

**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 69 kV)
Transmission Lines And Associated Facilities)
In Pike County, Kentucky)
("Belfry Area Transmission Line Project"))

Case No. 2022-00236

DIRECT TESTIMONY OF

BRIAN K. WEST

ON BEHALF OF KENTUCKY POWER COMPANY

**DIRECT TESTIMONY OF
BRIAN K. WEST ON BEHALF OF
KENTUCKY POWER COMPANY
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

CASE NO. 2022-00236

TESTIMONY INDEX

<u>SECTION</u>	<u>PAGE</u>
I. INTRODUCTION	1
II. BACKGROUND.....	1
III. PURPOSE OF TESTIMONY.....	3
IV. THE PROJECT OVERVIEW	4
V. CENTERLINE AND ROW	7
VI. CONSTRUCTION SCHEDULE.....	10
VII. NOTICES	11
VIII. FINANCIAL ASPECTS OF THE PROJECT	13
IX. STAKEHOLDER INPUT	15

**DIRECT TESTIMONY OF
BRIAN K. WEST ON BEHALF OF
KENTUCKY POWER COMPANY
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

CASE NO. 2022-00236

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 and
3 state regulatory agencies, as well as filings for certificates of public convenience and
4 necessity before this Commission. I am also responsible for managing the Company's
5 financial operating plans. Included as part of this responsibility is the preparation and
6 coordination of various capital and operation and maintenance ("O&M") budgets to
7 ensure that adequate resources such as debt, equity, and cash are available to build,
8 operate, and maintain Kentucky Power's electric system assets used to provide service
9 to the Company's retail and wholesale customers.

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

11 A. Yes. I have filed testimony in support of Kentucky Power's regulatory filings since
12 2019. Most germane to my testimony in this case, I filed testimony in Case Nos. 2021-
13 0346 and 2022-00118 in support of the Company's certificate of public convenience
14 and necessity application in the Garrett Area Improvements Project and the Wooton-
15 Stinnett 161 kV Transmission Rebuild Project.

III. PURPOSE OF TESTIMONY

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

17 A. I am testifying in support of Kentucky Power's application for a certificate of public
18 convenience and necessity to build the "Belfry Area Transmission Line Project" (the
19 "Project"). Specifically, I will:

- 20 • Provide an overview of the Project;
- 21 • Introduce the other witnesses supporting the Company's Application;
- 22 • Provide an overview of the right-of-way ("ROW") activities

- 1 • Detail the Company's compliance with the notice requirements for this
2 proceeding; and
- 3 • Address the financial aspects of the Project.

4 **Q. WHAT WITNESSES WILL BE OFFERING TESTIMONY IN SUPPORT OF**
5 **KENTUCKY POWER'S APPLICATION?**

6 A. Two additional witnesses provide testimony in support of the Application. First,
7 Company Witness Koehler describes the process for the review of the underlying needs
8 and solutions (*i.e.*, the proposed Project) under PJM's Regional Transmission
9 Expansion Plan ("RTEP") for projects needed due to equipment condition,
10 performance and reliability needs. Company Witness Koehler will also outline the
11 scope of work to be undertaken, identify the alternative electrical solution that was
12 evaluated 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 Reese will describe the methodology employed in
15 the siting study that was used to identify the transmission line route and substation
16 sites. Company Witness Reese also explains the public outreach process, the results
17 and conclusions of the siting study, and the environmental studies and approvals that
18 will be required.

IV. THE PROJECT OVERVIEW

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

20 A. The Project is a Baseline and an asset renewal project intended to address aging
21 infrastructure and voltage violations. The Project involves building approximately 6.5
22 miles of 69 kV transmission line, retiring 8.2 miles of 46 kV transmission line, building

1 the Orinoco 69 kV Substation, and retiring the Belfry 46 kV Substation. The Project is
2 being constructed to allow for the retirement of 8.2 miles of 46 kV transmission line
3 between the existing Sprigg and Stone Substations. Approximately 6.5 miles of this
4 retirement is located in Kentucky with the remainder in West Virginia. Company
5 Witness Koehler provides further details regarding the Project's purposes and benefits.

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

8 A. Yes. PJM assigned the Project the Baseline ID of b3288 and Supplemental ID of s2446.
9 Further details of the Project's status before PJM are provided by Company Witness
10 Koehler.

