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KINGSPORT OFFICE

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KPOW.83302

November 19, 2009

Darlene Standley, Chief-Utilities Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Notice of Kingsport Power Company d/b/a AEP Appalachian Power; **TRA Docket No.: 08-00213**

Dear Ms. Standley:

In this Docket No. 09-00213, certain information has been requested relating to the notice filing which occurred on November 13, 2009. The information requested consists of support documentation for the energy and demand allocation factors included in EXHIBIT 4 to the filing and consists of the following:

(1) EXHIBIT A (Pages A1-A5): Support for the 2007 energy and demand allocation factors included in the current PPAR and proposed to be retained for use in the 2010 PPAR;

(2) EXHIBIT B (Pages B1-B5): Support for the 2008 energy and demand allocation factors;

(3) EXHIBIT C (Page C1-C4): A comparison of information for the 2007 vs. 2008 allocation factors; and

(4) EXHIBIT D (Pages D1-D2): The "KINGSPORT POWER COMPANY NOTICE TO PUBLIC," which will be posted and published in the Kingsport Times-News, a newspaper of general circulation in KgPCo's service area.

Kingsport provided allocation factors for 2008 in Exhibit 4 to the notice filing to comply with the TRA's Order issued December 22, 2008, approving the 2009 PPAR. The Order required that updated factors be provided if there was a change in the number of large commercial or industrial customers.

Although allocation factors are independently updated when a cost-of-service study is performed, a complete cost-of-service study is not required to update allocation factors. In the PPAR, allocation factors are used to allocate non-fuel purchased power costs, rather than Kingsport's entire cost-of-service, to customer classes. Last year's filing of 2007 energy and demand allocation factors was provided to the TRA without a complete cost-of-service study.

The energy and demand allocation factor information provided is based on customer load information. The energy allocation factors, for example, are based on actual load information in each year (loss-adjusted) for each customer class and are based on each class's percentage of energy use to total energy usage, for each year. The demand allocation factor development is different. The demand allocation factors are based on the coincident peak (CP) demands for each class of customers as a percentage of total coincident peak demands. This is based on an average of the twelve monthly demands for each year. For all classes except Industrial Power (IP), the CP demand is estimated using load research meters that are used to represent the whole population of the class. These meters record demand at one hour intervals. The load (demand) at each meter is extracted at the time of Kingsport's peak and an average demand is calculated from that sample. This average is then applied to the number of customers within that class to calculate the total demand for that class. For the Industrial Power class, all of the customers have hour-by-hour demand measurement and the sum of their peaks at the time of Kingsport's peak will determine their CP demand.

The demand allocation factors for both 2007 and 2008 (EXHIBITS A and B) were developed as follows: First, the monthly demand for each class is shown on worksheets EXHIBIT A, Page A3, and EXHIBIT B, Page B3; second, the yearly average was loss adjusted to transmission (see "Demand Allocation Factors", EXHIBIT A, Page A1 and EXHIBIT B, Page B1); third, the loss adjusted demands were used to calculate each customer class's percentage of the entire demand for Kingsport (see, "Demand Allocation Factors", EXHIBIT A, Page A1 and EXHIBIT B, Page B1). Finally, the demand percentages were used to allocate the demand costs within the PPAR to the customer classes. This can be seen on the 1st page of Exhibit 3 of the notice filing.

If there are further questions, please contact the writer.

Very sincerely yours,

HUNTER, SMITH & DAVIS, LLP

William C. Bovender

WCB/slb

Enclosures

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EXHIBIT A

(2007)

Kingsport Power Company
Calculation of Demand Allocation Factors
Purchase Power Adjustment

Demand Allocation Factors

	2007 Load Research	2007 Loss Factor	Loss Adjusted Load (to Transmission)	2007 Allocation Factor
Residential	147,475	1.06266	156,716	44.76%
SGS	3,283	1.06266	3,489	1.00%
MGS	16,834	1.06266	17,889	5.11%
LGS - Sec	34,215	1.06266	36,359	10.38%
LGS - Pri	4,219	1.03337	4,360	1.25%
Total LGS	38,434		40,719	11.63%
IP - Pri	16,683	1.03337	17,240	4.92%
IP - Tran	99,473	1.00000	99,473	28.41%
Total IP	116,156		116,712	33.33%
EHG	6,048	1.06266	6,427	1.84%
CS	2,002	1.06266	2,127	0.61%
PS	5,352	1.06266	5,687	1.62%
OL	367	1.06266	390	0.11%
Total	335,950		350,155	100%

