

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY)	CASE NO.
FOR THE CONSTRUCTION OF)	2022-00066
TRANSMISSION FACILITIES IN HARDIN)	
COUNTY, KENTUCKY)	

DIRECT TESTIMONY OF
BETH MCFARLAND
VICE PRESIDENT - TRANSMISSION
KENTUCKY UTILITIES COMPANY AND
LOUISVILLE GAS AND ELECTRIC COMPANY

Filed: March 31, 2022

1 **INTRODUCTION**

2 **Q. Please state your name, position, and business address.**

3 A. My name is Beth McFarland. I am Vice President of Transmission for Kentucky
4 Utilities Company (“KU”) and Louisville Gas and Electric Company (“LG&E”)
5 (collectively, the “Companies”), and an employee of LG&E and KU Services
6 Company, which provides services to the Companies. My business address is 220 West
7 Main Street, Louisville, Kentucky 40202. A complete statement of my education and
8 work experience is attached to this testimony as Appendix A.

9 **Q. Have you previously testified before this Commission?**

10 A. Yes. I filed testimony in the Companies’ 2020 rate cases and have filed responses to
11 data requests for the Companies in their base rate cases and their 2018 Integrated
12 Resource Plan filing.

13 **Q. What is the purpose of your direct testimony?**

14 A. The purpose of my testimony is to describe: (1) KU’s proposed electric transmission
15 projects to serve Ford Motor Company’s, and its partner, SK Innovation’s (collectively,
16 “Ford”)¹ planned battery production facilities to be constructed at the Glendale
17 Megasite in Hardin County, Kentucky as well as expected future development in the
18 area including other customers supporting Ford; and (2) KU’s plans to complete the
19 construction in a least cost reasonable manner including how the location of the
20 transmission routes were selected.

¹ Ford Motor Company has partnered with SK Innovation to build the battery plants at what will be called the BlueOvalSK Battery Park.

1 **Q. Please describe the proposed transmission projects and associated substations**
2 **necessary to serve Ford’s planned battery production facilities at the Glendale**
3 **Megasite in Hardin County, Kentucky.**

4 A. In September 2021, Governor Beshear, Ford, and SK Innovation, announced plans to
5 build what they described as:

6 the single largest economic development project in the history
7 of the Commonwealth . . . celebrating a transformative \$5.8
8 billion investment that will create 5,000 jobs and places
9 Kentucky at the forefront of the automotive industry’s future.²

10 Governor Beshear said further:

11 This is the single largest investment in the history of our state . .
12 . . . It will transform our economy, creating a better Kentucky
13 with more opportunities for our families for generations.³

14 This transformative project is Ford’s construction of two electric battery plants
15 at the Glendale Megasite in Hardin County, Kentucky.

16 Ford’s planned battery production facilities will require considerable electricity
17 needs. Based on current information provided by Ford, each battery facility will require
18 160MW for a total need of 320MW. Currently, there is no existing transmission
19 infrastructure in close proximity to the Glendale Megasite with the available capacity
20 to transmit the required amount of power to the Ford facilities. Therefore, KU must
21 construct the transmission facilities proposed in this case to deliver safe, sufficient,
22 reliable power to Ford.

23 Due to the size of the new Ford facility, the suppliers supporting the Ford
24 facility, and the number of jobs Ford anticipates creating, additional load growth in the

² <https://kentucky.gov/Pages/Activity-stream.aspx?n=GovernorBeshear&prId=981> (copy attached as Exhibit EJM-1).

³ Id.

1 area is a given. To fully meet the capacity and reliability needs Ford requires, as well
2 as expected growth in the surrounding area (including growth of entities supplying the
3 Ford facilities), KU plans to extend its existing transmission network in and out of the
4 Glendale Megasite from an existing 345kV transmission line to a new 345kV/138kV
5 transmission substation. KU also plans to construct two new 138kV transmission lines
6 and a new 138kV/24.7kV distribution substation. Both substations and the 138kV lines
7 will be located entirely within the boundaries of the Glendale Megasite.