11 **Q. PLEASE DESCRIBE THE PROJECT.**

12 A. The Project consists of five Baseline and seven Supplemental components.

13 The five Baseline components include:

14 (1) The construction of approximately 4.2 miles of 69 kV transmission line from New
15 Camp Substation to Orinoco Substation;

16 (2) The construction of approximately 2.3 miles of 69 kV transmission line from
17 Orinoco Substation to Stone Substation;

18 (3) At Stone Substation, Circuit breaker A will remain in place and be utilized as T1
19 low-side breaker; Circuit Breaker B will remain in place and be utilized as new Hatfield
20 (via Orinoco and New Camp) 69 kV line breaker. Add new 69 kV Circuit Breaker E
21 for Coleman Line exit in Stone Substation. Retire 46 kV equipment from Stone
22 Substation;

1 (4) Reconfigure the New Camp 69 kV Tap which includes access road
2 improvements/installation, temporary wire and permanent wire work along with dead
3 end structures installation; and

4 (5) At New Camp Substation, rebuild the 69 kV bus, add 69 kV motor-operated air
5 break switch (“MOAB”) and replace the 69 kV Ground switch Z1 with a 69 kV Circuit
6 Switcher on the New Camp Transformer. Some temporary work at New Camp Tap
7 will be required to complete the project. Company Witness Koehler describes the
8 temporary work in more detail.

9 **Q. PLEASE DESCRIBE THE SEVEN SUPPLEMENTAL COMPONENTS OF**
10 **THE PROJECT.**

11 A. The Supplemental components include:

12 (1) Replacing the Belfry Substation with the Orinoco Substation by installing a 69 kV
13 double box bay and 12 kV rural bay to be built in the clear southwest of existing Belfry
14 station, and install 69/12 kV 20 MVA transformer and three 12 kV breakers;

15 (2) Retiring Belfry 46 kV Substation;

16 (3) Retiring 46 kV equipment from Stone Substation;

17 (4) Replacing MOAB Y at the Hatfield Substation with a 69 kV Circuit Breaker
18 towards Stone Substation (via New Camp and Orinoco Substations);

19 (5) Retiring the 46 kV equipment at Sprigg Substation towards Stone Substation (via
20 Belfry Substation);

21 (6) Retiring 0.75 miles of the Turkey Creek 69 kV line and retire the Turkey Creek
22 Tap; and

23 (7) Retiring approximately 8.2 miles of the 46 kV Sprigg – Stone 46 kV Circuit.

1 See **EXHIBIT 4** (Proposed Route Maps) to the Application for more information
2 regarding the substation upgrades proposed in the Project.

3 Company Witness Koehler describes each of these components in more detail,
4 and addresses the need for the work, including the components, and the benefits
5 provided.

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

8 A. Yes. This is in accordance with the Commission's January 13, 2021 Order in Case No.
9 2020-00174 at pages 59-64.

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

12 A. No.

V. CENTERLINE AND ROW

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

17 A. Yes. Constructability issues, access requirements, and conditions that are not evident
18 until final engineering, or that arise as a result of landowner negotiations may result in
19 Kentucky Power being required to place the identified centerline and adjacent ROW
20 outside the ROW indicated on **EXHIBIT 4** (Proposed Route Maps). Consistent with the
21 guidance provided by the Commission's April 13, 2022 Order in Case No. 2021-00346,

1 the Company seeks authority to relocate the centerline and associated ROW up to 200
2 feet in any direction from the location as shown on the maps filed with the Application
3 if required to address these conditions or issues. This nearly 400-foot-wide area is
4 consistent with the width of the proposed ROW at its widest points, and as illustrated
5 on **EXHIBIT 4** (Proposed Route Maps) consists of two strips of a buffered area
6 surrounding the centerline and ROW that allows flexibility for minor adjustments that
7 result during final engineering. As explained in greater detail by Company Witness
8 Reese, it is not expected that the centerline will shift significantly from what is shown
9 on **EXHIBIT 4** (Proposed Route Maps). The Company proposes to file a motion in this
10 proceeding to request approval to move the centerline more than 200 feet in any
11 direction from the centerline, as it appears on the maps filed into the record in this
12 proceeding. The motion will identify the proposed new location of the centerline, the
13 affected landowner(s), and state in detail, and with technical specificity, the need for
14 the proposed modification of the centerline. Kentucky Power will serve the motion for
15 approval to move the centerline on any affected landowner(s), even if not a party to
16 this proceeding. The Company respectfully requests that upon receiving adequate
17 information to consider the request, the Commission use its best efforts to rule upon
18 such motions within 14 days.

