

**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 Construct A 138 kV )  
Transmission Line And Associated Facilities )  
In Breathitt, Floyd, And Knott Counties, Kentucky )  
(Garrett Area Improvements 138 kV Transmission )  
Project) )

Case No. 2021-00346

**DIRECT TESTIMONY OF**

**BRIAN K. WEST**

**ON BEHALF OF KENTUCKY POWER COMPANY**

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**TESTIMONY INDEX**

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**I. INTRODUCTION**

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

2 A. My name is Brian K. West. My position is Vice President, Regulatory & Finance for  
3 Kentucky Power Company (“Kentucky Power” or the “Company”). My business  
4 address is 1645 Winchester Avenue, Ashland, Kentucky 41101.

**II. BACKGROUND**

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

7 A. I received an Associate’s degree in Applied Science (Electronics Technology) and a  
8 Bachelor’s degree in Business Management, both from Ohio University, in 1987 and  
9 1988, respectively. I obtained a Master of Business Administration degree from Ohio  
10 Dominican University in 2008.

11 I began my utility industry career when I joined Ohio Power Company as a  
12 customer services assistant in Portsmouth, Ohio in 1989. This was a supervisor-in-  
13 training position, where I worked in each area of the office (*e.g.*, cashiering, new  
14 service, and credit and collections) to gain knowledge and experience with every aspect  
15 of managing an area office. After completing the training program, I initially  
16 supervised meter readers in the Portsmouth office until being promoted to office

1 supervisor in 1993. In 1997, when the area offices closed, I transferred to Chillicothe,  
2 Ohio and accepted the position of customer services field supervisor, with  
3 responsibility for managing customer field representatives who primarily worked with  
4 customers on high-bill and other inquiries.

5 In 2000, after American Electric Power Company (“AEP”) merged with Central  
6 and South West Corporation, I moved to Columbus, Ohio, where I held various  
7 positions in Customer Operations, mostly in process improvement and supporting  
8 regulatory filings. In 2008, I transferred to AEP’s Regulatory Services department,  
9 where I supported various filings before public service commissions in Arkansas,  
10 Indiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia, and West Virginia,  
11 as well as the Public Service Commission of Kentucky (“Commission”).

12 In 2010, I was promoted to regulatory case manager, with responsibility for  
13 energy efficiency/demand response filings, integrated resource plan filings, and various  
14 renewable filings across AEP’s service territory. In 2016, I moved to a case manager  
15 role with primary responsibility for most Appalachian Power Company filings before  
16 the Public Service Commission of West Virginia, the Virginia State Corporation  
17 Commission, and the Tennessee Public Utility Commission. I accepted the position of  
18 Director of Regulatory Services for Kentucky Power in February 2019. I assumed my  
19 current position as Vice President, Regulatory & Finance for Kentucky Power  
20 Company in January 2021.

21 **Q. WHAT ARE YOUR RESPONSIBILITIES AS VICE PRESIDENT,**  
22 **REGULATORY & FINANCE FOR KENTUCKY POWER?**

1 A. I am primarily responsible for managing the regulatory and financial strategy for  
2 Kentucky Power. This includes planning and executing rate filings for both federal  
3 and state regulatory agencies, as well as filings for certificates of public convenience  
4 and necessity before this Commission. I am also responsible for managing the  
5 Company's financial operating plans. Included as part of this responsibility is the  
6 preparation and coordination of various capital and O&M operating budgets with other  
7 American Electric Power Company, Inc. affiliates, including the American Electric  
8 Power Service Corporation ("AEPSC"). I work with various AEPSC departments to  
9 ensure that adequate resources such as debt, equity, and cash are available to build,  
10 operate, and maintain Kentucky Power's electric system assets used to provide service  
11 to the Company's retail and wholesale customers. I report directly to Brett Mattison,  
12 President and Chief Operating Officer of Kentucky Power, in my role as Vice  
13 President, Regulatory & Finance.