8 To accomplish the in and out extension to the Glendale Megasite, KU will tap
9 the existing 345kV line that currently connects the Brown North and Hardin County
10 345kV substations. The existing Brown North – Hardin County 345kV transmission
11 line is oriented northwest to southeast across the relevant area in Hardin County. The
12 Western tap will extend 345kV approximately 4.9 miles to the new 345kV/138kV
13 transmission substation (to be called the “Glendale South Substation”), while the
14 Eastern tap will extend 345kV approximately 3.7 miles to the Glendale South
15 Substation.

16 Exiting the new 345kV/138kV Glendale South Substation, KU will construct
17 two 138kV lines to serve the Ford facilities and expected growth in the surrounding
18 area. The first 138kV line exiting the Glendale South Substation will be 3.8 miles and
19 run almost due south from the substation before turning east. The second 138kV line
20 exiting the Glendale South Substation will be 2.9 miles and run in an easterly direction
21 before turning south. Both lines will terminate near the planned Ford facility at a new
22 138kV/24.7 kV substation to be called the Glendale Industrial Substation.

1 Maps of the proposed routes for the new 345kV and 138kV lines are attached
2 to the Application as Exhibits 5 and 6. Those maps also show the locations of the
3 Glendale South Substation and the Glendale Industrial Substation. The 138kV lines
4 and both substations will be located on Ford's property.⁴

5 For the 345kV line project, approximately fifty 345kV single shaft and H-frame
6 structures and fifteen 345kV lattice towers (and associated conductor and hardware
7 assemblies and insulators) will be installed for support. For the 138kV line project,
8 approximately sixty-one 138kV single shaft structures (and associated conductor and
9 hardware assemblies and insulators) will be installed for support. All new towers,
10 structures, and electrical conductor will be installed using conventional construction
11 equipment and methods.

12 The greenfield Glendale South Substation will consist of two 345kV/138kV
13 substation power transformers and the associated power circuit breakers, disconnect
14 switches, buswork, steel structures, and other substation components, including
15 equipment protection and control, to provide bulk electric power to the area.

16 The greenfield Glendale Industrial Substation is a 138kV/24.7kV substation that
17 will transform 138kV transmission level voltage to Ford's required 24.7kV at its load
18 center. The Glendale Industrial Substation will also support future 138kV transmission
19 line network interconnections that may be required under annual Transmission
20 Expansion Plan (TEP) system studies or a Transmission Service Request (TSR) to
21 support continued load growth and/or system network integrity and reliability. Annual
22 TEP studies are required by the Open Access Transmission Tariff (OATT).

⁴ At this time, Hardin County owns the real property, but it is expected to be conveyed to Ford prior to the battery plants becoming operational.

1 **Q. Has Ford indicated when it needs to have the transmission projects completed?**

2 A. Yes. Ford has requested an August 2023 in-service date for electric service based on
3 Ford's anticipated early 2024 full scale production date for the first battery facility.

4 **Q. Please describe why the proposed transmission projects are needed to serve
5 Ford's battery production facilities and expected growth in the surrounding area.**

6 A. There are no existing transmission facilities in the immediate area that have the capacity
7 to transmit the required power to Ford. Fortunately, KU has an existing 345kV line
8 nearby. The existing Brown North-Hardin County 345kV line can be rerouted by less
9 than a total of 9 miles to provide the Glendale Megasite and surrounding area with the
10 required transmission capacity and reliable service from the bulk electric system.

11 Given the extraordinary load that will be created by Ford and expected load
12 growth in the area, the current network solution is both necessary and prudent to
13 achieve safe, reliable service to the area while maintaining the integrity of the electric
14 transmission system.

