

**BEFORE
THE OHIO POWER SITING BOARD**

**In the Matter of the Application of)
AEP Ohio Transmission Company)
for a certificate of environmental)
compatibility and public need for the)
138/34.5 kV Ebersole Substation)
Project.)**

Case No. 13-0733-EL-BSB

JOINT STIPULATION AND RECOMMENDATION

I. INTRODUCTION

AEP Ohio Transmission Company (“AEP Transco” or “Applicant”), and the Staff of the Ohio Power Siting Board (“OPSB Staff”) (at times, collectively referred to as the “Parties”) submit and recommend this Joint Stipulation and Recommendation (“Stipulation”) for adoption by the Ohio Power Siting Board (“Board”). This Stipulation is intended by the Parties to resolve all matters pertinent to Applicant’s proposed 138/34.5 kV Ebersole Substation Project (“Project”).

AEP has a critical need to reinforce its transmission system in northwestern Ohio to address reliability concerns about potential low voltages and thermal overloads under certain conditions. To that end, AEP Transco proposes to construct a 138/34.5 kV substation and associated electric transmission line interconnections in Cass Township of Hancock County, Ohio. The Project is a major transmission reinforcement effort designed to help AEP maintain an adequate level of transmission reliability and availability of electric power to residential, commercial, institutional and industrial users in northwestern Ohio. The Preferred and Alternate sites of the substation and proposed interconnecting transmission lines are situated on an AEP-

optioned property south of County Road 216, approximately 1.7 miles northeast of the City of Findlay.

This Joint Stipulation is the product of serious bargaining among capable and knowledgeable parties. The Parties have each participated in negotiations. This Joint Stipulation has been signed by the Applicant and OPSB Staff (collectively “Signatory Parties”). Each of the Signatory Parties was represented by experienced counsel.

The Stipulation will benefit customers and the public interest. In the Stipulation, the Applicant has made commitments (as more fully described below) to comply with OPSB Staff conditions to minimize adverse impacts associated with the Project. The Stipulation does not violate any important regulatory principle or criteria. The Project is fully described in the application, which was filed with the Board on August 12, 2013 (“Application”). This Joint Stipulation and Recommendation results from discussions between the Parties, who agree that it is supported by adequate data and information and is therefore entitled to careful consideration by the Board. Accordingly, the Parties recommend that the Board issue a Certificate of Environmental Compatibility and Public Need for construction and operation of the Preferred site, as identified in the Application, and subject to the conditions described in this Joint Stipulation and Recommendation.

II. STIPULATIONS

A. Recommended Findings of Fact

The Parties agree that the record in this case, which consists of the Application, any supplemental or related information and the Staff Report of Investigation, contains sufficient probative evidence for the Board to find and determine, as findings of fact, that:

- (1) AEP Transco is a wholly-owned subsidiary of AEP Transmission Company, LLC, which is an Ohio Corporation.
- (2) The proposed Project is a “major utility facility,” as defined in Section 4906.01(B)(1) of the Ohio Revised Code.
- (3) On June 11, 2013, the Applicant filed a pre-application notification letter in accordance with Rule 4905-5-06.
- (4) On July 15, 2013, the Applicant filed proof of publication for the notice that was issued regarding the public information meeting.
- (5) On August 12, 2013, the Applicant filed the 138/34.5 kV Ebersole Substation Project Application.
- (6) On October 3, 2013, the Applicant was issued a letter of compliance regarding the Application from the Chairman of the OPSB.
- (7) On October 21, 2013, the Applicant filed proof of service of the Application on local officials.
- (8) On November 22, 2013, the OPSB Staff filed its Report of Investigation (“Staff Report”).
- (9) On November 26, 2013, the Applicant filed proof of notification to property, landowners, and public officials regarding the time, date, and location of the public and adjudicatory hearings.
- (10) On December 5, 2013, the Applicant filed correspondence accepting the Recommend Conditions of Certificate contained in the Staff Report.
- (11) On December 5, 2013, the Applicant filed its Statement of Issues, indicating that it has no issues to be pursued during cross-examination at the evidentiary hearing.
- (12) On December 16, 2013, the Applicant filed proof of publication of the proposed Project.
- (13) On December 16, 2013, a local public hearing was held at the Owens State Community College, Education Center, in Findlay, Ohio.