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

15 A. Yes. I submitted testimony in Case No. 2020-00174, the Company's most recent base  
16 rate case proceeding. I have also submitted testimony in Case No. 2019-00140,  
17 concerning the Commission's six-month review of the Company's monthly  
18 environmental surcharge filings. In addition, I have submitted testimony in Case No.  
19 2019-00245 in support of certain changes to the Company's residential energy  
20 assistance programs; Case No. 2020-00019 in support of a special contract; Case No.  
21 2020-00062 in support of the Company's application for a certificate of public  
22 convenience and necessity to construct, own, and maintain certain components of the

1 Kewanee-Enterprise Park 138 kV Transmission Project; and Case No. 2021-00053 in  
2 support of the Company's application of the fuel adjustment clause two-year review.

### **III. PURPOSE OF TESTIMONY**

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

4 A. I am testifying in support of Kentucky Power's application for a certificate of public  
5 convenience and necessity to build the "Garrett Area Improvements 138 kV  
6 Transmission Project" (the "Project"). Specifically, I:

- 7 • Provide an overview of the Project;
- 8 • Introduce the other witnesses supporting the Company's Application;
- 9 • Provide an overview of the right-of-way activities;
- 10 • Detail the Company's compliance with the notice requirements for this  
11 proceeding; and
- 12 • Address the financial aspects of the Project.

### **IV. THE PROJECT OVERVIEW**

13 **Q. PLEASE DESCRIBE THE PURPOSE OF THE PROJECT.**

14 A. The Project is an asset renewal project intended to address reliability and aging  
15 infrastructure concerns with the 46 kV network in the area. Many of the 152 structures,  
16 a majority of which are of wood construction, on the approximately 25 miles of the  
17 Beaver Creek – McKinney #1 46 kV circuit are 1920s to 1940s vintage. This same  
18 circuit serves Eastern Kentucky Power Cooperative's ("EKPC") Salt Lick substation

1 and Kentucky Power's Spring Fork and Garrett substations that serve Kentucky  
2 Power's distribution customers. Company Witness Koehler provides further details  
3 regarding the Project's purposes and benefits.

4 **Q. HAS THE PROJECT BEEN SUBMITTED TO PJM INTERCONNECTION**  
5 **LLC ("PJM")?**

6 A. Yes. PJM assigned the Project the ID of s2188.1 through s2188.11. Further details of  
7 the Project's status before PJM is provided by Company Witness Koehler.

8 **Q. PLEASE DESCRIBE THE PROJECT.**

9 A. The Project consists of the following components:

- 10 (1) the construction of approximately 15 miles of new 138 kV transmission line in  
11 Floyd and Knott Counties, Kentucky (the "Garrett Area Improvements 138 kV  
12 Transmission Line");  
13 (2) the construction of the new Eastern 138 kV substations and one new switch  
14 structure (Snag Fork);  
15 (3) upgrade the Garrett Substation from 46 kV to 138 kV;  
16 (4) various other station work; and  
17 (5) retirement of approximately 25 miles of the Beaver Creek – McKinney #1 46 kV  
18 circuit and certain assets in Breathitt County.

19 See **EXHIBIT 14** (Present System and Project Components) to the Application.

20 Company Witness Koehler describes each of these components in more detail,  
21 including relevant work on the Company's distribution system as part of the Project,  
22 and addresses the need for the work, including the components, and the benefits  
23 provided.

1 **Q. WILL KENTUCKY POWER COMPANY CONSTRUCT AND OWN ALL OF**  
2 **THE COMPONENTS OF THE PROPOSED PROJECT?**

3 A. Yes. This is in accordance with the the Commission's January 13, 2021 Order in Case  
4 No. 2020-00174 at pages 59-64.