15 Recognizing the electric system requirements to serve the new load and
16 considering the possibility of additional supplier loads and other growth in the area,
17 KU proposed a systemwide solution to Ford, including the existing 345kV and 138kV
18 design, during Ford's decision-making process.

19 **Q. Is the Company's Independent Transmission Organization (ITO) required to
20 perform a study and approve the upgrades needed to serve the new Ford load?**

21 A. Yes. As with any new delivery point on the LG&E and KU transmission system, a
22 TSR must be submitted, studied, and approved by TranServ International, the
23 Company's ITO, prior to commencement of service. A TSR for construction power

1 has already been submitted and approved by the ITO. A TSR for 320 MWs was
2 submitted to the ITO on March 11, 2022.

3 **Q. What are the estimated costs for the proposed electric transmission**
4 **improvements?**

5 A. The Company estimates the cost of constructing the 345kV and 138kV lines is
6 approximately \$48 million. The estimated cost of the Glendale South Substation is
7 approximately \$48 million. The estimated cost of the Glendale Industrial Substation is
8 approximately \$25 million.⁵ Both substations are directly related to the transmission
9 lines.

10 **Q. What steps were taken to ensure the routes for the proposed transmission lines**
11 **are the best possible routes and what factors were considered in that analysis?**

12 A. KU engaged the experts at Team Spatial⁶ to perform a line siting study to determine
13 the best possible routes for the 345kV lines given the natural environment, population,
14 cost, and engineering considerations. Team Spatial is a consulting firm that is routinely
15 retained by utilities to provide advice on siting methodology, identify alternate
16 corridors, identify alternate routes, and assist with selecting the preferred route. Their
17 March 2, 2022 Siting Study is attached to the Application at Exhibit 2.

18 **Q. Please describe the methodology Team Spatial used.**

19 A. Team Spatial's methodology is explained at page 7 of the Siting Study. Team Spatial's
20 model uses the Electric Power Research Institute's (EPRI) – GTC (Georgia
21 Transmission Corporation) Siting Methodology and the Kentucky Siting Model. The

⁵ This estimate does not include any "behind the meter" assets located at the Glendale Industrial Substation Ford has requested and for which Ford will bear financial responsibility.

⁶ A full description of Team Spatial's experience and expertise is at <https://teamspatial.com/>.

1 model uses a “funnel” approach⁷ whereby community considerations, the existing
2 natural environment, geographic information, cost, engineering considerations,
3 external stakeholder data, internal calibration data, and expert judgment are all
4 considered in a data-driven process that first identifies possible “macro corridors” and
5 then works its way through to alternative corridors, then alternative routes, and then
6 finally recommending preferred routes. The Siting Study shows the careful, objective,
7 and deliberative process by which Team Spatial narrowed down possible routes by
8 value ranking (on a scale from 1 – 9⁸) the relevant factors to be considered in
9 determining the preferred routes.

10 **Q. Did Team Spatial consider the “Built Criteria” in reaching its recommendation?**

11 A. Yes. The Siting Study considers the “Built Criteria” which means a consideration of
12 where people live, work, and play by analyzing building density, building proximity,
13 proposed development, spannable lakes and ponds, land use, and proximity to eligible
14 historical and archaeological sites.⁹

15 **Q. What other criteria did Team Spatial consider?**

16 A. Team Spatial considered the “Natural Criteria” which means a consideration of rivers,
17 streams, 100-year floodplain, land cover, and wildlife habitat.¹⁰ Team Spatial also
18 considered the “Engineering Criteria,” which includes an assessment of existing linear
19 infrastructure (roads, railroads, and existing transmission lines), slope, and sinkholes.¹¹

20 By using Built Criteria, Natural Criteria, and Engineering Criteria, Team Spatial

⁷ Siting Study, p. 7.

⁸ Siting Study, p. 9.

⁹ Siting Study, pp. 11-18.

¹⁰ Siting Study, pp. 19-25.

¹¹ Siting Study, pp. 26-32.