(14) Adequate data on the proposed Project has been provided to the Board and OPSB Staff to determine the basis of the need for the proposed facility, as required by Section 4906.10(A)(1) of the Ohio Revised Code.

(15) Adequate data on the proposed Project has been provided to the Board and OPSB Staff to determine the nature of the probable environmental impact of the proposed facility, as required by Section 4906.10(A)(2) of the Ohio Revised Code.

(16) Adequate data on the proposed Project has been provided to the Board and OPSB Staff to determine that the Preferred site contained in the Application, as filed by the Applicant on August 12, 2013, represents the minimum adverse environmental impact, considering the available technology and nature and economics of the various alternatives, and other pertinent considerations, as required by Section 4906.10(A)(3) of the Ohio Revised Code.

(17) Adequate data on the proposed Project has been provided to the Board and its Staff to determine that construction of the proposed substation located on Applicant's Preferred site will have no adverse impact upon the electric grid.

(18) Adequate data on the proposed Project has been provided to the Board and OPSB Staff to determine that the proposed substation will comply with Chapters 3704., 3734. and 6111. of the Ohio Revised Code and all rules and standards adopted under those Section 1501.33, 1501.34 and 4561.32 of the Ohio Revised Code, as required by Section 4906.10(A)(5) of the Ohio Revised Code.

(19) Adequate data on the proposed Project has been provided to the Board and OPSB Staff to determine that the proposed Project will serve the public interest, convenience and necessity, as required by Section 4906.10(A)(6) of the Ohio Revised Code.

(20) Adequate data on the proposed Project has been provided to the Board and OPSB Staff to determine the proposed facility's impact on the viability as agricultural land of any land in an existing agricultural district established under Chapter 929 of the Ohio Revised Code that is located within the Preferred site and Alternate site of the proposed project, as required by Section 4906.10(A)(7) of the Ohio Revised Code.

(21) Due to the fact that the facility will not require the use of water for operation, consideration of water conservation practices, considering available technology and the nature and economics of the various alternatives under Section 4906.10(A)(8) of the Ohio Revised Code is not applicable to certification of the Project.

(22) The information, data and evidence in the record of this proceeding provide substantial and adequate evidence and information to enable the Board to make an informed decision on the proposed Project.

B. Recommended Conclusions of Law

The Parties further agree that the record in this case contains sufficient probative evidence for the Board to find and determine, as conclusions of law, that:

(1) AEP Transco is a “person” pursuant to Section 4906.01(A) of the Ohio Revised Code.

(2) The proposed Project is a “major utility facility” as defined by Section 4906.01(B)(2) of the Ohio Revised Code.

(3) Applicant’s application filed on August 12, 2013 complies with the requirements of OAC §4906-15-01 et seq.

(4) The record establishes the need for the proposed Project as required by Section 4906.10(A)(1) of the Ohio Revised Code.

(5) The record establishes the nature of the probable environmental impact from construction, operation and maintenance of the proposed Project as required by Section 4906.10(A)(2) of the Ohio Revised Code.

(6) The record establishes that the proposed Preferred site represents the minimum adverse environmental impact, considering the state of available technology and the nature and economics of the various alternatives, and other pertinent considerations, as required by Section 4906.10(A)(3) of the Ohio Revised Code.

(7) The record establishes that the proposed Project, if conditioned in the certificate as recommended by the Parties, will comply with Chapters 3704, 3734 and 6111 of the Ohio Revised Code, and all rules and regulations adopted under those chapters, and under Sections 1501.33, 1501.34 and 4561.32 of the Revised Code, all as required by Section 4906.10(A)(5) of the Ohio Revised Code.

(8) The record establishes that the proposed Project will serve the public interest, convenience and necessity, as required by Section 4906.10(A)(6) of the Ohio Revised Code.