5 **Q. WILL AEP KENTUCKY TRANSMISSION COMPANY, INC. CONSTRUCT,**  
6 **OWN, OR OPERATE ANY OF THE PROJECT COMPONENTS?**

7 A. No.

8 **Q. WHAT WITNESSES WILL BE OFFERING TESTIMONY IN SUPPORT OF**  
9 **KENTUCKY POWER'S APPLICATION.**

10 A. Two additional witnesses provide testimony in support of the Application. First,  
11 Company Witness Koehler describes the process for the review of the underlying needs  
12 and solutions (*i.e.*, the proposed Project) under PJM's Regional Transmission  
13 Expansion Plan ("RTEP") for projects needed due to local performance and reliability  
14 needs. Such projects are described in PJM's RTEP as Supplemental projects. Company  
15 Witness Koehler will also outline the scope of work to be undertaken, identify the  
16 alternative electrical solution that was evaluated along with the Project as proposed,  
17 and provide a summary of the Project's advancement through the PJM review process.

18 Second, Company Witness Reese will describe the methodology employed in  
19 the siting study that was used to identify the transmission line route and the Eastern  
20 substation site. Company Witness Reese also explains the public outreach process, the  
21 results and conclusions of the siting study, and the environmental studies and approvals  
22 that will be required.

**V. CENTERLINE AND RIGHT-OF-WAY**

1 **Q. KENTUCKY POWER FILED MAPS ILLUSTRATING THE CENTERLINE**  
2 **OF THE PROPOSED TRANSMISSION LINE AS EXHIBITS 3A AND 3B TO**  
3 **ITS APPLICATION. COULD THAT CENTERLINE CHANGE?**

4 A. Yes. Constructability issues, access requirements, and conditions that are not evident  
5 until final engineering and landowner negotiations are complete may result in  
6 Kentucky Power being required to place the identified centerline and adjacent right-of-  
7 way outside the right-of-way indicated on **EXHIBITS 3A AND 3B**. The Company seeks  
8 authority to relocate the centerline and associated right-of-way within the Filing  
9 Corridor if required to address these conditions or issues. The Filing Corridor, also  
10 illustrated on **EXHIBITS 3A and 3B** consists of two strips of a buffered area  
11 surrounding the centerline and right-of-way that allows flexibility for minor  
12 adjustments that result during final engineering.

13 **Q. WHAT IS THE WIDTH OF THE FILING CORRIDOR?**

14 A. The Filing Corridor for the entire length of the Garrett Area Improvements 138 kV  
15 Transmission Line Rebuild is 1,000 feet wide. The Filing Corridor is required to  
16 address issues that may emerge in connection with ground surveys, final engineering,  
17 and right-of-way negotiations.

18 **Q. WHAT IS THE WIDTH OF THE PROPOSED RIGHT-OF-WAY?**

19 A. For the majority of the line, the width of the right-of-way is 100 feet. In certain areas  
20 of the proposed 100 foot right-of-way, the width may be expanded to accommodate  
21 guy wires that extend more than 60 feet from the right-of-way. In connection with  
22 certain long spans, and where required to permit tree clearing on the uphill side of the

1 centerline to prevent trees from falling into the line or its structures, the required right-  
2 of-way will extend to 150 feet (75 feet on each side of the centerline), except in cases  
3 of unusually steep terrain or extremely long spans where the right-of-way may extend  
4 to 350-400 feet.

5 **Q. IS KENTUCKY POWER SEEKING UNLIMITED DISCRETION TO**  
6 **RELOCATE THE TRANSMISSION LINE AND RIGHT-OF-WAY?**

7 A. No. Kentucky Power is seeking authority to move the centerline and associated right-  
8 of-way only within the limits of the indicated Filing Corridor.

9 **Q. WERE OWNERS OF PROPERTY LOCATED IN THE FILING CORRIDOR**  
10 **PROVIDED MAILED NOTICE OF THE COMPANY'S APPLICATION?**

11 A. Yes. Persons owning property within the Filing Corridor were mailed the same notice  
12 provided to persons owning property within the indicated right-of-way. These  
13 notifications were mailed on October 25, 2021.

