

BEFORE THE OHIO POWER SITING BOARD

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In the Matter of the :
Application of AEP Ohio :
Transmission Company, Inc. : Case No. 15-329-EL-BTX
for a Certificate of :
Environmental Compatibility:
and Public Need for the :
South Caldwell-Macksburg :
138 kV Transmission Line :
Project. :

- - -

PROCEEDINGS

Before Megan Addison, Administrative Law Judge, at
the Public Utilities Commission of Ohio, 180 East
Broad Street, Room 11-D, Columbus, Ohio, called at
10:00 a.m. on Thursday, November 17th, 2016.

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APPEARANCES:

Michael DeWine, Ohio Attorney General
By Thomas G. Lindgren, Esq.
Assistant Attorney General
180 East Broad Street, 6th Floor
Columbus, Ohio 43215

On behalf of the Staff of the PUCO.

Erin Miller, Esq.
Hector Garcia, Esq.
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On behalf of AEP Ohio Transmission
Company, Inc.

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INDEX

- - -

COMPANY'S CASE

WITNESSES:

PAGE

Shawn P. Malone

Direct Examination by Ms. Miller 8

Examination by the Administrative Law Judge 12

- - -

COMPANY EXHIBITS

IDENTIFIED

ADMITTED

1 - Application and Supplemental
Filing

5

17

2 - Proof of Publication docketed
January 26, 2016

5

17

3 - Proof of Application service

6

17

4 - Proof of Publication docketed
October 27, 2016

6

17

5 - Proof of Notification to
Property owners

6

17

6 - Prefiled Testimony of
Shawn Malone

6

17

STAFF EXHIBITS

IDENTIFIED

ADMITTED

1 - Report of Investigation

7

17

2 - Prefiled Testimony of
John C. Pawley

7

17

JOINT EXHIBITS

IDENTIFIED

ADMITTED

1 - Joint Stipulation and
Recommendation

7

17

- - -

1 Thursday Morning Session,
2 November 17th, 2016.

3 - - -

4 ADMINISTRATIVE LAW JUDGE ADDISON: Let's
5 go on the record. The Ohio Power Siting Board has
6 assigned for public hearing at this time and place
7 Case No. 15-329-EL-BTX, which is captioned In the
8 Matter of the Application of AEP Ohio Transmission
9 Company for a Certificate of Environmental
10 Compatibility and Public Need for the South
11 Caldwell-Macksburg 138 Kilovolt Transmission Line
12 Project.

13 My name is Megan Addison and I'm the
14 Administrator Law Judge assigned by the Ohio Power
15 Siting Board.

16 At this point in time we will take
17 appearances, starting with the Applicant.

18 MS. MILLER: Thank you, your Honor.
19 Good morning. Erin Miller, and my colleague Hector
20 Garcia, on behalf of AEP Ohio Transmission Company,
21 Inc. Our business address is 1 Riverside Plaza,
22 Columbus, Ohio 43215. Thank you.

23 ALJ ADDISON: Thank you.

24 MR. LINDGREN: On behalf of Power Siting
25 Board Staff, Ohio Attorney General Mike DeWine, by

1 Thomas G. Lindgren, Assistant Attorney General. The
2 address is 30 East Broad Street, 16th floor,
3 Columbus, Ohio 43215.

4 ALJ ADDISON: Thank you.

5 Ms. Miller, are you ready to proceed?

6 MS. MILLER: Yes, ma'am. I think first,
7 as a matter of some housekeeping, we can mark the
8 exhibits, if that's okay with you.

9 ALJ ADDISON: Certainly. Let's do that.

10 MS. MILLER: Great. Okay. If we could,
11 I'd like to mark AEP Ohio Transmission Company,
12 Inc.'s Application and Supplemental Filings as
13 Exhibit 1. These documents were filed on May 23rd,
14 2016, and July 21st, 2016, respectively.

15 ALJ ADDISON: So marked.

16 (EXHIBIT MARKED FOR IDENTIFICATION.)

17 MS. MILLER: AEP Ohio would like to
18 mark -- AEP Ohio Transco would like to mark the
19 Proof of Publication regarding the proposed facility
20 as Exhibit 2, which was filed in the docket on
21 January 26th, 2016.

22 ALJ ADDISON: So marked.

23 (EXHIBIT MARKED FOR IDENTIFICATION.)

24 MS. MILLER: We would like to mark as
25 AEP Ohio Transco Exhibit 3 proof that copies of the

Application were served on public officials and public agencies, which was filed on August 12th of 2016 in this docket.

ALJ ADDISON: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

MS. MILLER: We would like to mark as AEP Ohio Transco Exhibit 4 Proof of Publication of the proposed major facility, which was filed on October 27th, 2016.