1 completed a robust and thorough assessment of all possible route alternatives for the
2 345kV lines and identifies the best available routes for those lines upon which KU
3 made its decision.

4 **Q. Did KU commission a full siting study for the routes proposed for the 138kV lines?**

5 A. No. A full siting study is not necessary for the 138kV routes because they will only
6 cross one landowner's property - Ford.¹² One of the most important factors to KU in
7 assessing any route for any transmission line is the effect on property owners. Because
8 the proposed 345kV lines must cross multiple parcels of land (the preferred routes will
9 require easements from 34 property owners), KU needed to commission a siting study
10 for those lines. For the proposed 138kV lines, only Ford is impacted and of course,
11 Ford supports the location of the 138kV lines on what will be its property.

12 **Q. Although a siting study was not commissioned for the 138kV lines, did KU
13 consider the impact of those lines on the area where they are to be constructed?**

14 A. Yes. KU commissioned Team Spatial to assess the impact of the 138kV lines in the
15 area where they will be constructed to measure the impact on the existing built and
16 natural environment. That February 8, 2022 study is attached to the Application as
17 Exhibit 3. As shown in that study, expected impacts are minimal.

18 **Q. Will any permits be required for the transmission lines to be constructed?**

19 A. Yes. Various standard permits will be required for the proposed construction. At this
20 time, KU has a KYTC encroachment permit and a CSX railroad permit in hand and
21 will file others with the Commission once they are obtained. A listing of the required

¹² At this time, Hardin County owns the real property, but it is expected to be conveyed to Ford prior to the battery plants becoming operational.

1 permits is attached to the Application at Exhibit 4 along with the two permits received
2 to date.

3 **Q. Will KU need to acquire easements from property owners for the 345kV lines?**

4 A. Yes. KU will need to acquire 200-foot-wide easements to construct, operate, and
5 maintain the lines from 34 property owners on 50 parcels of land. These easements
6 represent an estimated 198 acres of planned right-of-way. KU has completed outreach
7 to property owners to discuss the project and advise of field survey activity needed to
8 be completed to determine the impact of the easement upon affected property.

9 **Q. Is KU seeking authority from the Commission to make immaterial adjustments to
10 the location of the proposed transmission lines during construction without having
11 to seek future Commission approval to do so?**

12 A. Yes. KU seeks Commission approval to make modifications to the specific routes of
13 the proposed lines within the corridor of properties identified in the maps filed with the
14 Application. KU requests the authority to move the location of the proposed lines up
15 to 500 feet on either side of the centerline (so long as additional property owners are
16 not affected) to account for property owner preferences or unexpected conditions
17 encountered during construction.¹³

18 **CONCLUSION**

19 **Q. What is your recommendation for the Commission?**

20 A. I recommend approval of the Certificate of Public Convenience and Necessity
21 requested in this matter.

22 **Q. Does this conclude your testimony?**

¹³ The Commission recently granted such a request in Case No. 2021-00275, January 14, 2022 Order, pp. 14-15.

1 A. Yes.


VERIFICATION

COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON)

The undersigned, **Elizabeth J. McFarland**, being duly sworn, deposes and says that she is Vice President, Transmission, for Kentucky Utilities Company, an employee of LG&E and KU Services Company, and that she has personal knowledge of the matters set forth in the foregoing testimony, and that the answers contained therein are true and correct to the best of her information, knowledge, and belief.


Elizabeth J. McFarland

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 28th day of March 2022.


