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April 28, 2025

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ELECTRONICALLY FILED

Linda C. Bridwell
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RE: **Case No. 2023-00305** (Post-Case Correspondence File)

Dear Ms. Bridwell:

By this letter, Kentucky Power Company provides the Commission notice in accordance with ordering paragraph 5 of the Commission's March 15, 2024 Order in this case that the Public Service Commission of West Virginia ("WVPSC") approved the addition of Transource West Virginia, LLC (a subsidiary of Transource Energy, LLC, a transmission-focused joint venture of American Electric Power Company, Inc. and Great Plains Energy, Inc.) as a party to the Grid Assurance Subscription Agreement. A copy of the WVPSC order approving the same is attached to this notice.

The addition of Transource West Virginia, LLC as a party to the Grid Assurance Subscription Agreement does not modify or affect the obligations and rights of Kentucky Power under Kentucky Power's subscription to Grid Assurance, as approved by the Commission in this proceeding.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

STITES & HARBISON PLLC



Katie M. Glass

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
2/25/2025

Entered: February 5, 2025

CASE NO. 24-0792-E-PC

TRANSOURCE WEST VIRGINIA, LLC,
Petition for consent and approval to enter into the Grid
Assurance Subscription Agreement.

RECOMMENDED DECISION

This Order grants consent and approval of Transource West Virginia, LLC, to enter into the two amendments to the Grid Assurance, LLC Subscription Agreement.

PROCEDURE

On October 4, 2024, Transource West Virginia, LLC, (Transource) filed a petition for consent and approval to enter into certain amendments to the previously-approved Grid Assurance, LLC Subscription Agreement (Agreement). Transource is a subsidiary of Transource Energy, LLC, a transmission-focused joint venture of American Electric Power Company, Inc. (AEP) and Great Plains Energy, Inc. Grid Assurance LLC (Grid Assurance) is a Delaware limited liability company launched in May 2016 to address increasingly critical and foreseeable grid resilience needs facing transmission owning electric utilities. Specifically, Grid Assurance was designed to provide an increased ability for transmission utilities to ensure prompt restoration of the bulk power system in the wake of events such as natural disasters and physical or cyberattacks. Transource requested approval of the amendments, and a waiver of the requirement to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure.

On November 8, 2024, Commission Staff filed its Initial Joint Staff Memorandum and indicated that further review was needed, and a final recommendation would be rendered within the established timeframe.

On November 19, 2024, the matter was referred to the Administrative Law Judges (ALJ) Division for entry of a decision on or before May 2, 2025.

On January 6, 2025, Staff filed a motion to extend the due date for its Final Joint Staff Memorandum. Staff indicated that it needed further time to formulate a substantive final recommendation.

On January 8, 2025, a Procedural Order extended the Final Joint Staff Memorandum due date until January 22, 2025.

On January 17, 2025, Staff filed its Final Joint Staff Memorandum and recommended the Commission grant Transource prior consent and approval to enter into the two amendments to the Grid Assurance, LLC Subscription Agreement, without approving the specific terms and conditions. Staff further recommended the Commission grant Transource's requested waivers of the requirements to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure.

On January 21, 2025, a Procedural Order granted parties ten additional days in which to file a response or objection to the Staff recommendation or to request a hearing.

DISCUSSION

Here, the Agreement was approved by the Commission in Case No. 18-1028-E-PC. The Agreement governs all pricing and services, and the Multi-Subscriber Addendum sets forth the subscribing parties and their respective class allocated shares. The pooling approach offered by Grid Assurance is intended to minimize costs and maximize benefits for the Joint Petitioners and their customers by facilitating cost-sharing among several transmission owning electric public utility companies to increase electrical grid resiliency. Transource, an affiliate of AEP, wishes to join the other affiliates and become a subscriber to the Agreement. Further, approval of the amendments would allow Transource to minimize costs and share resources to the ultimate benefit of customers. Transource has stated that no party will be given undue advantage with approval of the amendments, and it will not adversely affect the public of West Virginia. Transource further requested a waiver of the requirement to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure.

Staff has recommended the Commission grant Transource prior consent and approval to enter into the two amendments to the Grid Assurance, LLC Subscription Agreement, without approving the specific terms and conditions. Staff further recommended the Commission grant Transource's requested waivers of the requirements to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure. Staff's recommendations are reasonable and shall be granted.

FINDINGS OF FACT

1. Transource filed a petition for consent and approval to enter into certain amendments to the Grid Assurance Agreement. (Petition).
2. Transource is a subsidiary of Transource Energy, LLC, a transmission-focused joint venture of AEP and Great Plains Energy, Inc. (Id.)
3. Grid Assurance was created to address increasingly critical and foreseeable grid resilience needs facing transmission owning electric utilities. (Id.)
4. Transource requested approval of the amendments, and a waiver of the requirement to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure. (Id.)
5. The Agreement was approved by the Commission in Case No. 18-1028-E-PC, and it governs all pricing and services while the Multi-Subscriber Addendum sets forth the subscribing parties and their respective class allocated shares. (See filing of January 17, 2025).
6. Staff recommended the Commission grant Transource prior consent and approval to enter into the two amendments to the Grid Assurance, LLC Subscription Agreement, without approving the specific terms and conditions. (Id.)
7. Staff recommended the Commission grant Transource's requested waivers of the requirements to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure. (Id.)

CONCLUSIONS OF LAW

1. It is reasonable to grant the petition for consent and approval of Transource West Virginia, LLC, to enter into certain amendments to the Grid Assurance, LLC Subscription Agreement.
2. It is reasonable to grant the requested waivers of Transource West Virginia, LLC, to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure.

ORDER

IT IS, THEREFORE, ORDERED that the petition for consent and approval of Transource West Virginia, LLC, to enter into certain amendments to the Grid Assurance, LLC Subscription Agreement be, and is, hereby approved.

IT IS FURTHER ORDERED that the requested waivers of Transource West Virginia, LLC, to file articles of incorporation and statements of financial condition as required by Rule 21 of the Commission's Rules of Practice and Procedure are granted.

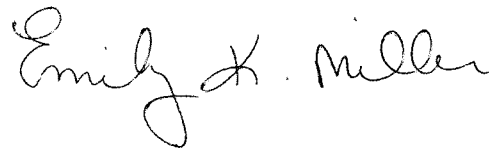
IT IS FURTHER ORDERED that the matter be removed from the open docket.

The Executive Secretary is ordered to serve this Order upon the Commission and its Staff by hand delivery, upon all parties of record who have filed an e-service agreement with the Commission by electronic service, and upon all other parties by United States First Class Mail.

Leave is granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen days of the date of this Order. If exceptions are filed, the parties filing exceptions shall certify that all parties of record have been served the exceptions.

If no exceptions are filed, this Order shall become the Order of the Commission, without further action or order, five days following the expiration of the fifteen day time period, unless it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions by filing an appropriate petition in writing with the Executive Secretary. No such waiver, however, will be effective until approved by order of the Commission.



Emily K. Miller
Administrative Law Judge

EKM:s:lc
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