Kingsport Power Company
Calculation of Energy Allocation Factors
Purchase Power Adjustment

Energy Allocation Factors

	2007 Metered kWh	2007 Loss Factor	Loss Adjusted Load (to Transmission)	2007 Allocation Factor
Residential	752,889,720	1.05881	797,167,164	34.79%
SGS	21,317,858	1.05881	22,571,561	0.99%
MGS	90,815,583	1.05881	96,156,447	4.20%
LGS - Sec	241,176,191	1.05881	255,359,763	11.14%
LGS - Pri	29,739,450	1.02433	30,463,011	1.33%
Total LGS	270,915,641		285,822,774	12.47%
IP - Pri	145,987,350	1.02433	149,539,222	6.53%
IP - Tran	854,316,608	1.00000	854,316,608	37.28%
Total IP	1,000,303,958		1,003,855,830	43.81%
EHG	33,418,766	1.05881	35,384,124	1.54%
CS	10,246,488	1.05881	10,849,084	0.47%
PS	32,987,176	1.05881	34,927,152	1.52%
OL	4,328,393	1.05881	4,582,946	0.20%
Total	2,217,223,583		2,291,317,082	100%

Kingsport Power Company
Class Load Research Analysis Results
Demand Allocation Support - Metered KW

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Sum Peak	Sum Peak	Average
		1/29/07 9:00	2/6/07 8:00	3/5/07 8:00	4/9/07 8:00	5/30/07 18:00	6/27/07 17:00	7/9/07 16:00	8/8/07 17:00	9/5/07 18:00	10/30/07 8:00	11/30/07 8:00	12/18/07 8:00		kW	Monthly
Kingsport	Coincident Peak	393.6	430.5	367.6	339.9	313.9	339.0	336.5	361.2	332.4	297.0	337.6	404.1	4253.2	4,253,179	
Residential	Coincident Peak	205.0	204.8	165.8	138.8	103.1	121.0	120.1	148.4	134.7	100.3	140.2	187.5	1769.7	1,769,699	147,475
Electric Heat General	Coincident Peak	6.8	7.9	6.1	2.5	5.9	6.5	7.8	7.2	7.0	4.5	4.3	6.1	72.6	72,572	6,048
Church Service	Coincident Peak	1.9	2.5	1.3	1.0	2.2	2.3	2.2	3.1	2.7	1.2	1.6	2.0	24.0	24,021	2,002
Public Schools	Coincident Peak	7.0	7.0	6.4	3.7	4.0	3.7	4.3	4.8	5.8	6.0	6.0	5.5	64.2	64,221	5,352
Small General Service	Coincident Peak	3.7	5.1	2.7	3.1	2.9	3.5	2.8	3.5	3.8	2.0	2.6	3.6	39.4	39,399	3,283
Medium General Service	Coincident Peak	21.1	15.7	17.9	14.1	15.3	17.8	18.1	19.5	16.3	12.1	14.7	19.5	202.0	202,009	16,834
Large General Service	Coincident Peak	43.6	39.8	36.5	33.8	38.5	42.1	41.7	42.1	37.5	32.4	33.6	39.6	461.2	461,209	38,434
Industrial Power - Primary	Coincident Peak	17.5	16.7	16.7	15.9	15.7	17.9	18.2	17.3	15.5	16.1	15.2	17.4	200.2	200,194	16,683
Industrial Power - Transmission	Coincident Peak	69.9	101.3	102.0	99.2	103.2	102.7	99.6	102.4	101.6	104.2	102.4	105.1	1193.7	1,193,672	99,473
Lighting	Coincident Peak	0.0	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.7	1.5	4.4	4,400	367
Losses & Unaccounted		17.0	28.2	12.1	27.8	23.1	21.5	21.7	12.9	7.5	17.5	16.3	16.3	221.8	221,782	
Losses & Unaccounted %		4.3%	6.5%	3.3%	8.2%	7.4%	6.3%	6.4%	3.6%	2.2%	5.9%	4.8%	4.0%	0.6	630	
															4,031,396	