14 **Q. WILL THE COMMISSION BE INFORMED OF THE FINAL LOCATION OF**  
15 **THE LINE AND THE ADJACENT RIGHT-OF-WAY?**

16 A. Yes. Kentucky Power will file with the Commission a revised plan showing the final  
17 location of the proposed line, structures, and the proposed substations after  
18 construction is completed.

## **VI. CONSTRUCTION SCHEDULE**

19 **Q. WHEN DOES KENTUCKY POWER PROPOSE TO BUILD THE**  
20 **TRANSMISSION LINE AND THE SUBSTATIONS IF THE CERTIFICATE IS**  
21 **GRANTED?**

1 A. The Company anticipates beginning construction during the second half of 2022 or  
 2 the 1<sup>st</sup> half of 2023 and completing all work (including restoration) by the fourth  
 3 quarter of 2024. The planned in-service date sequence is as follows:

- 4 • **2<sup>nd</sup> Half of 2022 or 1<sup>st</sup> Half of 2023:** Begin construction of distribution line  
 5 work, retirement of the Spring Fork substation, along with new substation  
 6 grading.
- 7 • **2<sup>nd</sup> Quarter 2023:** Begin dry-weather grading access roads to the 138 kV  
 8 transmission line locations and tree clearing for the transmission line.  
 9 Grading for substation sites and access roads planned to be completed by 4<sup>th</sup>  
 10 quarter 2023.
- 11 • **4<sup>th</sup> Quarter 2023 or 1<sup>st</sup> Quarter 2024:** Begin construction of substations and  
 12 transmission lines.
- 13 • **November 2024:** Place the Project in-service.  
 14

## VII. NOTICES

15 **Q. DID KENTUCKY POWER COMPLY WITH THE REQUIREMENTS OF 807**  
 16 **KAR 5:120, SECTION 2(3) BY PROVIDING NOTICE TO ADJOINING**  
 17 **LANDOWNERS WHOSE PROPERTY MIGHT BE AFFECTED BY THE**  
 18 **PROJECT?**

19 A. Yes. Kentucky Power mailed notices to the owners of record of all parcels within the  
 20 proposed right-of-way and the Filing Corridor using the addresses for the subject  
 21 parcels shown in the offices of the property valuation administrators for Floyd County  
 22 and Knott County.<sup>1</sup>

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<sup>1</sup> Certain of the addresses obtained from the records of the pertinent property valuation administrator were determined through earlier mailings or other landowner contact efforts to be incorrect or otherwise undeliverable. Where the Company was able to determine the correct mailing addresses through landowner communication or other research, Kentucky Power used the updated addresses to ensure the landowners received the required notice.

1 **Q. WHEN WAS THE LANDOWNER NOTICE MAILED?**

2 A. The required landowner notice was mailed on October 25, 2021. The list of landowners  
3 within the proposed right-of-way and Filing Corridor to whom the notice was mailed,  
4 including the required verification of mailing, is attached as **EXHIBIT 15** to the  
5 Application.

6 **Q. DID THE OCTOBER 25, 2021 MAILED NOTICE CONTAIN THE**  
7 **INFORMATION REQUIRED BY 807 KAR 5:120, SECTION 2(3)(A)-(E)?**

8 A. Yes. The form of the notice is attached to the Application as **EXHIBIT 13**.

9 **Q. DID KENTUCKY POWER PUBLISH THE REQUIRED NOTICE IN THE**  
10 **BREATHITT COUNTY, FLOYD COUNTY, AND KNOTT COUNTY**  
11 **NEWSPAPERS OF RECORD?**

12 A. Yes. The required notices of the Company's intent to construct the Project and of this  
13 proceeding were published on October 20, 2021, in the *Floyd Chronicle and Times*, on  
14 October 21, 2021, in *The Troublesome Creek Times* and on October 20, 2021, in *The*  
15 *Jackson Breathitt County Times Voice*. The published notices contained all information  
16 required by 807 KAR 5:120, Section 2(5). A copy of the published notice and the  
17 affidavit of publication are attached as **EXHIBITS 17-A and 17-B** to the Application.

