

**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 Rebuild the Wooton-Stinnett)
Portion of the Hazard-Pineville 161 kV Line)
In Leslie County, Kentucky (“Wooton-Stinnett)
161 kV Transmission Rebuild Project”))

Case No. 2022-00118

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.

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

3 A. I am primarily responsible for managing the regulatory and financial strategy for
4 Kentucky Power. This includes planning and executing rate filings for both federal and
5 state regulatory agencies, as well as filings for certificates of public convenience and
6 necessity before this Commission. I am also responsible for managing the Company's
7 financial operating plans. Included as part of this responsibility is the preparation and
8 coordination of various capital and operation and maintenance ("O&M") budgets 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.

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

13 A. Yes. I submitted testimony in Case No. 2020-00174, the Company's most recent base
14 rate case proceeding. I have also submitted testimony in Case No. 2019-00140,
15 concerning the Commission's six-month review of the Company's monthly
16 environmental surcharge filings. In addition, I have submitted testimony in Case No.
17 2019-00245 in support of certain changes to the Company's residential energy
18 assistance programs; Case No. 2020-00019 in support of a special contract; Case No.
19 2020-00062 in support of the Company's application for a certificate of public
20 convenience and necessity to construct, own, and maintain certain components of the
21 Kewanee-Enterprise Park 138 kV Transmission Project; Case No. 2021-00053 in
22 support of the Company's application of the fuel adjustment clause two-year review,

1 and Case No. 2021-0346 in support of the Company's certificate of public convenience
2 and necessity application in the Garrett Area Improvements Project.

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 "Wooton-Stinnett 161 kV Transmission Rebuild
6 Project" (the "Project"). Specifically, I will:

- 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 ("ROW") 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 aging infrastructure
15 concerns with the 11-mile section of the Hazard – Pineville 161 kV transmission line
16 between the Wooton, Leslie, and Stinnett substations by rebuilding the 11-mile section.
17 The Project will also address necessary improvements at the Wooton, Leslie, and

1 Stinnett substations. Company Witness Koehler provides further details regarding the
2 Project's purposes and benefits.

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

5 A. Yes. PJM assigned the Project the ID of s2428.1 through s2428.8. Further details of
6 the Project's status before PJM are provided by Company Witness Koehler.

7 **Q. PLEASE DESCRIBE THE PROJECT.**

8 A. The Project consists of the following components:

- 9 (1) The construction of approximately 11 miles of single circuit and double 161 kV
10 transmission line (of which less than 0.5 mile is double circuit) between the Wooton
11 Substation, Leslie Substation, and Stinnett Substation to address the degraded
12 condition of that existing line. This portion of the Project will also include expansion
13 of the ROW for this line;
- 14 (2) At Wooton Substation, upgrade relaying to accommodate new OPGW (optical
15 ground wire) fiber protection;
- 16 (3) At Leslie Substation, reconductor the 161 kV Bus, relaying upgrades toward
17 Wooton and Pineville, replace 161 kV MOAB W, and replace the 161 kV XF#1 high-
18 side switch;
- 19 (4) Relocate approximately 0.3 miles of 69 kV Leslie – Clover Fork which includes
20 one structure and reconfiguration of the existing line to cross underneath the proposed
21 Wooton-Stinnett 161 kV line;

1 (5) At Stinnett substation, upgrade relaying to accommodate new OPGW fiber
2 protection. Provide transition, entry, and termination for OPGW connectivity to the
3 Hazard-Pineville fiber route;

4 (6) Provide transition, entry, and termination for OPGW connectivity at Leslie
5 Substation. Company Witness Larson describes the process used to identify the
6 Wooton-Stinnett 161 kV Project ROW expansion.

7 See EXHIBIT 2 (Project Location Map) to the Application for more information
8 regarding the substation upgrades proposed in the Project.

9 Company Witness Koehler describes each of these components in more detail,
10 including relevant work on the Company's distribution system as part of the Project,
11 and addresses the need for the work, including the components, and the benefits
12 provided. As part of the project, the Company will improve the tie lines between the
13 Leslie and Stinnett distribution substations.

