

421 West Main Street  
Post Office Box 634  
Frankfort, KY 40602-0634  
15021 223-3477  
15021 223-4124 Fax  
www.stites.com

September 25, 2009

RECEIVED

SEP 25 2009

PUBLIC SERVICE  
COMMISSION

Mark R. Overstreet  
(502) 209-1219  
(502) 223-4387 FAX

**HAND DELIVERED**

Jeff R. Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

**RE: Case No. 2009-00235**

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and seven copies of Kentucky Power Company's Responses to the Commission's September 11, 2009 Data Requests in this matter.

By copy of this letter, the Responses also are being served on counsel for Kentucky Industrial Utility Customers, Inc. and the Office of the Attorney General.

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

Very truly yours,



Mark R. Overstreet

cc: Michael L. Kurtz  
Dennis G. Howard, II

**RECEIVED**

SEP 25 2009

**PUBLIC SERVICE  
COMMISSION**

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE**  
**PUBLIC SERVICE COMMISSION OF KENTUCKY**

**IN THE MATTER OF**

**APPLICATION OF KENTUCKY POWER )**  
**COMPANY FOR A CERTIFICATE OF PUBLIC )**  
**CONVENIENCE AND NECESSITY TO ) CASE NO. 2009-00235**  
**CONSTRUCT A 138 KV TRANSMISSION LINE IN )**  
**PERRY COUNTY, KENTUCKY )**

**KENTUCKY POWER COMPANY**  
**RESPONSES TO COMMISSION STAFF'S FIRST SET OF DATA REQUESTS**

September 25, 2009

VERIFICATION

COMMONWEALTH OF KENTUCKY )  
 ) CASE NO. 2009-00235  
COUNTY OF FRANKLIN )

The undersigned, **Errol Wagner**, being duly sworn, states he is the Director of Regulatory Services for Kentucky Power Company, that he has personal knowledge of the matters set forth in the Data Responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
ERROL K. WAGNER

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 24<sup>th</sup> day of September 2009.

 (SEAL)  
Notary Public

My Commission Expires:  
January 13, 2013



## Kentucky Power Company

### REQUEST

On page 2, the application states that LEECO, Inc. has requested that Kentucky Power relocate a 1.04-mile section of the Beaver Creek-Hazard 138 kV transmission line. Provide a copy of the correspondence between LEECO, Inc. and Kentucky Power in which this request is made.

### RESPONSE

Attached is an April 9, 2009 letter from Leeco Inc. requesting relocation of the Beaver Creek-Hazard 138 kV line at structure 96.

WITNESS: Errol K Wagner

Leeco Inc.  
P.O. Box 309  
Jeff, KY 41751  
606-439-3075

April 9, 2009


American Electric Power  
Attention: Dan Harton

Subject: AEP Relocation of Beaver Creek-Hazard  
138kV Buckeye Hollow (Structure 96)

Dear Mr. Harton:

Leeco Inc. is hereby requesting power line Structure #96 be moved from the Buckeye Creek Impoundment. Currently a 15' raise has been issued by the Federal Mine Safety and Health Administration, and is pending approval at the Kentucky Department of Natural Resources Permit Division. The permitting action to raise the impoundment should be issued within the next week or so from the Kentucky Division of Natural Resources Permit Division. Currently the base of the structure stands approximately 10' higher in elevation than the fine refuse of the pool. The 15' raise to the Buckeye Impoundment is scheduled to begin at the end of April 2009. At the completion of the project, the water level in the pool, as well as the fine refuse, will be allowed to rise past the foot print of Structure #96. If the Coal Processing Plant runs at maximum capacity (as has been the case over the past year or so), we anticipate the coal fines refuse to reach the legs of Structure #96 in approximately 8 to 9 months. We have enclosed pictures taken on April 9, 2009 to help visualize this project. Also, we have proposed a 100' raise with MSHA and this raise is currently being reviewed. We anticipate approval of this raise within the next two years. After our meeting with Justice Engineering, the proposed location of the power line will not be affected by the 100' raise. Leeco Inc. would appreciate your attention to this matter, due to the time sensitive nature of this project. If you have any questions or require additional information, please contact me at (606) 439-3075.

