of time it will take to acquire right-of-way for the remaining portion of the line.

As such, the Company plans to stagger the in-service dates for these two portions of the transmission line (Softshell – Garrett and Garrett – Hays Branch). The Company plans to begin right-of-way acquisition for the Softshell – Garrett portion of the line and place that portion of the line into service during the fourth quarter of 2024 as originally planned. The Company plans to extend the in-service date for the Garrett – Hays Branch portion of the line from the fourth quarter of 2024 to the fourth quarter of 2025 to allow the Company additional time to acquire right-of-way for this remaining portion of the line. In addition, these modifications to the in-service date, specifically staggering them, will allow for more efficient management of construction scheduling and resource requirements during Project construction.

In addition, this Project is considered to be Supplemental by PJM, and while the Company must inform PJM of the delay in its next regular quarterly report, no project modifications need to be made at PJM.

The Company will continue to provide monthly property acquisition reports, and will also provide the Commission with additional updates, like this one, regarding the estimated Project in-service date upon any material change.

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

Very truly yours,

STITES & HARBISON PLLC



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