19 **Q. WHY SHOULD THE COMMISSION ALLOW FOR CHANGES UP TO 200**
20 **FEET IN ANY DIRECTION?**

21 A. An area of 200 feet in any direction is consistent with the width of the proposed ROW
22 at its widest point, nearly 400 feet wide. The ability to relocate the centerline within

1 this area is necessary to address issues that may emerge in connection with ground
2 surveys, final engineering, and ROW negotiations.

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

4 A. The width of the current ROW is 100 feet, but the Company may extend beyond 100
5 feet when required for engineering, safety, and construction reasons. For the new 69
6 kV lines, the ROW is planned to be 100 feet with the exception of the following
7 proposed ROW widths due to conductor blowout requirements in the current design:

- 8 • Span 5 – 6: 130ft
- 9 • Span 11 – 12: 120ft
- 10 • Span 15 – 16: 160ft
- 11 • Span 18 – 19: 120ft
- 12 • Span 21 – 22: 130ft
- 13 • Span 32 – 33: 360ft
- 14 • Span 33 – 34: 130ft
- 15 • Span 34 – 35: 110ft
- 16 • Span 35 – 36: 130ft
- 17

18 **Q. UNDER WHAT CONDITIONS WOULD THE COMPANY BE REQUIRED TO**
19 **ACQUIRE ROW GREATER THAN 100 FEET?**

20 A. In certain areas, the Company may be required to extend the ROW beyond 100 feet to
21 accommodate guy wires that extend more than 60 feet from the centerline. In
22 connection with certain long spans, and where required to permit tree-clearing on the
23 uphill side of the centerline to prevent trees from falling into the line or its structures,
24 the required ROW will extend to 150 feet (75 feet on each side of the centerline). In
25 cases of unusually steep terrain or extremely long spans, the Company may be required
26 to acquire ROW that extends to 350-400 feet (175 to 200 feet on each side of the
27 centerline) for the reasons indicated above.

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

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

5 **Q. WERE OWNERS OF PROPERTY LOCATED WITHIN 400 FEET OF THE**
6 **CENTERLINE PROVIDED MAILED NOTICE OF THE COMPANY'S**
7 **APPLICATION?**

8 A. Yes, the Company provided notice to landowners with property crossed by or adjacent
9 to the Proposed Route for the Project. Persons owning property within this notification
10 corridor were mailed the same notice provided to persons owning property within the
11 indicated ROW. The full details of the Company's efforts to engage all landowners
12 whose property is crossed by or adjacent to the Proposed Route for the Project is further
13 described in Company Witness Reese's testimony.

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

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 third quarter of 2023.
2 Work is anticipated to be complete by the second quarter of 2025 with varied in-
3 service dates for components of the project beginning in 2024. The planned in-service
4 date sequence is as follows:

- **2nd Quarter of 2023:** Anticipated start of construction.
- **2nd Quarter 2023 or 3rd Quarter 2023:** Begin construction of distribution line work between the new Orinoco and the old Belfry Substations.
- **3rd Quarter 2023:** Begin grading access roads to the 69KV transmission line locations and tree clearing for the transmission line. Grading for access roads planned to be completed by the 4th quarter 2023.
- **4th Quarter 2023 or 1st Quarter 2024:** Begin construction of transmission lines and substation upgrades.
- **2nd Quarter 2025:** Place the Project in-service.

VII. NOTICES

5 **Q. DID KENTUCKY POWER COMPLY WITH THE REQUIREMENTS OF 807**
6 **KAR 5:120, SECTION 2(3) BY PROVIDING NOTICE LANDOWNERS**
7 **WHOSE PROPERTY MIGHT BE AFFECTED BY THE TRANSMISSION**
8 **LINE ROW?**

9 A. Yes. Notifications as required by 807 KAR 5:120, Section 2(3) were sent to landowners
10 within the proposed 400-foot-wide filing area. The notifications were mailed using the
11 addresses for the subject parcels shown in the offices of the Pike County Property
12 Valuation Administrator or the best available information. Further, Kentucky Power
13 mailed notices throughout the duration of the Project to landowners that might be

1 affected by the Project. Company Witness Reese's testimony provides more detailed
2 information on outreach efforts.

