

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)	CASE NO.
TO CONSTRUCT A 161 KV TRANSMISSION)	2017-00328
LINE IN PERRY AND LESLIE COUNTIES,)	
KENTUCKY AND ASSOCIATED FACILITIES)	

COMMISSION STAFF'S FIRST REHEARING REQUEST FOR INFORMATION
TO KENTUCKY POWER COMPANY

Kentucky Power Company ("Kentucky Power"), pursuant to 807 KAR 5:001, shall file with the Commission the original in paper medium and an electronic version of the following information. The information requested is due no later than May 21, 2018. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kentucky Power shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct

when made, is now incorrect in any material respect. For any request to which Kentucky Power fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Kentucky Power shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

1. Refer to the Direct Testimony of Michael G. Lasslo (“Lasslo”), page 8, line 3. Mr. Lasslo states that Kentucky Power is requesting authority to perform five improvements at the Wooton Substation. On page 8, line 15, Mr. Lasslo asserts the proposed work at the Wooton Substation will allow for the termination of the rebuilt Hazard-Wooton 161 kV line. When asked if the Wooton substation improvements are required by the proposed line rebuild, Mr. Lasslo answers on page 8, line 21, “No. Upgrading the legacy engineering elements to current design standards is not directly required by, or associated with, the transmission line rebuild.”

a. Reconcile this testimony with Kentucky Power’s statement that four of the five requested Wooton substation improvements are required to implement the approved Baseline Project.¹

¹ Motion of Kentucky Power for Partial Rehearing, (“Motion for Partial Rehearing”) (filed Apr. 5, 2018) at 7.

b. Explain why, if the Wooton substation improvements are required for the rebuilt line to function as required, they were not designated as Baseline projects.

2. Refer to the Lasso Testimony, page 9, line 18. When asked to describe the improvements to the Hazard Substation that are directly related or required by the transmission line rebuild, Mr. Lasslo states that the work associated with replacing the existing 161/138 kV single phase transformer with the new three-phase transformer is related to and required by the line rebuild.

a. Reconcile this testimony with Kentucky Power's assertion that five of the requested 46 projects to the Hazard substation are required to implement the Commission-approved Baseline projects.²

b. Explain why, if the five improvements to the Hazard substation are necessary for the implementation of the Baseline project, they were not designated as Baseline projects.

3. Refer to the Lasslo Testimony of Michael G. Lasslo, page 10, line 11. Mr. Lasslo states that thermal violations on the Hazard-Wooton 161 kV line and the 161/138 kV transformer were identified as part of PJM's annual RTEP process and this is how Kentucky Power identified the need for the project.

a. Explain whether the phrase "the project" references the entire project as a whole or only the Baseline portion of the project.

b. If the phrase refers only to the Baseline portion of the project, explain specifically how Kentucky Power came to identify the need for the Supplemental portion of the project.

² Motion for Partial Rehearing at 6.

c. Explain whether the thermal violations will be resolved by the Baseline portion of the project.

d. If not, identify which portions of the Supplemental project are necessary to address the thermal violations and explain why those portions were not designated as Baseline.

4. Refer to the Lasslo Testimony, page 15, line 22, which discusses benefits provided by the project. One of the benefits listed is to provide Kentucky Power increased capacity to serve future load. However, in Case No. 2017-00179, Kentucky Power states that "proposed rates and tariff changes are required: (a) To recover annual revenue lost as a result of the decline in the company's load since September 30, 2014."³ Reconcile these two statements.

5. Give an itemized breakdown of each of the suggested improvements for the Hazard and Wooton Substations showing the cost of each of the suggested improvements.



Gwen R. Pinson
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Public Service Commission
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DATED MAY 09 2018

cc: Parties of Record

³ Case No. 2017-00179, *Electronic Application Of Kentucky Power Company For (1) A General Adjustment of its Rates For Electric Service; (2) An Order Approving Its 2017 Environmental Compliance Plan; (3) An Order Approving Its Tariffs And Riders; (4) An Order Approving Accounting Practices To Establish Regulatory Assets And Liabilities; And (5) An Order Granting All Other Required Approvals And Relief*, Case No. 2017-00179, Application at 7.

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