

**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 Replace and Upgrade Portions of )  
the Bellefonte Station In Boyd County, Kentucky )  
(Bellefonte Station Upgrade Project) )

Case No. 2024-00343

**DIRECT TESTIMONY OF  
TANNER S. WOLFFRAM  
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 Tanner S. Wolffram, and I am the Director of Regulatory Services 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 a Bachelor of Arts degree in Political Science from Miami University in  
8 Oxford, Ohio in 2015 and my Juris Doctor degree from The Ohio State University  
9 in Columbus, Ohio in 2018. I began my utility industry career with American Electric  
10 Power Service Corporation (“AEPSC”) in September 2018 as a Legal Fellow, where I  
11 worked on a variety of matters across AEP’s various jurisdictions. In September 2019,  
12 I was hired as Counsel- Regulatory East, where I was responsible for providing legal  
13 support and guidance on various complaint proceedings, fuel cost recovery,  
14 tracker/rider, and base rate filings in AEP’s East jurisdictions, primarily for Kentucky  
15 Power Company, Indiana Michigan Power Company, and Ohio Power Company. In  
16 June 2021, I transferred to AEPSC’s central regulatory function as a Regulatory Case  
17 Manager, where I coordinated state regulatory filings across AEP’s footprint. My

1 primary responsibilities were related to filings made in Kentucky, Ohio, and Indiana.  
2 In July 2024, I accepted my current position as Director, Regulatory Services for  
3 Kentucky Power.

4 **Q. WHAT ARE YOUR RESPONSIBILITIES AS DIRECTOR OF REGULATORY**  
5 **SERVICES FOR KENTUCKY POWER?**

6 A. I am responsible for managing the regulatory strategy for Kentucky Power. This  
7 includes planning and executing rate filings for both federal and state regulatory  
8 agencies, as well as filings for certificates of public convenience and necessity and for  
9 other approvals before this Commission.

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

11 A. Yes. I adopted the Direct Testimony of Scott E. Bishop and submitted rebuttal  
12 testimony in the Company's currently pending Demand-Side Management proceeding,  
13 Case No. 2024-00115. Additionally, I submitted written direct testimony in the  
14 Company's currently pending request for approval of a Renewable Energy Purchase  
15 Agreement for the Bright Mountain Solar Facility, Case No. 2024-00243.

### **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 "Bellefonte Station Upgrade Project" (the  
19 "Project") located in Boyd County just northwest of Ashland. Specifically, I will:

- 20 • Provide an overview of the Project;
- 21 • Introduce the other witnesses supporting the Company's Application;
- 22 • Describe the stakeholder input process for the Project; and

- 1           • Address the financial aspects of the Project.

2   **Q.   WHAT WITNESSES WILL BE OFFERING TESTIMONY IN SUPPORT OF**  
3   **KENTUCKY POWER’S APPLICATION?**

4   A.   Two additional witnesses provide direct testimony in support of the Application. First,  
5   Company Witness Nicolas C. Koehler describes the need for the Project and scope of  
6   work to be undertaken, identifies alternative electrical solutions that were evaluated  
7   along with the proposed Project, and provides a summary of the Project’s advancement  
8   through the PJM review process.

9           Second, Company Witness Daniel T. Barr describes the station engineering  
10   aspects of the Project and the necessary upgrades at the Bellefonte Transmission  
11   Station, as well as the physical design of the alternative project design that was  
12   evaluated.

#### IV.   THE PROJECT OVERVIEW

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

14   A.   The Project at Bellefonte Station addresses both Baseline and Supplemental needs.  
15   The Baseline scope of work will replace overloaded risers on Transformer #3 and six  
16   overdutied 69 kV circuit breakers at the Bellefonte Station. The Supplemental scope  
17   of work will address the remaining asset equipment condition, performance, and risk  
18   concerns on Transformer #2, the two remaining 69 kV circuit breakers, and Station  
19   reconfiguration and retirement. The baseline solution for the riser replacement was  
20   selected by PJM through the RTEP process on November 19, 2021. The baseline  
21   solution to replace the overdutied circuit breakers was selected by PJM through the

1 RTEP process on January 21, 2022. The supplemental portions of the Project were  
2 presented on February 18, 2022, through PJM's M-3 process.

3 **Q. PLEASE DESCRIBE THE BASELINE PROJECT.**

4 A. The Project consists of the following Baseline components:

- 5 1. Replace six 69kV breakers and associated risers and disconnect switches;  
6 and
- 7 2. Associated station remote end work at the Coalton Station, located in  
8 Kentucky, and the Pleasant Street Station, located in Ohio, to facilitate the  
9 upgrades at Bellefonte Station.

10 **Q. PLEASE DESCRIBE THE SUPPLEMENTAL COMPONENTS OF THE**  
11 **PROJECT.**

12 A. The Supplemental components include:

- 13 1. Retiring Transformer #1 and Transformer #5, and replacing Transformer  
14 #2;
- 15 2. Replace two 69kV breakers;
- 16 3. Associated station remote end work at the Raceland Station;
- 17 4. Install one 138kV circuit switcher;
- 18 5. Replace underground cables with new overhead bus ties;
- 19 6. Relocate the 69kV capacitor bank and upgrading the capacitor bank  
20 switcher to a capacitor bank breaker;
- 21 7. Retire the 34kV yard;
- 22 8. Expand the 138/69kV yard by approximately 300 x 30 feet;
- 23 9. Replace relays and two control buildings with a single Drop-In-Control

1                   Module (“DICM”) in the expanded 138/69kV yard; and

2                   10. Install two power potential transformers at Bellefonte Station.

3                   Company Witnesses Koehler and Barr describe each of these components in  
4 more detail, and address the need for the work, including the benefits provided.

