### BEFORE THE OHIO POWER SITING BOARD

| In the Matter of the Application of        | ) |                         |
|--|---|-------------------------|
| <b>AEP Ohio Transmission Company</b>       | ) |                         |
| for a Certificate of Environmental         | ) | Case No. 13-0522-EL-BSB |
| Compatibility and Public Need for the      | ) |                         |
| <b>Melmore 138 kV Switching Substation</b> | ) |                         |

| 1  | Q. | PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.   |
|----|----|--|
| 2  | A. | My name is Todd A. Sides and my business address is 700 Morrison Road, Gahanna,                |
| 3  |    | Ohio 43230.  |
| 4  | Q. | BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?   |
| 5  | A. | I am employed by AEP Ohio Transmission Company ("AEP Ohio Transco" or the                      |
| 6  |    | "Company") as a Transmission Project Manager.  |
| 7  | Q. | PLEASE BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND AND  |
| 8  |    | BUSINESS EXPERIENCE.   |
| 9  | A. | I received a Certificate of Completion from The Phoenix Institution of Technology (PIT)        |
| 10 |    | in Architectural Design and Construction, Phoenix, AZ. I have my Project Management            |
| 11 |    | Professional Certification (PMP) from the Project Management Institute (PMI). I joined         |
| 12 |    | AEP Ohio Transco in 2013 as a Transmission Project Manager. I am the project manager           |
| 13 |    | for the Company's Melmore 138 kV switching substation project ("Project").                     |
| 14 | Q. | WHAT ARE YOUR RESPONSIBILITIES AS A TRANSMISSION PROJECT                                       |
| 15 |    | MANAGER?   |
| 16 | A. | I am responsible for the project management of activities and project teams required for the   |
| 17 |    | successful installation of transmission line and transmission and distribution station         |
| 18 |    | facilities. I plan, organize, and direct team activities to develop and support all aspects of |
| 19 |    | transmission line and transmission and distribution station facilities, including logistics    |
| 20 |    | communication, planning, scheduling, siting, right-of-way, real estate acquisition,            |

1 engineering, procurement, contracting, construction and financial aspects of each assigned project. 2 WHAT IS THE PURPOSE OF YOUR TESTIMONY? 3 Q. A. The purpose of my testimony is to describe and support the Joint Stipulation and 4 Recommendation ("Stipulation") (incorporated by reference into this testimony) entered 5 into by AEP Ohio Transco and the Staff of the Ohio Power Siting Board (collectively, 6 "Signatory Parties") and filed on March 26, 2014, to resolve the issues in this case. The 7 Signatory Parties recommend that the Ohio Power Siting Board ("Board") issue a 8 Certificate of Environmental Compatibility and Public Need for construction and 9 10 operation of the Melmore 138 kV switching substation at the Preferred Site, as identified in the Company's September 26, 2013, application ("Application"), and subject to the 11 conditions described in the Stipulation. This testimony demonstrates that: 12 (1) the Stipulation is a product of serious bargaining among capable, knowledgeable 13 parties; (2) the Stipulation does not violate any important regulatory principle or 14 practice; and (3) the Stipulation, as a whole, will benefit customers and the public 15

#### 17 Q. WHAT ARE THE MAJOR PROVISIONS OF THE STIPULATION?

interest.

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A.

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 kV switching substation and associated electric transmission line interconnections in Eden Township of

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Seneca County. The Project, as more fully discussed in the Company's Application, 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 Site of the Melmore switching substation and associated interconnecting transmission lines are located on an approximately 13.4-acre, AEP-owned property situated adjacent to the east of Township Road 17, approximately 600 feet southwest of State Route 100. The Alternate Site is located on the western side of Township Road 17, approximately 500 feet west of the Preferred Site. The associated interconnections would extend both north across the same property and east across the Preferred Site property to the existing source transmission lines. Access to the substation at either site is proposed from Township Road 17 using a new permanent access drive. The total fenced footprint of either the Preferred Site or Alternate Site will be approximately 2.4 acres. Interconnections to the new station will be provided from the Howard-Fostoria 138 kV line and the Tiffin Center 138 kV Extension. The Stipulation recommends that the Board issue a Certificate of Environmental Compatibility and Public Need for construction and operation of the Project at the Preferred site, as identified in the Company's Application, and subject to the conditions described in this Stipulation.