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

16 A. Yes. This is in accordance with the Commission's January 13, 2021 Order in Case No.
17 2020-00174 at pages 59-64.

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

20 A. No.

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

3 A. Two additional witnesses provide testimony in support of the Application. First,
4 Company Witness Koehler describes the process for the review of the underlying needs
5 and solutions (*i.e.*, the proposed Project) under PJM's Regional Transmission
6 Expansion Plan ("RTEP") for projects needed due to local performance and reliability
7 needs. Such projects are designated in PJM's RTEP as Supplemental projects. This
8 Project is the second of three associated projects. The first project was the Hazard-
9 Wooton project, Case Nos. 2017-00328 and 2019-00154, and there will be a future
10 project to complete the upgrades. Company Witness Koehler will also outline the scope
11 of work to be undertaken, identify the alternative electrical solution that was evaluated
12 along with the Project as proposed, and provide a summary of the Project's
13 advancement through the PJM review process.

14 Second, Company Witness Larson will describe the methodology employed in
15 the Rebuild Study that was used to identify the transmission line route. Company
16 Witness Larson also explains the public outreach process, the results and conclusions
17 of the Rebuild Study, and the environmental studies and approvals that will be required.

V. CENTERLINE AND RIGHT-OF-WAY

18 **Q. KENTUCKY POWER FILED MAPS ILLUSTRATING THE PROPOSED**
19 **CENTERLINE OF THE REBUILT TRANSMISSION LINE AND EXPANDED**
20 **RIGHT OF WAY AS EXHIBIT 4 (PROPOSED ROUTE) TO ITS**
21 **APPLICATION. COULD THAT CENTERLINE CHANGE?**

1 A. Yes. Constructability issues, access requirements, and conditions that are not evident
2 until final engineering, or that arise as a result of landowner negotiations may result in
3 Kentucky Power being required to place the identified centerline and adjacent ROW
4 outside the ROW indicated on EXHIBIT 4 (Proposed Route). Consistent with the
5 guidance provided by the Commission's April 13, 2022 Order in Case No. 2021-00346,
6 the Company seeks authority to relocate the centerline and associated ROW up to 200
7 feet in any direction from the location as shown on the maps filed with the Application
8 if required to address these conditions or issues. This 400-foot-wide area is consistent
9 with the width of the proposed ROW at its widest points, and as illustrated on EXHIBIT
10 4 (Proposed Route) consists of two strips of a buffered area surrounding the centerline
11 and ROW that allows flexibility for minor adjustments that result during final
12 engineering. As explained in greater detail by Company Witness Larson, it is not
13 expected that the centerline will shift significantly from what is shown on EXHIBIT 4
14 (Proposed Route). The Company proposes to file a motion in this proceeding to request
15 approval to move the centerline more than 200 feet in any direction from the centerline,
16 as it appears on the maps filed into the record in this proceeding. The motion will
17 identify the proposed new location of the centerline, the affected landowner(s), and
18 state in detail, and with technical specificity, the need for the proposed modification of
19 the centerline. Kentucky Power will serve the motion for approval to move the
20 centerline on any affected landowner(s), even if not a party to this proceeding. The
21 Company respectfully requests that upon receiving adequate information to consider
22 the request, the Commission use its best efforts to rule upon such motions within 14
23 days.

1 **Q. WHY SHOULD THE COMMISSION ALLOW FOR CHANGES UP TO 200**
2 **FEET IN ANY DIRECTION INSTEAD OF 100 FEET?**

3 A. An area of 200 feet in any direction is consistent with the width of the proposed ROW
4 at its widest point, namely 400 feet wide. The ability to relocate the centerline within
5 this area is necessary to address issues that may emerge in connection with ground
6 surveys, final engineering, and ROW negotiations.

7 **Q. WHAT IS THE WIDTH OF THE PROPOSED ROW?**

8 A. The width of the current ROW is 100 feet, but the Company proposes to expand the
9 ROW slightly to 120 feet in order to adhere to current standards and specifications for
10 a 161 kV transmission line. In cases of unusually steep terrain, the ROW may extend
11 up to 400 feet to prevent the conductors from coming in contact with trees during high
12 wind conditions and tree clearing on the up-hill side of the ROW to prevent trees from
13 falling down hill and into the conductors and structures. The proposed ROW will enable
14 the Company to acquire or supplement the required ROW, to engineer, build, operate,
15 and maintain the line, while minimizing overall environmental and land use impacts.
16 Company Witness Larson also provides further explanation on these proposed widths.

