

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

The Electronic Application of Kentucky Power)	
Company for Approval of Affiliate Agreements)	
Related to The Mitchell Generation Station)	Case No. 2021-00421

SUPPLEMENTAL TESTIMONY OF
TIMOTHY C. KERNS
ON BEHALF OF KENTUCKY POWER COMPANY

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I. INTRODUCTION

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

2 A. My name is Timothy C. Kerns and my business address is Rockport Generating Station,
3 2791 N. US Highway 231, Rockport, IN 47635. I am the Vice President Generating
4 Assets for Indiana Michigan Power Company (“I&M”) and Kentucky Power Company
5 (“Kentucky Power” or the “Company”). I&M and Kentucky Power are wholly-owned
6 subsidiaries of American Electric Power Company, Inc. (“AEP”).

7 **Q. ARE YOU THE SAME TIMOTHY C. KERNS WHO OFFERED DIRECT**
8 **TESTIMONY IN THIS PROCEEDING AND TESTIFIED AT THE MARCH 1,**
9 **2022 HEARING?**

10 A. Yes.

II. PURPOSE OF TESTIMONY

11 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL TESTIMONY IN**
12 **THIS PROCEEDING?**

13 A. The purpose of my Supplemental Testimony is to affirm that the Unit Interest Swap
14 alternative backstop proposal (“Unit Interest Swap”), discussed in more detail in the
15 Supplemental Testimony of Company Witness Haynes, can be carried out
16 operationally.

III. CAPABILITY OF THE COMPANY TO CARRY OUT THE UNIT INTEREST SWAP PROPOSAL AT THE MITCHELL PLANT

1 **Q. IS THE COMPANY CAPABLE OF OPERATING THE MITCHELL PLANT IN**
2 **A FASHION CONSISTENT WITH THE PROPOSED UNIT INTEREST SWAP**
3 **PROPOSAL?**

4 A. Yes. I understand that the Unit Interest Swap that Company witness Haynes discusses
5 could result in the Company and Wheeling Power Company (“Wheeling Power”) each
6 owning a separate unit at the Mitchell Plant in the future, should certain events come
7 to pass. If that were to occur, the Company and Wheeling Power have the ability to
8 implement those changes operationally.

9 **Q. WHAT OPERATIONAL STEPS WOULD THE COMPANY NEED TO TAKE**
10 **TO ACCOMPLISH THE UNIT INTEREST SWAP ALTERNATIVE?**

11 A. If the Unit Interest Swap were to take place, the Company could and would implement
12 processes and procedures that would allow decisions and costs to be properly accounted
13 for and allocated between the two companies in the event of Mitchell Plant ownership
14 moving to a divided interest of the two units. This would include operation,
15 maintenance, planning, and investment at each of the Mitchell units.

16 **Q. DO AEP SUBSIDIARIES HAVE EXPERIENCE OPERATING JOINTLY**
17 **OWNED PLANTS WHERE OWNERSHIP IS BY UNIT?**

18 A. Yes. AEP subsidiaries have a long history of successfully operating co-owned plants,
19 including their common facilities, where individual units are owned by separate
20 companies. One example is the now-retired Philip Sporn Plant in West Virginia, which
21 was jointly owned by Appalachian Power and Ohio Power Company. The Philip Sporn

1 Plant has retired, with the unit retirements having occurred between 2012 (Unit 5) and
2 2015 (Units 1 through 4). Another example is the Cardinal Plant in Ohio, which is in
3 service and is jointly owned between AEP Generation Resources, Inc. (Unit 1) and
4 Buckeye Power (Units 2 and 3).

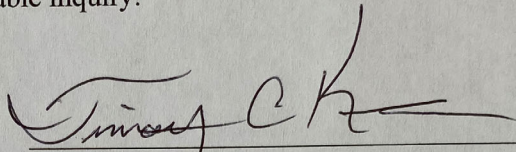
5

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

7 A. Yes, it does.

VERIFICATION

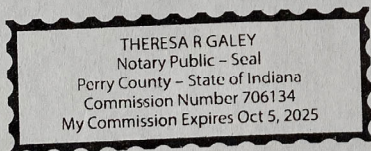
The undersigned, Timothy C. Kerns, being duly sworn, deposes and says he is Vice President of Generating Assets for American Electric Power Service Corporation, that he has personal knowledge of the matters set forth in the foregoing responses, and the information contained therein is true and correct to the best of his information, knowledge, and belief after reasonable inquiry.

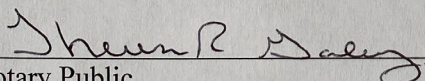


Timothy C. Kerns

State of Indiana)
)
County of Spencer) Case No. 2021-00421

Subscribed and sworn before me, a Notary Public, by Timothy C. Kerns this 15th day of March, 2022.





Notary Public

My Commission Expires Oct. 5, 2025

Notary ID Number: 706134