ALJ ADDISON: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

MS. MILLER: We would like to mark as AEP Ohio Transco Exhibit 5 proof of notification to property owners and landowners regarding the public hearing, which was filed in the docket on November 11, 2016.

ALJ ADDISON: So marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

MS. MILLER: And lastly, AEP Ohio Transco -- we would like to mark as Exhibit 6 AEP Ohio Transco Exhibit 6 the prefiled testimony of witness Shawn Malone on behalf of the Company.

ALJ ADDISON: It will be so marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

MS. MILLER: Thank you. And that's it.

1 ALJ ADDISON: Thank you. Would Staff
2 also like to mark its exhibits at this point?

3 MR. LINDGREN: Thank you, your Honor. I
4 would like to mark as Staff Exhibit 1 the Staff
5 Report of Investigation that was filed in the docket
6 on October 14th, 2016, and I would also like to mark
7 as Staff Exhibit 2, the prefiled testimony of John C.
8 Pawley that was filed in the docket on November 15th,
9 2016.

10 ALJ ADDISON: Those exhibits are so
11 marked.

12 (EXHIBIT MARKED FOR IDENTIFICATION.)

13 MS. MILLER: And, your Honor, if I may,
14 I have one more. If Mr. Lindgren is agreeable, I'd
15 like to mark as Joint Exhibit 1 the Joint Stipulation
16 and Recommendation that was filed yesterday in the
17 docket, which was November 16th, 2016.

18 ALJ ADDISON: It will be so marked.

19 (EXHIBIT MARKED FOR IDENTIFICATION.)

20 ALJ ADDISON: Ready to proceed,
21 Ms. Miller?

22 MS. MILLER: At this time the Company
23 would like to call its witness Shawn Malone to the
24 stand.

25 (Witness sworn.)

1 ALJ ADDISON: Please be seated.

2 - - -

3 Shawn Malone,
4 being first duly sworn, as prescribed by law, was
5 examined and testified as follows:

6 DIRECT EXAMINATION

7 By Ms. Miller:

8 Q. Good morning.

9 A. Good morning.

10 Q. How are you doing?

11 A. Wonderful. Thank you.

12 Q. Good. If you would please state your
13 name and business address for the record.

14 A. Sure. My name is Shawn Malone, and the
15 business address is 700 Morrison Road, Gahanna, Ohio
16 43230.

17 MS. MILLER: Your Honor, permission to
18 approach the witness?

19 ALJ ADDISON: You may.

20 By Ms. Miller:

21 Q. Mr. Malone, can you please identify for
22 the record what I'm handing you?

23 A. Yes; my prefiled testimony.

24 Q. Okay. And did you cause this testimony
25 to be filed in the docket on November 16th, 2016?

1 A. Yes, I did.

2 Q. Okay. And, Mr. Malone, did you answer
3 these questions truthfully and to the best of your
4 ability?

5 A. I certainly did.

6 Q. Okay. And do you have any corrections
7 to make here for the record today?

8 A. No, I do not.

9 Q. Okay. Mr. Malone, did you rely on the
10 Application, AEP Ohio Exhibit 1, when preparing your
11 testimony?

12 A. Yes, I did.

13 Q. Okay. And are the conditions in the
14 Joint Stipulation similar to that contained in
15 Staff -- the Staff Report?

16 A. Yes, they are.

17 Q. Okay. And if you would please, just
18 give us an overview of the major provisions of the
19 Joint Stipulation.

20 A. Sure. This project was first brought
21 about due to the weak infrastructure and aging
22 infrastructure down in southeastern Ohio.

23 Currently the transmission voltage down
24 there is a 235 kV system. We're bringing in a new
25 source which will be a 138, which is a much stronger

1 source to improve the reliability down in that area.

2 Southeast Ohio is actually the worst
3 performing region when it pertains to outages. They
4 are unplanned outages to customers in the area, so
5 this is -- we have a larger plan called the Marietta
6 Improvement Project.

7 This is the first leg or first part of
8 that project just to improve the reliability and
9 replace the aging infrastructure in that area.

10 This project is going, as I mentioned
11 138 kilovolt, approximately eight miles, and it will
12 extend from our South Caldwell station, which is an
13 existing substation, down to our Macksburg
14 substation.

15 Q. Okay. And, Mr. Malone, does the
16 Stipulation represent a product of serious bargaining
17 between capable and knowledgeable parties?

18 A. Yes, it does. Both parties represented
19 by counsel who are knowledgeable and capable in these
20 matters, and very familiar with regulatory
21 proceedings.

22 Q. Okay. And does the Stipulation benefit
23 consumers and the public at large?

24 A. It does indeed. As I mentioned, it's an
25 aging infrastructure down in that area, so it's going

1 to provide much greater reliability to the system in
2 that area.