17 **Q. WHY IS THE COMPANY SEEKING TO ACQUIRE ROW GREATER THAN**
18 **120 FEET IN CERTAIN PLACES?**

19 A. In certain areas, the Company may be required to extend the ROW beyond 120 feet to
20 accommodate guy wires that extend more than 60 feet from the centerline. In
21 connection with certain long spans, and where required to permit tree-clearing on the
22 uphill side of the centerline to prevent trees from falling into the line or its structures,
23 the required ROW will extend to 150 feet (75 feet on each side of the centerline). In

1 cases of unusually steep terrain or extremely long spans, the Company may be required
2 to acquire ROW that extends to 350-400 feet (175 to 200 feet on each side of the
3 centerline) for the reasons indicated above.

4 **Q. IS KENTUCKY POWER SEEKING UNLIMITED DISCRETION TO**
5 **RELOCATE THE TRANSMISSION LINE AND ROW?**

6 A. No. Kentucky Power is seeking authority to move the centerline and associated ROW
7 only within the limits indicated above.

8 **Q. WERE OWNERS OF PROPERTY LOCATED WITHIN 400 FEET OF THE**
9 **CENTERLINE PROVIDED MAILED NOTICE OF THE COMPANY'S**
10 **APPLICATION?**

11 A. Yes. During public outreach efforts, the Company provided notice to persons owning
12 property within the greater notification corridor of 1,000 feet. Persons owning property
13 within this notification corridor were mailed the same notice provided to persons
14 owning property within the indicated ROW. The full details of the Company's efforts
15 to engage all landowners within the 1,000-foot-wide notification corridor is further
16 described in Company Witness Larson's testimony.

17 **Q. WILL THE COMMISSION BE INFORMED OF THE FINAL LOCATION OF**
18 **THE LINE AND THE ADJACENT ROW?**

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

VI. CONSTRUCTION SCHEDULE

1 Q. WHEN DOES KENTUCKY POWER PROPOSE TO BUILD THE
2 TRANSMISSION LINE AND THE SUBSTATIONS IF THE CERTIFICATE IS
3 GRANTED?

4 A. The Company anticipates beginning construction during the first or second quarter of
5 2023. Work is anticipated to be complete by the fourth quarter of 2024. The planned
6 in-service date sequence is as follows:

- 7 • **4th Quarter 2022 or 1st Quarter 2023:** Begin construction of distribution line
8 work between Leslie and Stinnett Substations.
- 9 • **3rd Quarter 2023:** Begin dry-weather grading access roads to the 161 kV
10 transmission line locations and tree clearing for the transmission line. Grading
11 for access roads planned to be completed by the 4th quarter 2023.
- 12 • **4th Quarter 2023 or 1st Quarter 2024:** Begin construction of transmission
13 lines and substation upgrades.
- **4th Quarter 2024:** Place the Project in-service.

VII. NOTICES

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

18 A. Yes. In conjunction with this filing, all landowners within the 400-foot wide area as
19 shown on Exhibit 4 and listed in Exhibit 14 were mailed a notice per the requirements
20 of 807 KAR 5:120, Section 2(3). In addition, as part of public outreach efforts,
21 Kentucky Power mailed two separate mailings to landowners of record of all parcels

1 within the 1,000-foot-wide notification corridor. The landowner notifications required
2 by 807 KAR 5:120, Section 2(3) and the public outreach notifications were mailed
3 using the addresses for the subject parcels shown in the offices of the Leslie County
4 Property Valuation Administrator. Company Witness Larson's testimony provides
5 more detailed information on outreach efforts.

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

7 A. The required landowner notice was mailed on April 28, 2022. The list of landowners
8 within the proposed ROW to whom the notice was mailed, including the required
9 verification of mailing, is attached as **EXHIBIT 14** (Landowner List) to the Application.

10 **Q. DID THE APRIL 28, 2022 MAILED NOTICE CONTAIN THE INFORMATION**
11 **REQUIRED BY 807 KAR 5:120, SECTION 2(3)(A)-(E)?**

12 A. Yes. The form of the notice is attached to the Application as **EXHIBIT 15** (Notice to
13 Landowners).

14 **Q. DID KENTUCKY POWER PUBLISH THE REQUIRED NOTICE IN THE**
15 **LESLIE COUNTY NEWSPAPER OF RECORD?**

16 A. Yes. The required notice of the Company's intent to construct the Project and of this
17 proceeding was published on April 28, 2022, in *The Leslie County News* and *The*
18 *Hazard Herald*. The published notices contained all information required by 807 KAR

1 5:120, Section 2(5). A copy of the published notice and the affidavit of publication are
2 attached as **EXHIBIT 15** (Notice to Landowners) to the Application.