| 1  | Q. | WHAT CRITERIA HAS THE BOARD USED IN REVIEWING AND   |
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| 2  |    | APPROVING STIPULATIONS AMONG SIGNATORY PARTIES TO A   |
| 3  |    | PROCEEDING?   |
| 4  | A. | My understanding is that a stipulation traditionally must satisfy three criteria: (1) the     |
| 5  |    | stipulation must be a product of serious bargaining among capable, knowledgeable              |
| 6  |    | parties; (2) the stipulation must not violate any important regulatory principle or practice; |
| 7  |    | and (3) the stipulation must, as a whole, benefit customers and the public interest.          |
| 8  | Q. | DOES THE STIPULATION REPRESENT A PRODUCT OF SERIOUS   |
| 9  |    | BARGAINING AMONG CAPABLE, KNOWLEDGEABLE PARTIES?  |
| 10 | A. | Yes, it does. All parties to the Stipulation were represented by experienced, competent       |
| 11 |    | counsel. Also, the parties to the Stipulation regularly participate in proceedings before     |
| 12 |    | the Board and are knowledgeable in regulatory matters. All parties were invited to            |
| 13 |    | participate in settlement discussions regarding the Stipulation. All parties were provided    |
| 14 |    | the draft Stipulation and given the opportunity to further engage in settlement discussions   |
| 15 |    | with the Company. Therefore, the Stipulation represents a product of serious bargaining       |
| 16 |    | among capable, knowledgeable parties.   |
| 17 | Q. | DOES THE STIPULATION VIOLATE ANY IMPORTANT REGULATORY   |
| 18 |    | PRINCIPLES AND PRACTICES?   |
| 19 | A. | No, it does not. Based on my experience with the regulatory process and review of the         |
| 20 |    | Stipulation, I believe that the Stipulation is consistent with, and does not violate,         |
| 21 |    | regulatory principles and practices in Ohio. On the contrary, the Stipulation is designed     |

| 1  |    | to comply with the requirements of Revised Code 4906.10, which provides the basis for     |
|----|----|---|
| 2  |    | decision granting or denying a certificate.   |
| 3  | Q. | DOES THE STIPULATION BENEFIT CONSUMERS AND THE PUBLIC                                     |
| 4  |    | INTEREST?   |
| 5  | A. | Yes, it does. The Stipulation, which provides for the construction of the Project at the  |
| 6  |    | Preferred Site, benefits consumers insofar as the Project will help ensure that increased |
| 7  |    | demands for electricity are met in the future and that existing reliability service is    |
| 8  |    | strengthened and enhanced throughout the northwest Ohio area. The Project will also       |
| 9  |    | produce tax revenues for Seneca County and Eden Township for schools and public           |
| 10 |    | services in those areas. The Stipulation also benefits the public by requiring the AEP    |
| 11 |    | Ohio Transco to comply with numerous conditions to minimize impacts to the area.          |
| 12 | Q. | IS IT AEP OHIO TRANSCO'S POSITION THAT THE STIPULATION MEETS                              |
| 13 |    | THE THREE-PART TEST REGARDING CONSIDERATION OF  |
| 14 |    | STIPULATIONS AND SHOULD BE ADOPTED BY THE BOARD?  |
| 15 | A. | Yes, it is. The Stipulation is reasonable and should be adopted by the Board to resolve   |
| 16 |    | the present proceeding.   |
| 17 | Q. | DOES THIS CONCLUDE YOUR TESTIMONY?  |
| 18 | A. | Yes it does.  |

#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and accurate copy of the foregoing was served via electronic mail upon the individuals listed below this 26<sup>th</sup> day of March, 2014.

/s/ Yazen Alami Yazen Alami

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Summary: Testimony of Todd A. Sides in support of the Joint Stipulation and Recommendation electronically filed by Mr. Yazen Alami on behalf of AEP Ohio Transmission Company