Notary Public
Notary Public ID No. 603967

My Commission Expires:
July 11, 2022

APPENDIX A

Beth McFarland

Vice President - Transmission
Kentucky Utilities Company
Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky 40202
Telephone: (502) 627-3648

Previous Positions

LG&E-KU

Vice President – Customer Services	2017 – 2020
Director, Asset Management, EDO	2013 – 2017
Manager, Substation Construction and Maintenance, EDO	2010 – 2013
Lead Engineer, Louisville Arena Project	2007 – 2010
Various Engineering Positions	1997 – 2007

Ford Motor Company

Automation Engineer - Body	1996 - 1997
Maintenance Supervisor - Paint	1994 - 1996

Professional/Trade Memberships

Edison Electric Institute-Reliability EAC	2020 – present
SERC Reliability Corporation-Member Company Representative	2020 – present
North American Transmission Forum-Member Representative	2020 – present
EPRI: Power Delivery and Transmission Sector Council	2022 – present

Education

Executive Education Program, Tuck School of Business, Dartmouth College	2017
Master of Engineering, University of Louisville J. B. Speed Scientific School	1994
Bachelor of Science in Engineering Science, University of Louisville J. B. Speed Scientific School	1992

Civic Activities

University of Louisville, J. B. Speed School of Engineering, Industrial Board of Advisors	2019 – present
Leadership Kentucky Board of Directors	2019 – 2021
Leadership Kentucky Class Member	2019
ACE Mentoring Board of Directors	2017 – present

Gov. Beshear, Ford Motor Company, SK Innovation Announce Single Largest Economic Development Project in Kentucky History, Cementing Commonwealth's Status as Global Automotive Leader

Crystal Staley or Sebastian Kitchen
502-564-2611
<https://governor.ky.gov>

Office of the Governor
700 Capitol Avenue
Frankfort KY 40601

Ford and partner SK Innovation will build two electric battery plants, creating 5,000 Kentucky jobs, investing \$5.8 billion

FRANKFORT, Ky. (Sept. 27, 2021) – Gov. Andy Beshear, Ford Motor Company and SK Innovation announced the single largest economic development project in the history of the commonwealth on Monday, celebrating a transformative \$5.8 billion investment that will create 5,000 jobs and places Kentucky at the forefront of the automotive industry's future.

Ford Motor Co. and SK Innovation will build two electric battery plants in the BlueOvalSK Battery Park in Hardin County, investing a record \$5.8 billion. With this announcement, Kentucky shatters every annual economic development record in the books for yearly investment totals and is on pace for its best job-creating year in history. Kentucky workers at BlueOvalSK Battery Park will supply Ford's North American assembly plants with batteries that will power the next generation of Ford and Lincoln electric vehicles. Production of the advance lithium-ion batteries will begin in 2025.

The plants will be built on the 1,551-acre economic development site near Interstate Highway 65 in Glendale and will generate 86 gigawatt hours, which commonwealth officials believe will make Kentucky the nation's largest producer of electric automotive batteries.

Gov. Beshear, Ford Executive Chair Bill Ford, CEO Jim Farley and Dong-Seob Jee, president of SK Innovation's battery business, will join Kentucky leaders to unveil more about the historic project at 4:30 p.m. EDT Tuesday at the Kentucky State Capitol. Executive leaders from Ford and SK Innovation, as well as state and local leaders, will attend the announcement.

"We thank Ford Motor Co. and SK Innovation for their investment in Team Kentucky," said **Gov. Beshear**. "This is the single largest investment in the history of our state, and this project solidifies

our leadership role in the future of the automotive manufacturing industry. It will transform our economy, creating a better Kentucky with more opportunities for our families for generations. Our economy is on fire – and now, it's electric. Never again will we be thought of as a flyover state. Our time is now. Our future is now.”

“Ford is very excited to make this historic investment in the great state of Kentucky,” said **Lisa Drake, Ford North America chief operating officer**. “Kentucky has been an incredible partner to Ford for more than 100 years and is home to Louisville Assembly Plant and Kentucky Truck Plant. With this announcement, Kentucky will play an essential role as Ford fulfills its commitment to lead the electric vehicle revolution and create thousands of jobs in the commonwealth, and we look forward to working with Kentuckians to create the future together.”