VIII. FINANCIAL ASPECTS OF THE PROJECT

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

4 A. The total detailed estimate of the Project cost is approximately \$49 million. That sum
5 comprises: (a) approximately \$41 million for transmission line work including ROW
6 acquisition; (b) approximately \$4.7 million for construction and upgrade of the
7 substations and switch structure; (c) approximately \$2.9 million for the removal of the
8 Wooton 161kV Extension, Wooton-Leslie 161kV and Leslie-Stinnett portions, and the
9 Leslie Loop; and (d) approximately \$110,000 for distribution line work.

10 **Q. DOES THE APPROXIMATELY \$49 MILLION COST ESTIMATE**
11 **DESCRIBED ABOVE AND SET OUT IN THE APPLICATION REPRESENT**
12 **A FIXED AND FINAL COST?**

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

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

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

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

20 A. No. Kentucky Power's assets, net of regulatory assets and deferred charges, as of
21 December 31, 2021, totaled \$2,073,925,784. The cost of the Project thus represents an

1 increase of approximately 2.4% percent in those assets. The project will not require the
2 issuance of debt and will not affect the completion of any other capital project.

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

5 A. Kentucky Power estimates the annual operating cost will be approximately \$78,000 for
6 general maintenance and inspection. The projected additional annual ad valorem taxes
7 resulting from the Project are expected to total approximately \$645,700.

8 **Q. WILL THE IMPLEMENTATION OF THE PROJECT AS PROPOSED**
9 **RESULT IN WASTEFUL DUPLICATION?**

10 A. No. The Project will not duplicate any existing facilities in the area and will not result
11 in an excess of capacity over need, or excess investment in relation to the productivity
12 and efficiency to be gained. Finally, Kentucky Power performed a thorough review of
13 alternatives and selected the most appropriate and cost-effective solution. Given the
14 remote nature of the line, the opportunity to rebuild on existing ROW, and the fact that
15 the existing conductor cannot be replaced in kind due to the existing structures not
16 being able to withstand an upgraded conductor size, there are no appropriate
17 alternatives. A structure-by-structure replacement is infeasible. It would not be possible
18 to put the line back in service until all the structures were removed, rebuilt, and
19 restrung. This type of construction phasing would result in significantly longer outages
20 in the aggregate than that of an off-centerline rebuild, and would be significantly more
21 expensive to build. Long outages put adjacent stations and lines in the area at risk
22 during extreme weather. Company Witness Koehler provides a further explanation on
23 the alternatives considered in his testimony.

IX. STAKEHOLDER INPUT

1 **Q. HAVE RELEVANT STAKEHOLDERS BEEN AFFORDED AN**
2 **OPPORTUNITY TO PROVIDE INPUT REGARDING THE PROPOSED**
3 **TRANSMISSION LINE ROUTE?**

4 A. Yes. Representatives of Kentucky Power met with stakeholders including local public
5 officials, affected landowners, pipeline and coal companies, the National Forest
6 Service, and the general public. Company representatives met in-person with local
7 county and city officials, including the Leslie County Judge Executive William R.
8 Lewis on June 9, 2021. Members of the Siting Team also met with Leeco (Pine Branch
9 Coal Company) and International Coal Group Natural Resources, LLC in August 2021
10 to identify potential conflicts with their current and future mining plans, as applicable.
11 The Siting Team was also in contact with representatives of the United States Forest
12 Service via email and phone correspondence in June and July of 2021 regarding the
13 crossing of the Daniel Boone National Forest parcel to ensure proper permits would be
14 in place for the proposed rebuild. Further, the Company worked with stakeholders to
15 address their reasonable concerns regarding the Project. Finally, Kentucky Power
16 employed multiple media channels to apprise all stakeholders of the Project, including
17 a virtual open house with a Project-specific website that provided for a comment
18 period. The full details of the Company's efforts to engage all stakeholders are provided
19 in Company Witness Larson's testimony.

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

21 A. Yes.