3 Additionally, those areas through which
4 the lines traverse will receive taxes paid by AEP,
5 and roughly, just for this section of line, it will
6 be about 547,000 is the estimated tax benefit to
7 those communities that will again be part of this
8 line.

9 Q. Great. And did AEP Ohio Transco take
10 into account any public input when developing its
11 preferred route and alternate routes for this
12 project?

13 A. Yes, we certainly did. We had two
14 public information meetings that were both to those
15 properties that were affected by the preferred, and
16 the alternate route. They received actual physical
17 letters mailed to their address, and then we also did
18 public announcements to the local newspapers.

19 And then we took that input, and
20 actually part of our supplement to our original
21 Application was based on that. So we made minor line
22 adjustments from property owners' requests.

23 Q. And, Mr. Malone, do you support the
24 Joint Stipulation and Recommendation filed in this
25 case?

1 A. I certainly do.

2 MS. MILLER: And just so that the record
3 reflects, Mr. Malone's testimony was in fact marked
4 as Exhibit AEP Ohio Transco Exhibit 6.

5 Thank you, Mr. Malone. No further
6 questions.

7 ALJ ADDISON: Thank you. Mr. Lindgren,
8 any questions?

9 MR. LINDGREN: No, thank you. No
10 questions, your Honor.

11 ALJ ADDISON: Thank you. I just have a
12 few, Mr. Malone.

13 - - -

14 EXAMINATION

15 By ALJ Addison:

16 Q. You spoke a little bit about receiving
17 customer input and reacting to that input.

18 A. Correct.

19 Q. Do you know of any efforts undertaken by
20 the Applicant in response to those concerns raised
21 or -- raised during the local public hearing held in
22 Caldwell, Ohio?

23 A. Yes. Actually we had some meetings with
24 the property owners after that meeting, specifically
25 a couple of property owners who requested line

1 adjustments on their property.

2 One had a potential home site that was
3 going to be impacted by the line, and they also had a
4 farm pond, and he wanted us to be away from that, so
5 we made adjustments actually shifting the line
6 slightly to the neighbor's property, but definitely
7 avoiding those two home areas, the certain problem
8 that he had on his property.

9 Q. And I just want to clarify, I'm talking
10 about the local public hearing that was held on
11 November 2nd --

12 A. Yes.

13 Q. -- in Caldwell, and those --

14 A. Those comments?

15 Q. Yeah.

16 A. So the comments that I recall were the
17 written comments that were posted, and when we read
18 through those, most of those were aged, they had been
19 previously brought up, and they were regarding
20 notifications to the property owners. Is that what
21 you're --

22 Q. Yes.

23 A. -- addressing?

24 So we met with the two property owners
25 previously, and at one of the very early meetings

1 they had received a notification that we had the
2 right to be on their property.

3 They introduced counsel and they said
4 that we were to go through counsel to -- as part of
5 our correspondence with them. So we gave our
6 notifications to their counsel.

7 It seems to us that their counsel did
8 not pass that along to them, so I think there was
9 just a miscommunication in that we thought we fully
10 gave the appropriate notices we were intended to.

11 We did it to the right channels they
12 asked us to, but then they seem surprised. So I
13 don't know why the communication broke down, but we,
14 on our part, thought we did exactly what we were told
15 to do and requested to do by the property owners.

16 Q. Thank you for that.

17 And just as a clarification, Mr. Malone,
18 on Page 2 of your prefiled testimony you note that
19 the Joint Stipulation and Recommendation, what's been
20 marked as Joint Exhibit 1, was filed on November
21 15th. Should that be November 16th?

22 A. Well, I don't know that. I was going to
23 say was it officially docketed?

24 MS. MILLER: Yes, ma'am, there's a
25 correction there.

1 ALJ ADDISON: Thank you. Just wanted to
2 make sure the record is clear.

3 THE WITNESS: When it hit the actual
4 docket --

5 By ALJ Addison:

6 Q. And, Mr. Malone, if you would like to
7 turn to Pages 3 and 4 of your prefiled testimony,
8 there you're discussing the requirements of Revised
9 Code 4906-10. Do you see that?

10 A. Yes.

11 Q. My understanding is that that statute
12 has subsections (A)(1) through (A)(8). Is that
13 correct?

14 A. I honestly don't know, to be quite frank
15 with you. I don't know. I'm sure it does, if you've
16 looked at it.

17 Q. Well, perhaps if we look at the Joint
18 Stipulation and Recommendation on Pages 7 and 8, you
19 discuss all of the -- all of those subsections minus
20 one, which is 4906-10(A)(8), and that's dealing with
21 water conservation.

22 Was there any reason why the Stipulation
23 didn't discuss that in particular for this particular
24 project?

25 A. None that I know of.

1 Q. Are there any water conservation
2 concerns regarding this project that have been
3 raised?

4 A. No, not that I'm aware of in any way,
5 shape, or form.

6 Q. Thank you. And if you could quickly
7 explain just for my own purposes how the Applicant
8 will work with the Ohio Historic Preservation Office
9 during this process, during CWIP construction and
10 construction activities?