Sincerely,



Denver Couch  
Surveyor

Enclosures (1)  
Cc: File



**Kentucky Power Company**

**REQUEST**

On page 4 of the application, paragraph 8, it is stated that Kentucky Power has secured the necessary easements from three of the property owners and is currently in negotiations with the fourth owner. Provide the status of the negotiations with the fourth owner.

**RESPONSE**

As of the date of this filing, negotiations with the fourth owner are still in progress.

**WITNESS:** Errol K Wagner





## **Kentucky Power Company**

### **REQUEST**

Refer to Exhibit 4 of the application, page 9. Under section 5.8, Natural Resources, Kentucky Power states that the potential for impact to rare bat species is currently under investigation. State the anticipated completion date of the investigation, and the potential impacts the results of the investigation could have on the proposed line relocation.

### **RESPONSE**

Kentucky Power's environmental consultant has coordinated with the Kentucky USFWS (Case No. FWS 2009-B-0586) and conducted a portal search for the Indiana Bat (Federally endangered species). In September 2009, three (3) inactive mine portals were identified; one located approximately 1.0 kilometer from the proposed transmission line relocation and two (2) located 2.0 kilometers from the proposed line relocation. This is not unusual for Perry County, KY. In response, KY-USFWS has requested acoustical monitoring at the portals to identify the presence of the Indiana Bat hibernacula, which will be conducted as soon as possible. The Company expects the study will be completed by October 31, 2009.

The results of this study are not expected to affect the proposed project. The Company will begin the right-of-way clearing in January 2010 and complete it before March 31, 2010. The work will thus take place during the recommended clearing range (November 15 to March 31) as the bats hibernate.

**WITNESS:** Errol K Wagner



## Kentucky Power Company

### REQUEST

On page 3 of the application, Kentucky Power states that the total project cost is estimated to be \$1.375 million.

- a. Does the project cost include the cost to remove the existing transmission line? If not, provide an estimate of the costs to be incurred.
- b. Does the project cost include the costs involved in acquiring the necessary rights-of-way? If not, provide an estimate of the costs to be incurred.
- c. Provide a detailed breakdown of the projected cost of the project comparing the proposed route to the alternative route.
- d. Describe the nature of the "related distribution work" that will be required.

### RESPONSE

- a. Yes.
- b. Yes.
- c. A detailed breakdown of the projected costs of the project comparing the proposed route vs the alternative route is shown in the table below. It should be noted that the alternate route is wholly within an active mining area and could need to be relocated at similar costs in the future.

	<b>COST COMPARISON</b>	
	<b>PREFERRED ROUTE</b>	<b>ALT ROUTE</b>
R/W & Engineering	\$169,000	\$169,000
Material	\$345,000	\$519,000
Construction	\$625,000	\$786,000
AFUDC	\$159,000	\$206,000
Removal	\$72,000	\$72,000
Distribution	\$5,000	
TOTAL	\$1,375,000	\$1,752,000

d. The proposed route for the new 138kV transmission line will cross over an existing Kentucky Power Company owned 34.5kV three phase distribution line. The height of the distribution conductors will likely be too close to the conductors of the new transmission line conductors as the distribution line is currently configured. As the distribution line is currently configured, there will be inadequate separation between the conductors of the distribution line and the new transmission line. The separation may also be affected by the increased sag of the transmission conductors when the electrical loading is at maximum capability as well as the relative motion of the conductors caused by wind. To provide adequate and proper clearance between the transmission line conductors and the distribution line conductors, a new distribution single pole structure with crossarms and associated hardware will be installed. This new distribution structure will be installed in-line with the existing distribution span that will be crossed by the new transmission line. The existing distribution conductors will then be attached to the new distribution structure. This modification to the distribution facilities will increase the separation by at least 30 feet while maintaining proper ground clearance of the distribution conductors.

**WITNESS:** Errol K. Wagner



**Kentucky Power Company**

**REQUEST**

Provide the construction timeline for the proposed project, including removal of the existing line.

**RESPONSE**

Following is the construction timeline for the proposed project, including removal of the existing line. This timeline could change if Commission approval is not received by December 15, 2009.

<b>Date</b>	<b>Construction</b>
January 18, 2010	Begin ROW clearing and construct access roads
March 18, 2010	Complete ROW clearing and construction of access roads
May 5, 2010	Materials on site
June 1, 2010	Begin construction of new line and removal of old line
August 19, 2010	Complete all removal and construction

**WITNESS:** Errol K Wagner