

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)	CASE NO.
CONSTRUCT A 138 KV TRANSMISSION LINE)	2018-00209
AND ASSOCIATED FACILITIES IN PIKE AND)	
FLOYD COUNTIES, KENTUCKY)	

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

Kentucky Power Company (Kentucky Power), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due on or before October 2, 2018. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked. 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 applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. 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 personal information cannot be read.

1. Describe how notice was provided to each property owner required to receive notice pursuant to Commission regulations; state specifically whether notice was sent to addresses listed in the Property Valuation Administrator (PVA) records for each county. If notice for any such property was not sent to the address listed in the PVA records, explain how and why it was determined that notice should be sent to a different address for each such property.

2. Refer to the Application, paragraph 6, regarding the announced tenants at the Kentucky Enterprise Industrial Park. Provide the estimated peak load for SilverLiner.

3. Refer to the Application, paragraph 21, which provides estimated costs to

construct the proposed transmission line and related infrastructure (Project). Provide a schedule that details the following costs, and include each amount by electric plant account:

- a. \$19.9 million for transmission line work including right-of-way acquisition;
- b. \$12.5 million for improvements to be made by Kentucky Power at the new substation;
- c. \$0.7 million for the retirement of the Fords Branch 46 kV Substation;
- d. \$0.5 million of the Cedar Creek 138/69/46 kV Substation upgrade.
- e. Identify and explain any changes in the above costs due to the changes outlined in the Supplemental Testimony of Michael G. Lasslo (Lasslo Supplemental Testimony).

4. Provide the manner through which Kentucky Power will finance the construction of this project.

5. Provide the net book value, by electric plant account, for the Fords Branch 46 kV Substation and other plant that is to be retired as a result of the Project.

6. Refer to the Application, paragraph 22, which provides the annual operating cost of \$16,000 and the projected annual additional *ad valorem* tax of \$229,000 resulting from the Project.

- a. Provide a breakdown of the operating cost by electric plant expense account.
- b. Provide a schedule showing the calculation of the \$229,000 in projected annual additional *ad valorem* tax resulting from the Project.

c. Identify and explain any changes in the above costs due to the changes outlined in the Lasslo Supplemental Testimony.

7. Refer to the Direct Testimony of Ranie K. Wohnhas, page 6, regarding the AEP Transmission Company, Inc.'s (Kentucky Transco) partial ownership of the Kewanee 138 kV Substation.

a. Provide the value of the estimated ownership share that Kentucky Transco will have in the project.

b. Provide the amount of financing that Kentucky Transco will contribute to the project.

c. Confirm that this is the first project in which Kentucky Power and Kentucky Transco have shared ownership of a project. If this cannot be confirmed, provide a list of all shared-ownership projects between Kentucky Power and Kentucky Transco.

d. Explain why it is beneficial to share ownership of the Kewanee 138 kV Substation.

e. Provide a cost-benefit analysis resulting from shared ownership of a project.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED SEP 18 2018

cc: Parties of Record

*Christen M Blend
Kentucky Power Company
855 Central Avenue, Suite 200
Ashland, KY 41101

*Hector Garcia-Santana
Kentucky Power Company
855 Central Avenue, Suite 200
Ashland, KY 41101

*Kentucky Power Company
855 Central Avenue, Suite 200
Ashland, KY 41101

*Kentucky Power Company
Kentucky Power Company
855 Central Avenue, Suite 200
Ashland, KY 41101

*Honorable Mark R Overstreet
Attorney at Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KENTUCKY 40602-0634

*Stacy L Bankston
Kentucky Power Company
855 Central Avenue, Suite 200
Ashland, KY 41101