The \$5.8 billion investment is more than triple the previous largest single investment announced in Kentucky. The 5,000 announced jobs, which is the number of full-time jobs at the plants and does not include construction, supplier or dealership jobs, is more than twice the number of any previous announcement in the commonwealth.

At the Glendale megasite, Kentucky and its partners will shift from the traditional automobile to the electric vehicle of the future. Ford expects at least 40% of its global sales to be electric vehicles by 2030, and the batteries made in Kentucky will help power that transition.

Century-Long Partnership

The historic announcement builds on the more than century-long partnership between Kentucky and Ford.

Kentucky workers rolled a Model T off a Ford assembly line in Louisville in 1913. The Louisville Assembly Plant and Kentucky Truck Plant in Louisville directly employ about 13,000 workers with thousands more working for suppliers and dealerships.

Kentucky workers assemble the Ford Escape and Lincoln Corsair at the Louisville Assembly Plant, which opened in 1955, and they assemble Ford Super Duty Trucks, the Ford Expedition and the Lincoln Navigator at the Kentucky Truck Plant, which opened in 1969.

From direct Ford employees to suppliers and dealers, Ford helped create jobs for approximately 120,000 people in Kentucky – not including the jobs coming with today's announcement.

A 2020 Economic Impact Report estimated that Ford's gross domestic product impact in Kentucky was approximately \$11.7 billion. Ford has directed more than \$6.3 billion in investments and upgrades to Kentucky since 1987.

Booming Economy and Unlimited Potential

Even in the midst of a global pandemic and a subsequent national economic downturn, Gov. Beshear has prioritized good-paying jobs in every corner of the commonwealth, attracting nearly 400 projects creating more than 20,600 full-time jobs for Kentuckians, with the private sector announcing more than \$11.4 billion in investment in Kentucky since December 2019.

This year alone, the Governor has announced over \$8.7 billion in total planned investment and 11,700 full-time jobs in private sector new-location and expansion projects across the coming years. Through July, Kentucky's average incentivized hourly wage was \$23.47 before benefits, a 6.2% increase over the previous year.

“This is our best year ever, and it's only September,” **Gov. Beshear** said.

Through a bipartisan agreement with legislators earlier this year, the Governor launched the [Better Kentucky Plan](#), which aims to create 14,500 jobs and help Kentucky lead in the post-COVID economy. The plan allocates more than \$750 million in American Rescue Plan Act funds to build

schools, expand access to broadband and deliver clean drinking water and quality sewer systems across the commonwealth. Through the plan, the state directed \$75 million to [upgrade vocational education centers](#).

In July, thanks to strong fiscal management by the Beshear administration, the state budget office reported the commonwealth ended the 2021 fiscal year with a general fund surplus of over \$1.1 billion – the highest ever in the commonwealth – and a 10.9% increase in general fund receipts to \$12.8 billion.

In May, Moody's Analytics published a positive economic outlook for Kentucky, noting mass vaccination as the driving force behind a sustained recovery in consumer services. The state's recovery, Moody's said, benefited from earlier reopening efforts and increased demand for manufactured goods over services. The report also found Kentucky's manufacturing industry outperformed the nation's since the national downturn last year. Kentucky remains the No. 1 vehicle producer in the nation per capita, thanks in large part to Ford's production.

Fitch Ratings in May improved the state's financial outlook to stable, reflecting the commonwealth's solid economic recovery. The state's April sales tax receipts set an all-time monthly record at \$486.5 million, as did vehicle usage tax receipts at over \$64 million.

In March, Site Selection magazine's annual Governor's Cup rankings for 2020 positioned Kentucky atop the South Central region, and third nationally, for qualifying projects per capita. The commonwealth also placed seventh overall in total projects, the highest of any state with a population under 5 million. Site Selection also recently placed Kentucky in a tie for fifth in its 2021 Prosperity Cup rankings, positioning the state among the national leaders for business climate.

