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 CONSTRUCT A 138 KV TRANSMISSION LINE AND ASSOCIATED FACILITIES IN PIKE AND FLOYD COUNTIES, KENTUCKY

CASE NO. 2020-00062

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

Kentucky Power Company (Kentucky Power), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due on December 2, 2020. The Commission directs Kentucky Power to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-*19 (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related* to the Novel Coronavirus COVID-19 (Ky. PSC Mar. 24, 2020), Order at 1–3.

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 Kentucky Power obtains information that indicates 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, Kentucky Power 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. Refer to Kentucky Power's Response to Staff's First Request for Information, Item 2c, filed on October 26, 2020.

a. Explain whether there are any project costs that Kentucky Transco incurs that it will not recover through the annual transmission revenue requirement. If so, identify those costs and explain how those costs will be recovered.

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b. Explain whether all of Kentucky Power's project expenses, including both capital and O&M, will be recovered in the same manner as Kentucky Transco, i.e., that the capital and operating costs of projects that are forecast to be in service during the year are included in the annual transmission revenue requirement. If not, provide an explanation of how each of Kentucky Power's project costs will be recovered.

c. Provide a side-by-side comparison of the project costs by account name and number of all anticipated project costs that will be incurred by both Kentucky Power and Kentucky Transco. If there are any anticipated ongoing costs that will be incurred by either party once the project is in service, such as inspection, maintenance, repair, or replacement; provide a separate listing of these expenses and an explanation of how these will be recovered.

2. In its Application, Kentucky Power stated that the purpose of the Kewanee-Enterprise Park 138 kV Transmission Project (Project) is to address PJM Baseline thermal and voltage criteria violations on the company's existing network.

a. Identify any other drivers, internal or external, that led to the necessity of any or all parts of the Project.

b. Identify any other American Electric Power Company, Inc. subsidiaries that will utilize or benefit from the construction of the Project.

3. Refer to the Direct Testimony of Nicolas C. Koehler, page 10. Koehler states that Kentucky Power has considered two alternatives to the proposed Project.

a. Confirm that no additional alternatives were considered to fulfill the PJM deficiencies cited as the reason for the Project. If additional alternatives were considered, provide an analysis of constructions and cost of the alternative.

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b. For each alternative discussed by Koehler, it was stated that the total cost of each was greater than the total cost of the proposed Project. Identify whether these cost totals include differences in possible ongoing costs that will be incurred once the alternatives were placed in service, such as inspection, maintenance, repair, or eventual replacement.

Lindsey L. Flora Deputy Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED <u>NOV 17 2020</u>

cc: Parties of Record

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