

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of :
The Application of :
American Transmission :
Systems, Incorporated :
for a Certificate of : Case No. 12-864-EL-BSB
Environmental Compatibility :
and Public Need for the :
Construction of the Knox :
Transmission Substation :

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PROCEEDINGS

before Jeff Jones, Hearing Examiner, at the Public
Utilities Commission of Ohio, 180 East Broad Street,
Room 11-D, Columbus, Ohio, called at 10:00 a.m. on
Friday, November 16, 2012.

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APPEARANCES:

Mike DeWine, Ohio Attorney General
Public Utilities Section
William Wright, Section Chief
By Mr. John H. Jones
Mr. Ryan P. O'Rourke
Assistant Attorney General
180 East Broad Street, 6th Floor
Columbus, Ohio 43215-3793

On behalf of the staff of the Public
Utilities Commission of Ohio.

Porter, Wright, Morris & Arthur LLP
By Ms. C. Darcy Copeland Jalandoni
and Mr. Robert J. Schmidt
41 South High Street
Suites 2800-3200
Columbus, Ohio 43215-6194

On behalf of the Applicant.

ALSO PRESENT:

Anne M. Juterbock.

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Friday Morning Session,
November 16, 2012.

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HEARING OFFICER JONES: The Ohio Power
Siting Board has scheduled for public -- or for
hearing at this time and place, Case No.
12-864-EL-BSB, that being in the Matter of the
Application of American Transmission Systems,
Incorporated for a certificate of environmental
compatibility of public need for the construction of
the Knox Transmission Substation.

My name is Jeffrey R. Jones. I'm an
administrative law judge and I've been assigned by
the Power Siting Board to conduct this hearing
today.

At this time I'll take appearances on
behalf of the parties.

On behalf of the Applicant.

MS. JALANDONI: I'm Darcy Copeland
Jalandoni from Porter Wright on behalf of the
applicant, American Transmission Systems,
Incorporated.

Also here are Robert Schmidt from Porter
Wright and Annie Juterbock from ATSI.

HEARING OFFICER JONES: Thank you. On

1 behalf of the Power Siting Board.

2 MR. JONES: Yes, good morning, Your
3 Honor. Thank you.

4 On behalf of the Ohio Power Siting Board
5 staff, Ohio Attorney General Mike DeWine, Assistant
6 Attorneys General, Ryan O'Rourke and John Jones,
7 180 East Broad Street, Columbus, Ohio.

8 HEARING OFFICER JONES: Thank you. At
9 this time before we begin with the Company's
10 witnesses, are there any public witnesses here who
11 wanted to testify who did not have an opportunity to
12 do so?

13 Okay. Seeing no one, counsel, you may
14 call your witness.

15 MS. JALANDONI: We have one witness,
16 Ted Krauss, in support of the stipulation and will
17 also provide introduction of the Applicant's
18 exhibits.

19 HEARING OFFICER JONES: Thank you.

20 Mr. Krauss, would you raise your right
21 hand.

22 (Witness sworn.)

23 HEARING OFFICER JONES: Please be seated.

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THEODORE R. KRAUSS

called as a witness on behalf of the Applicant, being
first duly sworn, testified as follows:

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DIRECT EXAMINATION

By Ms. Jalandoni:

Q. Good morning, Mr. Krauss.

Would you please state for the record
your name, your place of business and your business
address, please.

A. My name is Theodore Robert Krauss. I
work for First Energy Service Company, and our place
of work, our work address is 76 South Main Street,
Akron, Ohio. Zip code is 44308.

Q. Thank you. And how long have you
worked for First Energy or its subsidiaries or
predecessors?

A. I've worked for First Energy and its
predecessors continuously since 1979.

MS. JALANDONI: You honor, may I approach
the witness?

HEARING OFFICER JONES: Yes, you may.

(EXHIBIT IDENTIFIED FOR THE RECORD.)