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

7 A. Yes, the Company will do so in conformity with the Commission’s January 13, 2021  
8 Order in Case No. 2020-00174, at pages 59-64.

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

11 A. No.

V. CONSTRUCTION SCHEDULE

12 **Q. WHEN DOES KENTUCKY POWER PROPOSE TO CONSTRUCT THE**  
13 **SUBSTATION UPGRADES AND ASSOCIATED LINE WORK IF THE**  
14 **CERTIFICATE IS GRANTED?**

15 A. The Company anticipates beginning construction during the first quarter of 2025.  
16 Work is anticipated to be complete by fourth quarter 2026. The planned in-service  
17 date sequence is as follows:

- 18                   • 1st Quarter 2025: Anticipated start of construction;
- 19                   • 3rd Quarter 2026: Project placed in-service;
- 20                   • 4th Quarter 2026: Construction Complete.

**VI. STAKEHOLDER INPUT**

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

4 A. Yes. Transmission stakeholders have the ability to provide input during PJM's baseline  
5 RTEP process and supplemental M-3 process.

6 **Q. HAVE THERE BEEN PUBLIC MEETINGS REGARDING THIS PROJECT?**

7 A. No. The Company did not hold public meetings regarding this Project since the Project  
8 is entirely within Company property, does not require any expansion of ROW, and does  
9 not affect any outside landowners. The Company, however, plans the following  
10 outreach activities before start of construction:

- 11 • Develop a traffic plan and coordinate with local officials as necessary.
- 12 • Notify, as a courtesy, adjacent landowners of the planned construction  
13 activities and schedule.

**VII. FINANCIAL ASPECTS OF THE PROJECT**

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

15 A. The total detailed estimate of the Project cost is approximately \$26.3 million. That sum  
16 comprises: (a) approximately \$4.5 million to replace the six 69kV breakers at the 69kV  
17 yard and the associated risers; (b) approximately \$1.5 million for the station remote  
18 end work at Pleasant Street Station and Coalton Station; (c) approximately \$17.2  
19 million to retire Transformer #1 and Transformer #5, and replace Transformer #2,  
20 replace two 69kV breakers, install one 138kV circuit switcher, replace underground  
21 cables with new overhead bus ties, relocate the 69kV capacitor bank and upgrading the



1 capacitor bank switcher to a capacitor bank breaker, retire the 34kV yard, expand the  
2 138/69kV yard by approximately 300 x 30 feet, replace relays and two control  
3 buildings with a single Drop-In-Control Module (“DICM”) in the expanded 138/69kV  
4 yard, and install two power potential transformers at Bellefonte Station; (d)  
5 approximately \$2.6 million to replace underground cables with new overhead bus ties;  
6 and (e) approximately \$0.6 million for the station remote end work at Raceland Station.

7 **Q. DOES THE APPROXIMATELY \$26.3 MILLION COST ESTIMATE**  
8 **DESCRIBED ABOVE AND SET OUT IN THE APPLICATION REPRESENT**  
9 **A FIXED AND FINAL COST?**

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

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

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

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

17 A. No. Kentucky Power’s assets, net of regulatory assets and deferred charges, as of  
18 September 2024, totaled \$2,384,182,669. The cost of the Project thus represents an  
19 increase of approximately 1.1% percent in Kentucky Power’s assets. The Project will  
20 not require the issuance of debt and will not affect the completion of any other capital  
21 project.

1 **Q. HOW WILL THESE COSTS BE ALLOCATED?**

2 A. The costs of the Project will be allocated to the PJM zone. Kentucky Power will be  
3 allocated 5.619% based on its current 12 CP allocation and the costs will be recovered  
4 from other load serving entities.

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

7 A. Kentucky Power estimates the annual operating cost will be approximately \$40,000 for  
8 general maintenance and inspection.

9 The projected annual additional ad valorem taxes resulting from that portion of  
10 the Project located in the Commonwealth, and hence to be paid by Kentucky Power,  
11 are expected to total approximately \$80,000 for the first year after the Project is placed  
12 into service. This amount is a high level estimate which may be impacted by any  
13 changes to the Project plan.

14 **Q. WILL THE IMPLEMENTATION OF THE PROJECT AS PROPOSED**  
15 **RESULT IN WASTEFUL DUPLICATION?**

16 A. No. The Project will not duplicate any existing facilities in the area and will not result  
17 in an excess of capacity over need, or excess investment in relation to the productivity  
18 and efficiency to be gained. Given the baseline need identified through the RTEP  
19 Process and the associated supplemental portions of the Project necessary to complete  
20 the baseline solution, the need for the Project is clear. Company Witness Koehler and  
21 Company Witness Barr provide further explanation on the alternatives considered in  
22 their testimony, which demonstrates that the proposed solution is the least cost, most

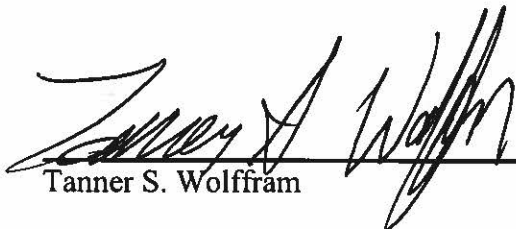
1 reasonable solution to meet the need in the area, and that the proposed solution will not  
2 result in wasteful duplication.

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

4 A. Yes, it does.

VERIFICATION

The undersigned, Tanner S. Wolfram, being duly sworn, deposes and says he is the Directory of Regulatory 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 after reasonable inquiry.

  
Tanner S. Wolfram

Commonwealth of Kentucky )  
   )  
County of Boyd )

Case No. 2024-00343

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Tanner S. Wolfram, on November 7, 2024

  
Notary Public

My Commission Expires May 5, 2027

Notary ID Number KYNP71841