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

4 A. The required landowner notice was mailed on August 24, 2022. The list of landowners
5 within the proposed ROW and notification corridor to whom the notice was mailed,
6 including the required verification of mailing, is attached as **EXHIBIT 12** (Notice
7 Mailed to Landowners and Verification) to the Application.

8 **Q. DID THE AUGUST 24, 2022 MAILED NOTICE CONTAIN THE**
9 **INFORMATION REQUIRED BY 807 KAR 5:120, SECTION 2(3)(A)-(E)?**

10 A. Yes. The form of the notice is attached to the Application as **EXHIBIT 12** (Notice
11 Mailed to Landowners and Verification).

12 **Q. DID KENTUCKY POWER PUBLISH THE REQUIRED NOTICE IN THE**
13 **PIKE COUNTY NEWSPAPER OF RECORD?**

14 A. Yes. The required notice of the Company's intent to construct the Project and of this
15 proceeding was published on Tuesday – Thursday, August 16-18, 2022, in the
16 *Appalachian News Express*. The published notices contained all information required
17 by 807 KAR 5:120, Section 2(5). A copy of the published notice and the affidavit of

1 publication are attached as **EXHIBIT 14** (Published Notice and Affidavit of Publication)
2 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 \$30 million for transmission line work including ROW
6 acquisition; (b) approximately \$10 million for construction and upgrade of the
7 substations and switch structure; (c) approximately \$8 million for station removals, and
8 the; and (d) approximately \$1 million for distribution line work.

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

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

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

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

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

19 A. No. Kentucky Power's assets, net of regulatory assets and deferred charges, as of
20 March 31, 2022, totaled 2,142,468,553. The cost of the Project thus represents an

1 increase of approximately 2.3% 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 \$68,000 for
6 general maintenance and inspection. The projected additional annual ad valorem taxes
7 resulting from the Project are expected to total approximately \$603,200.

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. Given the original vintage from the 1940s of the Stone-
13 Sprigg 46 kV line, and the many noted equipment conditions in Company Witness
14 Koehler's testimony, coupled with identified voltage drop violations, the need for the
15 Project is clear. In addition, new customers are being added in this area and the Project
16 adds a new 69 kV source to help serve those customers and resolve the voltage
17 violations. Finally, this work will eliminate the need to rebuild the entire 8.2 miles of
18 the Sprigg-Stone 46 kV Circuit and allow retirement instead. Company Witness
19 Koehler provides a further explanation on 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 in Pike County, the affected landowners, and the general public. Company
6 representatives also met with the Tierney Lawrence Land Company, a mining company
7 that owns permitted mining land in the Study Area and Kinzer Business Realty, which
8 owns several parcels within the Study Area. Kentucky Power representatives held a
9 virtual open house that included interactive overview maps, fact sheets, project updates
10 and news releases, and schedule information. A live virtual town hall was also
11 conducted on September 9, 2021, in which Company representatives provided a
12 presentation with an opportunity for a question-and-answer session at the end. The
13 Company employed multiple communication channels to apprise all stakeholders of
14 the Project, including a Project-specific website that provided for a comment period.
15 The full details of the Company's efforts to engage all stakeholders are provided in
16 Company Witness Reese's testimony.

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

18 A. Yes, it does.

VERIFICATION

The undersigned, Brian K. West, being duly sworn, deposes and says he is the Vice President, Regulatory & Finance for Kentucky Power Company, that he has personal knowledge of the matters set forth in the foregoing testimony and the information contained therein is true and correct to the best of his information, knowledge, and belief.



Brian K. West

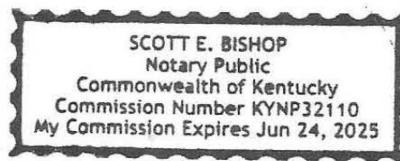
Commonwealth of Kentucky)

County of Boyd)

) Case No. 2022-00236
)

Subscribed and sworn before me, a Notary Public, by Brian K. West this 31st day of August, 2022.

Scott E. Bishop
Notary Public



My Commission Expires June 24, 2025

Notary ID Number: KYNP 32110