Kentucky has an unmatched logistical advantage in recruiting jobs. Kentucky is within one day's drive of two-thirds of the U.S. population.

Kentucky is the only state with three international air-shipping hubs with those operated by UPS, DHL and Amazon Prime.

To read Ford's announcement, go to media.ford.com.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY)	CASE NO.
FOR THE CONSTRUCTION OF)	2022-00066
TRANSMISSION FACILITIES IN HARDIN)	
COUNTY, KENTUCKY)	

DIRECT TESTIMONY OF
ROBERT M. CONROY
VICE PRESIDENT, STATE REGULATION AND RATES
KENTUCKY UTILITIES COMPANY AND
LOUISVILLE GAS AND ELECTRIC COMPANY

Filed: March 31, 2022

1 **INTRODUCTION**

2 **Q. Please state your name, position, and business address.**

3 A. My name is Robert M. Conroy. I am the Vice President of State Regulation and Rates
4 for Kentucky Utilities Company (“KU”) and its sister utility, Louisville Gas and
5 Electric Company (“LG&E”) (collectively, “Companies”) and an employee of LG&E
6 and KU Services Company, which provides services to KU and LG&E. My business
7 address is 220 West Main Street, Louisville, Kentucky 40202. A complete statement
8 of my education and work experience is attached to this testimony as Appendix A.

9 **Q. Have you previously testified before this Commission?**

10 A. Yes. I have testified in numerous proceedings before the Kentucky Public Service
11 Commission for many years.

12 **Q. What is the purpose of your direct testimony?**

13 A. The purpose of my testimony is to describe the natural gas service project that will be
14 completed to provide natural gas service to Ford Motor Company’s and its partner, SK
15 Innovation’s, (collectively, “Ford”)¹ battery production facilities to be constructed at
16 the Glendale Megasite in Hardin County, to confirm KU’s compliance with certain
17 legal requirements under 807 KAR 5:120, and to request a decision in this matter within
18 90 days of the filing of the Application pursuant to KRS 278.020(9).

19 **Q. As part of the overall project to provide service to Ford’s planned battery
20 production facilities, will LG&E be constructing any natural gas facilities?**

21 A. Yes. Although KU’s electric service to the Glendale Megasite is by far the most
22 important and expensive utility project to serve Ford and expected growth in the area,

¹Ford Motor Company has partnered with SK Innovation to build the battery plants at what will be called the BlueOvalSK Battery Park.

1 there is a small natural gas project necessary to serve Ford that LG&E will complete.
2 That project includes installing an interconnection gas regulation facility at the Flint
3 Hill natural gas transmission pipeline and installing approximately 2,200 feet of 16-
4 inch steel gas main from the interconnection regulation facility to the Glendale
5 Megasite measurement and regulation facility. The pipeline extension crosses only two
6 parcels of land. While necessary easements are in place, it is possible LG&E will need
7 minor expansions of those easements and minor additional easements. The cost of the
8 project is approximately \$6-7 million.

9 **Q. Is a Certificate of Public Convenience and Necessity (“CPCN”) required for that**
10 **natural gas project?**

11 A. No. At a cost of \$6-7 million, the natural gas project is only 0.13% of LG&E’s
12 combined electric and gas net utility plant and only 0.58% of its gas net utility plant.
13 At those low percentages, this project is an extension in the ordinary course of business,
14 and, therefore, a CPCN is not needed.

15 **Q. For the CPCN KU seeks for the construction of two 345kV transmission lines, two**
16 **138kV transmission lines, and associated substations, has KU provided the Notice**
17 **of Intent required by 807 KAR 5:120, Section 1(1)?**

18 A. Yes. KU provided that Notice of Intent to the Commission on March 1, 2022. A copy
19 of it is attached as Exhibit 1 to the Application.