11 A. Sure. Most of that will actually be
12 handled by Staff, in that will provide all of our
13 documentation to Staff, and I believe Staff will then
14 be responsible to get it to the Ohio Historical
15 Preservation Office.

16 They will have impacts and they will
17 make comments to Staff. Staff will share that with
18 us, and if they feel that we're being impactful to a
19 particular area, historical marker of some sort -- in
20 the past we have always worked with them to come up
21 with a solution agreeable to both us and them.

22 So they have the authority, and we
23 recognize that authority, and we'll -- we'll work
24 with them to come up with a reasonable solution
25 that's acceptable to both parties.

1 ALJ ADDISON: Thank you very much,
2 Mr. Malone. I believe that concludes all of my
3 questioning. Ms. Miller, did you have any additional
4 questions based on -- certainly.

5 MS. MILLER: If we could just adjourn
6 momentarily so we could confer with Staff on a point
7 that was in the Joint Stipulation.

8 ALJ ADDISON: Absolutely. Let's take a
9 brief recess.

10 (Recess taken.)

11 ALJ ADDISON: Let's go back on the
12 record. Ms. Miller.

13 MS. MILLER: Yes, ma'am. So at this
14 time AEP Ohio Transmission Company would like to move
15 to have AEP Ohio Transco Exhibits 1, 2, 3, 4, 5, and
16 6 admitted into evidence.

17 ALJ ADDISON: Any objections from the
18 Staff?

19 MR. LINDGREN: No objections.

20 ALJ ADDISON: Seeing none, they will be
21 admitted.

22 (EXHIBITS ADMITTED INTO EVIDENCE.)

23 MS. MILLER: Thank you, your Honor. And
24 also --

25 ALJ ADDISON: Excuse me. I'm going to

1 excuse Mr. Malone here.

2 (Witness excused.)

3 ALJ ADDISON: Thank you very much.

4 Ms. Miller, please proceed.

5 MS. MILLER: Your Honor, at this time,
6 if there are no objections, I'd like to also move
7 that Joint Exhibit 1, the Joint Stipulation and
8 Recommendation in this proceeding, also be moved into
9 evidence.

10 ALJ ADDISON: Any objection?

11 MR. LINDGREN: No objection.

12 ALJ ADDISON: It will be admitted.

13 (EXHIBITS ADMITTED INTO EVIDENCE.)

14 ALJ ADDISON: Thank you. Ms. Miller,
15 anything further?

16 MS. MILLER: Nothing further. Thank
17 you, your Honor.

18 ALJ ADDISON: Mr. Lindgren.

19 MR. LINDGREN: Thank you, your Honor.
20 I'd like to move for the admission of Staff Exhibit
21 1, which is the Staff Report of Investigation.

22 And I would also like to call the
23 Bench's attention to Page 28 of that report that
24 discusses the water conservation practice, and it
25 notes that the facility will not require the use of

1 any water during its operation.

2 And I would also like to move for the
3 admission of Staff Exhibit 2, the prefiled testimony
4 of John Pawley.

5 Ms. Miller indicated previously that she
6 would have no objection to that, and if your Honor is
7 agreeable, we'll just move for his admission without
8 him appearing on the stand.

9 ALJ ADDISON: Thank you. Is that
10 correct, Ms. Miller?

11 MS. MILLER: That's correct.

12 ALJ ADDISON: I don't believe I had any
13 questions for Mr. Pawley, so we will go ahead and
14 admit those two exhibits.

15 (EXHIBITS ADMITTED INTO EVIDENCE.)

16 MR. LINDGREN: Thank you.

17 ALJ ADDISON: Okay. Is there anything
18 further?

19 MS. MILLER: Nothing, your Honor.

20 MR. LINDGREN: Nothing your Honor.

21 ALJ ADDISON: I want to thank everyone
22 for being here, and we are adjourned.

23 (Thereupon, the hearing was
24 concluded at 10:18 a.m.)
25

CERTIFICATE

I do hereby certify that the foregoing
is a true and correct transcript of the proceedings
taken by me in this matter on Thursday, November 17,
2016, and carefully compared with my original
stenographic notes.

Valerie J. Grubaugh,
Registered Merit Reporter
and Notary Public in and
for the State of Ohio.

My commission expires August 11, 2021

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in

Case No(s). 15-0329-EL-BTX

Summary: Transcript In the matter of the Application of AEP Ohio Transmission Company, Inc. for a Certificate of Environmental Compatibility and Public Need for the South Caldwell-Macksburg 138 kV Transmission Line Project, hearing held on November 17, 2016. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Grubaugh, Valerie