Kingsport Power Company
Twelve Months Ended Billed December 2007
Energy Allocation Support - Metered KWH

TARIFF CODE	TARIFF	REVENUE	FUEL CLAUSE	REVENUE EXCL FUEL CLAUSE	METERED KWH	OFF PK KWH	BILLING DEMAND	# OF CUST INCL	# OF CUST EXCL	# OF LAMPS	REALIZATION INCL FUEL	REALIZATION EXCL FUEL
11	RS-LMWH	38,185.65	755.56	37,430.09	783,848	0	255.1	36	0	0	4.87	4.78
15	RS	39,270,757.80	734,072.12	38,536,685.68	749,936,630	0	12,307.1	41,499	0	0	5.24	5.14
18	RS EMP	95,355.16	2,012.54	93,342.62	2,124,130	0	0.0	98	0	0	4.49	4.39
51	RSW-LM-EM	1,911.87	43.55	1,868.32	45,112	0	0.0	2	0	0	4.24	4.14
93	OL 7000	58,808.53	0.00	58,808.53	457,894	0	0.0	0	494	534	12.84	12.84
94	9500 HPS	248,491.79	0.00	248,491.79	1,360,068	0	0.0	0	2,348	2,839	16.27	18.27
95	OL 20000	11,861.03	0.00	11,681.03	117,815	0	0.0	0	36	63	10.07	10.07
97	22000 HPS	89,923.78	0.00	89,923.78	634,214	0	0.0	0	394	633	14.18	14.18
99	OL 7000PT	31.79	0.00	31.79	192	0	0.0	0	0	0	16.56	16.56
107	22000HPSF	65,148.67	0.00	65,148.67	428,250	0	0.0	0	236	427	15.21	15.21
109	50000HPSF	7,979.16	0.00	7,979.16	76,095	0	0.0	0	13	38	10.49	10.49
110	17000 MH	8,686.84	0.00	8,686.84	63,727	0	0.0	0	29	54	13.83	13.63
111	9500HPSPT	47,114.13	0.00	47,114.13	149,509	0	0.0	0	69	319	31.51	31.51
115	9500 HPSF	12,989.33	0.00	12,989.33	56,029	0	0.0	0	81	117	23.18	23.18
116	28800 MH	108,493.94	0.00	108,493.94	968,580	0	0.0	0	160	518	11.20	11.20
122	16000SVPT	2,489.73	0.00	2,489.73	4,278	0	0.0	0	3	6	58.20	58.20
126	36000MHPF	3065.66	0.00	3065.66	11,744	0	0.0	0	4	6	26.10	26.10
206	EHG	1,691,075.26	27341.79	1,663,733.47	27,748,307	0	122279.6	530	0	0	6.09	8.00
209	EHG MIN	349,476.81	5,507.18	343,969.63	5,670,459	0	25,340.4	145	0	0	6.16	6.07
221	CS	662,508.50	9,876.19	652,632.31	10,246,488	0	56,770.1	184	0	0	6.47	6.37
229	MGS TODON	39,844.23	00,705.07	39,139.16	687,520	347180	0.0	3	0	0	5.80	5.69
231	SGS FIXED	1,491,801.57	18,436.48	1,473,365.09	18,450,512	0	18881.2	3156	0	0	8.09	7.99
232	SGS MEAS	189,173.40	002,644.57	186,528.83	2,661,104	0	8,135.1	265	0	0	7.11	7.01
233	SGS NMTR	18,168.61	198.56	17,970.03	206,242	0	0.0	60	0	0	8.81	8.71
235	MGS SEC	5,719,211.83	88,247.01	5,630,964.82	69,742,438	0	346845.0	1288	0	0	6.37	6.27
237	MGS PRI	25,890.41	399.58	25,490.83	385,625	0	002,593.0	3	0	0	6.71	6.61
240	LGS SEC	11,567,558.56	233,210.07	11,334,348.49	236,298,591	0	685,396.0	296	0	0	4.90	4.80
242	LGS M SEC	226,152.06	4,746.61	221,405.45	4,877,600	0	012,058.0	4	0	0	4.64	4.54
244	LGS PRI	1,442,055.83	31,051.95	1,411,003.88	29,739,450	0	102,585.0	9	0	0	4.85	4.74
322	IP PRI	5,215,029.06	144,299.96	5,070,729.08	145,987,350	0	222,629.2	3	0	0	3.57	3.47
324	IP TRAN	29,024,946.22	820,672.92	28,204,273.30	854,316,608	0	1,807,782.8	4	0	0	3.40	3.30
523	SL	01,272,553.67	0.00	1,272,553.67	7,403,170	0	0,000,000.0	4	0	0	17.19	17.19
640	PS	498,287.25	8238.42	490,048.83	8,293,710	0	33722.0	17	0	0	6.01	5.91
641	PS UNITS	58,405.58	1,205.24	57,200.34	1,234,800	0	4,355.4	1	0	0	4.73	4.63
842	PS ALL E	1,057,219.24	22,756.86	1,034,462.38	23,458,666	0	82,161.3	16	0	0	4.51	4.41