Q. Mr. Krauss, I'm handing you what has
been marked for identification purposes as

1 Applicant's Exhibit 1. Do you recognize this
2 document?

3 A. Yes, I do.

4 Q. Can you tell me what this document is?

5 A. It's the application to the Ohio Power
6 Siting Board for a certificate of environmental
7 compatibility and public need for the Knox
8 Transmission Substation Project. It's dated
9 August 2012.

10 It was prepared for American Transmission
11 Systems, Incorporated, and it's in case number
12 12-0864-EL-BSB.

13 Q. Which is the case that is the subject of
14 these proceedings?

15 A. Yes, it is.

16 Q. And what was your involvement with the
17 preparation of this document?

18 A. I led the overall development of the
19 application for American Transmission Systems,
20 Incorporated, and what that means is for this
21 particular application, I developed much of the
22 application and then worked with a consultant, URS
23 Corporation, on some of the technical aspects
24 of the ground selection -- or sight selection
25 studies.

1 Q. And to the best of your information and
2 belief is the information contained in this
3 application true and accurate?

4 A. Yes, it is.

5 Q. Okay. Thank you.

6 (EXHIBIT IDENTIFIED FOR THE RECORD.)

7 Q. Mr. Krauss, I'm now handing you what's
8 marked for identification purposes as Applicant's
9 Exhibit 2. Do you recognize this document?

10 A. Yes, I do.

11 Q. Do you know what these documents are?

12 A. They are the affidavits for proof of
13 service of the initial or the first and the second
14 public notices for the public and adjudicatory
15 hearings in the case.

16 Q. And within that document does it include
17 affidavits confirming publication of the first and
18 second public notices within the Minerva News Leader,
19 the Salem News, the East Liverpool Review and the
20 Lisbon Morning Journal?

21 A. Yes, it does.

22 Q. And what is the date of publication of
23 the first notice based on the information in front of
24 you?

25 A. In the Morning Journal it was published

1 on September 21, 2012.

2 Q. And I am now turning the page to mark the
3 date of publication of the first notice in the
4 Minerva News Leader.

5 Based on the information in front of you,
6 what was the date of publication of that notice?

7 A. September 27, 2012.

8 Q. And could you tell us what the date of
9 the publication of the second notice for the public
10 hearing was based on the information in front of
11 you?

12 A. It is October 18, 2012.

13 Q. And to the best of your knowledge is all
14 the information contained in these documents true and
15 accurate?

16 A. Yes, it is.

17 Q. Thank you.

18 (EXHIBIT IDENTIFIED FOR THE RECORD.)

19 Q. I'm now handing you what's been marked
20 for identification purposes as Applicant's Exhibit 3.
21 Are you familiar with this document?

22 A. Yes, I am.

23 Q. Can you tell me what this document is?

24 A. It's my initial testimony submitted in
25 this case on behalf of American Transmission Systems,

1 Incorporated.

2 Q. And did you prepare this testimony?

3 A. Yes, I did.

4 Q. And do you know if it was filed in these
5 proceedings?

6 A. Yes, it was.

7 Q. Is there anything about this initial
8 testimony that has been filed with the Board in these
9 proceedings you would now change at this time?

10 A. No. To the best of my knowledge this is
11 accurate and complete.

12 Q. Thank you. And, Mr. Krauss, are you
13 familiar with the fact that the parties have filed a
14 joint stipulation in this case?

15 A. Yes, I am.

16 (EXHIBIT IDENTIFIED FOR THE RECORD.)

17 Q. In that case I am now handing you what
18 has been marked as Joint Exhibit Number 1. Are you
19 familiar with this document?

20 A. Yes, I am. It's the joint stipulation
21 and recommended findings of fact and conclusions of
22 law between American Transmission Systems,
23 Incorporated, the Applicant, and the Attorney
24 General's office.

25 Q. And are you familiar with the

1 recommendations and the 18 conditions in the joint
2 stipulation regarding construction of the Knox
3 Transmission Systems substation?