20 **Q. Has KU provided the required notice of the proposed construction to affected**
21 **property owners pursuant to 807 KAR 5:120, Section 2(3)?**

22 A. Yes. KU has provided the required notice of construction. A sample copy of the letter
23 provided to affected property owners is attached as Exhibit 19 to the Application and a

1 listing of all property owners to whom it was sent is attached as Exhibit 20 to the
2 Application pursuant to 807 KAR 5:120, Section 2(4).

3 **Q. Has KU completed the required newspaper publication of the notice of intent to**
4 **construct the transmission lines pursuant to 807 KAR 5:120, Section 2(5)?**

5 A. Yes. KU has completed the required newspaper publication. A copy of the newspaper
6 publication is attached as Exhibit 21 to the Application pursuant to 807 KAR 5:120,
7 Section 2(6).

8 **Q. Has Ford indicated when it needs to have the transmission projects completed?**

9 A. Yes. Ford has requested an August 2023 in-service date for electric service based on
10 Ford's anticipated early 2024 full scale production date for the first battery facility.
11 Given this aggressive timing, the Company requests a decision in this matter within 90
12 days of the filing of this Application pursuant to KRS 278.020(9).

13 **CONCLUSION**

14 **Q. What is your recommendation for the Commission?**

15 A. I recommend the Commission grant the requested certificate of public convenience and
16 necessity for the construction of two 345kV and two 138kV transmission lines and two
17 associated substations in Hardin County, Kentucky in this matter.

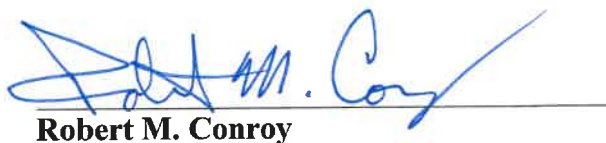
18 **Q. Does this conclude your testimony?**

19 A. Yes.


VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

The undersigned, **Robert M. Conroy**, being duly sworn, deposes and says that he is Vice President, State Regulation and Rates for Kentucky Utilities Company, an employee of LG&E and KU Services Company, and that he has personal knowledge of the matters set forth in the foregoing testimony, and that the answers contained therein are true and correct to the best of his information, knowledge, and belief.


Robert M. Conroy

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 29th day of March 2022.


Notary Public
Notary Public ID No. 603967

My Commission Expires:

July 11, 2022

APPENDIX A

Robert M. Conroy

Vice President, State Regulation and Rates
Kentucky Utilities Company
Louisville Gas and Electric Company
220 West Main Street
Louisville, Kentucky 40202
Telephone: (502) 627-3324

Previous Positions

Director, Rates	Feb 2008 – Feb 2016
Manager, Rates	April 2004 – Feb 2008
Manager, Generation Systems Planning	Feb. 2001 – April 2004
Group Leader, Generation Systems Planning	Feb. 2000 – Feb. 2001
Lead Planning Engineer	Oct. 1999 – Feb. 2000
Consulting System Planning Analyst	April 1996 – Oct. 1999
System Planning Analyst III & IV	Oct. 1992 - April 1996
System Planning Analyst II	Jan. 1991 - Oct. 1992
Electrical Engineer II	Jun. 1990 - Jan. 1991
Electrical Engineer I	Jun. 1987 - Jun. 1990

Professional/Trade Memberships

Registered Professional Engineer in Kentucky, 1995
Edison Electric Institute - Rates and Regulatory Affairs Committee
Southeastern Energy Exchange - Rates and Regulation Committee

Education

Essentials of Leadership, London Business School, 2004
Masters of Business Administration
Indiana University (Southeast campus), December 1998
Center for Creative Leadership, Foundations in Leadership program, 1998.
Bachelor of Science in Electrical Engineering;
Rose Hulman Institute of Technology, May 1987

Civic Activities

Olmstead Parks Conservancy – Board of Directors – 2016 – current
Leadership Kentucky – Class of 2016
Financial Research Institute – Advisory Board Member – 2016 – current