Kingsport Power Company
One Month Ended Billed December 2007
Customer Support - # of Cust Incl.

TARIFF CODE	TARIFF	REVENUE	FUEL CLAUSE	REVENUE EXCL FUEL CLAUSE	METERED KWH	OFF PK KWH	BILLING DEMAND	# OF CUST INCL	# OF CUST EXCL	# OF LAMPS	REALIZATION	
											INCL FUEL	EXCL FUEL
11	RS-LMWH	3,715.22	116.15	3,597.07	75,598	0	21.8	35	0	0	4.91	4.76
15	RS	3,841,513.71	115,135.59	3,726,378.12	73,645,061	0	1,116.0	40,907	0	0	5.22	5.06
18	RS EMP	8,759.96	305.03	8,454.93	195,184	0	0.0	94	0	0	4.49	4.33
51	RSW-LM-EM	209.65	7.71	201.94	4,934	0	0.0	2	0	0	4.25	4.09
93	OL 7000	4,689.04	0.00	4,689.04	46,814	0	0.0	0	472	511	10.02	10.02
94	9500 HPS	20,439.05	0.00	20,439.05	144,745	0	0.0	0	2,318	2,806	14.12	14.12
95	OL 20000	966.78	0.00	966.78	12,383	0	0.0	0	35	61	7.81	7.81
97	22000 HPS	7,455.92	0.00	7,455.92	67,484	0	0.0	0	391	627	11.05	11.05
107	22000HPSF	5343.85	0.00	5343.85	44,748	0	0.0	0	236	417	11.94	11.94
109	50000HPSF	647.72	0.00	647.72	7,918	0	0.0	0	13	36	8.18	8.18
110	17000 MH	750.60	0.00	750.60	7,119	0	0.0	0	31	56	10.54	10.54
111	9500HPSPT	3,951.39	0.00	3,951.39	16,265	0	0.0	0	66	313	24.29	24.29
115	9500 HPSF	1,082.34	0.00	1,082.34	6,037	0	0.0	0	81	117	17.93	17.93
116	28800 MH	9,433.35	0.00	9,433.35	108,111	0	0.0	0	164	536	8.73	8.73
122	16000SVPT	305.29	0.00	305.29	675	0	0.0	0	4	9	45.23	45.23
126	36000MHPF	247.22	0.00	247.22	948	0	0.0	0	4	6	26.08	26.08
208	EHG	134872.48	3479.26	131393.22	2,173,911	0	10684.9	532	0	0	06.20	06.04
209	EHG MIN	33,096.71	858.22	32,238.49	540,108	0	2494.7	145	0	0	6.13	5.97
221	CS	50,905.36	1,283.03	49,622.33	773,412	0	4,994.8	193	0	0	6.58	6.42
229	MGS TODON	6.077.59	169.35	5,908.24	108,360	58240	0.0	4	0	0	5.61	5.45
231	SGS FIXED	142,562.52	02,880.84	139,681.68	1,827,933	0	2,018.5	3166	0	0	7.80	7.64
232	SGS MEAS	16,046.34	359.51	15,686.83	225,097	0	672.4	284	0	0	7.13	6.97
233	SGS NMTR	1,241.05	000,026.79	1,214.26	16,790	0	0.0	62	0	0	7.39	7.23
235	MGS SEC	475,834.69	11,933.96	463,900.73	7,352,834	0	29,852.0	1269	0	0	6.47	6.31
237	MGS PRI	3,037.38	72.22	02,965.16	46,210	0	225.0	3	0	0	6.57	6.42
240	LGS SEC	942,382.68	31,426.91	910,955.97	19,209,940	0	053,392.0	297	0	0	4.91	4.74
242	LGS M SEC	19,867.73	777.94	19,089.79	424,400	0	1,009.0	4	0	0	4.68	4.50
244	LGS PRI	135,482.96	4,384.26	131,098.70	2,712,200	0	009,571.0	10	0	0	5.00	4.83
322	IP PRI	480,302.25	21,406.15	458,896.10	13,697,300	0	19,025.0	3	0	0	3.51	3.35
324	IP TRAN	2,553,702.50	114,978.55	2,438,723.95	73,572,146	0	116,077.0	4	0	0	3.47	3.31
523	SL	106,277.62	0.00	106,277.62	793,956	0	000,000.0	4	0	0	13.39	13.39
640	PS	00,043,652.77	1,196.28	42,458.49	718,901	0	0,002,592.3	17	0	0	6.07	5.91
641	PS UNITS	4,417.18	143.47	4,273.71	91,800	0	295.8	1	0	0	4.61	4.66
642	PS ALL E	108,403.94	3,801.13	104,602.81	2,370,598	0	8,842.9	19	0	0	4.57	4.41