(9) The record establishes the impact of the proposed Project on the viability as agricultural land of any land in an existing agricultural district established under Chapter 929 of the Ohio Revised Code that is located within the Preferred Route and Alternate Route of the proposed project as required by Section 4906.10(A)(7) of the Ohio Revised Code.

C. Recommended Conditions of the Certificate of Environmental Compatibility and Public Need

The Parties recommend that the Board issue a Certificate of Environmental Compatibility and Public Need, as requested by AEP Transco, subject to the following conditions:

(1) The facility shall be installed at the Applicant's Preferred Site, as presented in the Application, and as modified and/or clarified by the Applicant's supplemental filings and further clarified by recommendations in the Staff Report.

(2) The Applicant shall utilize the equipment and construction practices as described in the Application and as modified and/or clarified in supplemental filings, replies to data requests, and recommendations in the Staff Report.

(3) The Applicant shall implement the mitigation measures as described in the Application and as modified and/or clarified in supplemental filings, replies to data requests, and recommendations in the Staff Report.

(4) The Applicant shall conduct a preconstruction conference prior to the start of any construction activities. Staff, the Applicant, and representatives of the prime contractor and all subcontractors for the project shall attend the preconstruction conference. The conference shall include a presentation of the measures to be taken by the Applicant and contractors to ensure compliance with all conditions of the certificate, and discussion of the procedures for on-site investigations by Staff during construction. Prior to the conference, the Applicant shall provide a proposed conference agenda for Staff review. The Applicant may conduct separate preconstruction meetings for each stage of construction.

(5) At least 30 days before the preconstruction conference, the Applicant shall submit to Staff, for review and acceptance, one set of detailed engineering drawings of the final project design, including the substation, temporary and permanent access roads, construction staging areas, and any other associated facilities and access points, so that Staff can determine that the final project

design is in compliance with the terms of the certificate. The final project layout shall be provided in hard copy and as geographically-referenced electronic data. The final design shall include all conditions of the certificate and references at the locations where the Applicant and/or its contractors must adhere to a specific condition in order to comply with the certificate.

(6) Within 60 days after the commencement of commercial operation, the Applicant shall submit to Staff a copy of the as-built specifications for the entire facility. The Applicant shall provide as-built drawings in both hard copy and as geographically-referenced electronic data.

(7) The certificate shall become invalid if the Applicant has not commenced a continuous course of construction of the proposed facility within five years of the date of journalization of the certificate.

(8) As the information becomes known, the Applicant shall provide to Staff the date on which construction will begin, the date on which construction was completed, and the date on which the facility begins commercial operation.

(9) The Applicant shall contact Staff, ODNR, and the USFWS within 24 hours if state or federal threatened or endangered species are encountered during construction activities. Construction activities that could adversely impact the identified plants or animals shall be halted until an appropriate course of action has been agreed upon by the Applicant, Staff, and ODNR in coordination with the USFWS. Nothing in this condition shall preclude agencies having jurisdiction over the facility with respect to threatened or endangered species from exercising their legal authority over the facility consistent with law.

(10) Prior to commencement of construction activities that require transportation permits, the Applicant shall obtain all such permits. The Applicant shall coordinate with the appropriate authority regarding any temporary or permanent road closures, lane closures, road access restrictions, and traffic control necessary for construction and operation of the proposed facility. Coordination shall include, but not be limited to, the county engineer, ODOT, local law enforcement, and health and safety officials. This coordination shall be detailed as part of a final traffic plan submitted to Staff prior to the preconstruction conference for review and confirmation that it complies with this condition.

(11) General construction activities shall be limited to the hours of 7:00 a.m. to 7:00 p.m., or until dusk when sunset occurs after 7:00 p.m. Impact pile driving and hoe ram operations, if required, shall be limited to the hours between 10:00 a.m. to 5:00 p.m., Monday through Friday. Construction activities that do not involve noise increases above ambient levels at sensitive receptors are permitted outside of daylight hours when necessary, with Staff approval.