4 A. Yes, I am.

5 Q. Is American Transmission Substation and
6 Transmission Systems, Incorporated as the applicant
7 in these proceedings in agreement with the terms and
8 conditions in the joint stipulation?

9 A. Yes, we are.

10 Q. Does the joint stipulation represent a
11 product of serious bargaining among capable
12 knowledgeable parties?

13 A. Yes, I believe it was. I was involved as
14 well as members of the Siting Board staff as well as
15 counsel for the parties.

16 Q. And does the joint stipulation benefit
17 consumers and the public interest?

18 A. Yes, I believe it does because it
19 provides for the proposed projects, the Knox
20 Transmission Substation to be constructed at the
21 preferred site which is what I believe to be the
22 minimal overall impact for this type of project, and
23 it provides for the basic needs of this project to
24 approve the distribution and customer load service
25 from the Knox Transmission Substation -- or what will

1 be the Knox Transmission Substation.

2 So to the extent that it improves that
3 reliability and service and the stipulation provides
4 for that, yes, I believe it works for the benefit of
5 the customers.

6 Q. Thank you. And does the joint
7 stipulation violate any important regulatory
8 principles of practice?

9 A. No. I believe that it's in -- it works
10 well with the Ohio Revised Code Section 4906.10 and
11 it was a joint stipulation between the parties.

12 Q. And to the best of your knowledge, is all
13 the information contained in that joint stipulation
14 true and accurate?

15 A. Yes.

16 Q. Thank you.

17 MS. JALANDONI: I have no further
18 questions for the witness at this time.

19 HEARING OFFICER JONES: Thank you.

20 Any questions, Mr. Jones, of this
21 witness?

22 MR. JONES: No questions, Your Honor.

23 HEARING OFFICER JONES: Mr. Jones, do you
24 have any exhibits you would like to have marked?

25 MR. JONES: Yes, Your Honor.

1 I have what I'd like to be marked as
2 Staff Exhibit 1, the staff report of
3 investigation filed in this case on October 22,
4 2012.

5 (EXHIBIT IDENTIFIED FOR THE RECORD.)

6 MR. JONES: I'd like to have that marked
7 as Staff Exhibit 1.

8 HEARING OFFICER JONES: It shall be so
9 marked.

10 MR. JONES: And I'd like to move for the
11 admission of Staff Exhibit 1 into the record of
12 evidence in this case.

13 HEARING OFFICER JONES: Thank you. At
14 this time I want to ask if there's any objection to
15 the admission of Applicant Exhibits 1, 2, and 3,
16 Staff Exhibit Number 1, and Joint Exhibit Number 1?
17 Any objections?

18 MR. JONES: No objection.

19 HEARING OFFICER JONES: Hearing no
20 objection, those five exhibits will be admitted.

21 (EXHIBITS ADMITTED INTO THE RECORD.)

22 HEARING OFFICER JONES: Anything further
23 of this witness?

24 Thank you.

25 Anything further, Mr. Jones?

1 MR. JONES: Nothing further, Your
2 Honor.

3 HEARING OFFICER JONES: Anything else for
4 the Bench to consider?

5 MS. JALANDONI: Not at this time.

6 HEARING OFFICER JONES: Thank you.

7 Then the Power Siting Board will
8 consider the matter as submitted on the record.
9 Thank you.

10 (Thereupon, the hearing was concluded at
11 10:15 a.m.)

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CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Friday, November 16, 2012, and carefully compared with my original stenographic notes.

Deborah J. Guzzo, Registered
Professional Reporter and
Notary Public in and for the
State of Ohio.

My commission expires January 25, 2017.
(2956-DJG)

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Case No(s). 12-0864-EL-BSB

Summary: Transcript of American Transmission Systems, Inc. hearing held on 11/16/12 electronically filed by Mrs. Jennifer Duffer on behalf of Armstrong & Okey, Inc. and Guzzo, Deborah Mrs.