### **VIII. FINANCIAL ASPECTS OF THE PROJECT**

18 **Q. WHAT IS THE PROJECTED COST OF THE PROJECT?**

19 A. The total functional estimate of the Project cost is \$87.2 million. That sum comprises:  
20 (a) approximately \$49.1 million for transmission line work including right-of-way  
21 acquisition; (b) approximately \$18.3 million for construction and upgrade of the

1 substations and switch structure; (c) approximately \$17.3 million for the retirement of  
2 approximately 25 miles of the Beaver Creek – McKinney #1 46 kV circuit; and (d)  
3 approximately \$2.5 million for distribution line work to allow retirement of 46 kV lines  
4 and the Spring Fork Substation.

5 **Q. DOES THE \$87.2 MILLION COST ESTIMATE DESCRIBED ABOVE AND**  
6 **SET OUT IN THE APPLICATION REPRESENT A FIXED AND FINAL**  
7 **COST?**

8 A. No. The estimate represents the best engineering assessment of the costs as of the date  
9 of this Application. The exact cost will not be known until the Project is complete.

10 **Q. HOW WILL THE PROJECT COST BE FUNDED?**

11 A. Kentucky Power anticipates funding the cost of the Project through its operating cash  
12 flow and other internally generated funds.

13 **Q. WILL THE COST OF THE PROJECT MATERIALLY AFFECT THE**  
14 **FINANCIAL CONDITION OF KENTUCKY POWER COMPANY?**

15 A. No. Kentucky Power's assets, net of regulatory assets and deferred charges, as of  
16 December 31, 2020, totaled \$1,928,818,651. The cost of the Project thus represents an  
17 increase of approximately 4.5% percent in those assets. The project will not require  
18 the issuance of debt. The Project will not affect the completion of any other capital  
19 project.

20 **Q. WHAT IS THE PROJECTED COST OF OPERATION FOR THE PROPOSED**  
21 **FACILITIES AFTER THEY ARE COMPLETED?**

1 A. Kentucky Power estimates the annual operating cost will be approximately \$96,400 for  
2 general maintenance and inspection. The projected annual additional ad valorem taxes  
3 resulting from the Project are expected to total approximately \$803,200.

4 **Q. WILL THE IMPLEMENTATION OF THE PROJECT AS PROPOSED**  
5 **RESULT IN WASTEFUL DUPLICATION?**

6 A. No. The Project will not duplicate any existing facilities in an area and will not result  
7 in an excess of capacity over need, or excess investment in relation to the productivity  
8 and efficiency to be gained. Finally, Kentucky Power performed a thorough review of  
9 alternatives and selected the most appropriate and cost-effective solution.

#### **IX. STAKEHOLDER INPUT**

10 **Q. HAVE RELEVANT STAKEHOLDERS BEEN AFFORDED AN**  
11 **OPPORTUNITY TO PROVIDE INPUT REGARDING THE PROPOSED**  
12 **TRANSMISSION LINE ROUTE?**

13 A. Yes. Representatives of Kentucky Power and GAI Consultants, Inc., the Company's  
14 siting expert, met with, either in-person or virtually, local county and city officials,  
15 including the Floyd County Judge Executive and the Knott County Judge Executive.  
16 Kentucky Power notified the Breathitt County Judge Executive of the Project by phone  
17 on October 14, 2021. Representatives also met with Western Pocahontas Properties, a  
18 mining company that owns permitted mining areas between the Salt Lick and Soft Shell  
19 Substations. The Company also met with right-of-way landowners to apprise them of  
20 the details of the Project. Further, the Company worked with stakeholders to address  
21 their reasonable concerns regarding the Project. Finally, Kentucky Power and GAI

1           Consultants, Inc. employed multiple media channels to apprise all stakeholders of the  
2           Project, including a virtual open house with a Project-specific website that provided for  
3           a 30-day comment period. The full details of the Company's efforts to engage all  
4           stakeholders are provided in Company Witness Reese's testimony.

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

6   **A.    Yes, it does.**