(12) Prior to the commencement of construction activities that require permits, licenses, or authorizations by federal or state laws and regulations, the Applicant shall obtain and comply with such permits, licenses, or authorizations. The Applicant shall provide copies of permits and authorizations, including all supporting documentation, to Staff within seven days of issuance or receipt by the Applicant. The Applicant shall provide a schedule of construction activities and acquisition of corresponding permits for each activity at the preconstruction conference.

III. EXHIBITS

The Parties agree and stipulate that the following information has been filed in the docket and are to be marked and admitted into the record as exhibits of this proceeding and that cross-examination is waived thereon:

- Applicant Exhibit No. 1: The Application filed on August 12, 2013 and certified as complete by the Board on October 3, 2013
- Applicant Exhibit No. 2: Proof of Publication filed on July 15, 2013
- Applicant Exhibit No. 3: Proof of Service filed October 21, 2013
- Applicant Exhibit No. 4: Proof of Notification filed on November 26, 2013
- Applicant Exhibit No. 5: Proof of Publication of Project filed on December 16, 2013
- Board Ordered Exhibit No. 1: Staff Report of Investigation, issued and filed on November 22, 2013
- Joint Exhibit No. 1: This Joint Stipulation and Recommendation.

In deliberating the merits of the application and reasonableness of this Stipulation, the Parties encourage the Board to review and consider all evidence and exhibits submitted and admitted in this case.

IV. OTHER STIPULATIONS

(1) This Joint Stipulation is expressly conditioned upon its acceptance by the Board without material modification. In the event the Board rejects or materially modifies all or part of this Joint Stipulation, or imposes additional conditions or requirements upon the Parties, each party shall have the right, within thirty (30) days of the Board's order, to file an application for rehearing with the Board. Upon a grant of rehearing by the Board, each party shall have the right, within ten (10) days of the Board's order granting rehearing, to file a notice of termination and withdrawal of the Joint Stipulation. Upon notice of termination and withdrawal of the Stipulation by any party, pursuant to the above provisions, the Joint Stipulation shall immediately become null and void, and any party to the Joint Stipulation shall be free to petition the Board or the Attorney Examiner for such additional process as may be necessary to address any of the remaining issues in this case. In such an event, a hearing shall go forward, and the Parties shall be afforded the opportunity to present evidence through witnesses, to cross-examine all witnesses, to present rebuttal testimony, and to file briefs on all issues.

(2) The Parties agree and recognize that this Joint Stipulation has been entered into only for the purpose of this proceeding. Each party agrees not to assert against another party in any proceeding before the Board or any court, other than in a proceeding to enforce the terms of this Joint Stipulation, that party's participation in this Joint Stipulation as support for any particular position on any issue. Each party further agrees that it will not use this Joint Stipulation as factual or legal precedent on any issue, except as may be necessary to support enforcement of this Joint Stipulation. The Parties request that the Board recognize that its use of this Joint Stipulation in any proceeding other than this proceeding is contrary to the intentions of the Parties in entering into this Joint Stipulation.

WHEREFORE, based upon the record, and the information and data contained therein, the Signatory Parties recommend that the Board issue a Certificate of Environmental Compatibility and Public Need for construction, operation and maintenance of the proposed 138/34.5 kV Ebersole Substation Project for the Preferred site as described in the Application filed with the Board on August 12, 2013 and subject to all conditions enumerated in this Joint Stipulation and Recommendation. The undersigned stipulate and represent that they are authorized to enter into this Joint Stipulation and Recommendation on this 23rd day of December, 2013.

Respectfully submitted,

/s/ Devin Parram (per e-mail authority 12/20/13)

Devin Parram

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On behalf of the Staff of the Ohio Power Siting Board

/s/ Yazen Alami

Yazen Alami

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On behalf of AEP Ohio Transmission Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served via electronic mail upon the below-listed individuals this 23rd day of December, 2013.

/s/ Yazen Alami _____

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Summary: Stipulation Joint Stipulation and Recommendation on behalf of Signatory Parties electronically filed by Mr. Yazen Alami on behalf of AEP Ohio Transmission Company