EXHIBIT B

(2008)

Kingsport Power Company
Calculation of Demand Allocation Factors
Purchase Power Adjustment

Demand Allocation Factors

	2008 Load Research	2008 Loss Factor	Loss Adjusted Load (to Transmission)	2008 Allocation Factor
Residential	168,760	1.06266	179,334	47.82%
SGS	3,547	1.06266	3,769	1.00%
MGS	20,061	1.06266	21,318	5.68%
LGS - Sec	32,502	1.06266	34,539	9.21%
LGS - Pri	3,446	1.03337	3,561	0.95%
Total LGS	35,949		38,100	10.16%
IP - Pri	17,857	1.03337	18,453	4.92%
IP - Tran	99,906	1.00000	99,906	26.64%
Total IP	117,763		118,359	31.56%
EHG	5,490	1.06266	5,834	1.56%
CS	2,251	1.06266	2,392	0.64%
PS	5,184	1.06266	5,509	1.47%
OL	408	1.06266	434	0.12%
Total	359,414		375,051	100%

Kingsport Power Company
Calculation of Energy Allocation Factors
Purchase Power Adjustment

Energy Allocation Factors

	2008 Metered kWh	2008 Loss Factor	Loss Adjusted Load (to Transmission)	2008 Allocation Factor
Residential	736,828,509	1.05881	780,161,394	34.35%
SGS	22,403,286	1.05881	23,720,823	1.04%
MGS	104,042,486	1.05881	110,161,225	4.85%
LGS - Sec	232,499,957	1.05881	246,173,279	10.84%
LGS - Pri	24,653,750	1.02433	25,253,576	1.11%
Total LGS	257,153,707		271,426,855	11.95%
IP - Pri	151,939,200	1.02433	155,635,881	6.85%
IP - Tran	845,764,347	1.00000	845,764,347	37.24%
Total IP	997,703,547		1,001,400,228	44.09%
EHG	32,314,634	1.05881	34,215,058	1.51%
CS	9,989,080	1.05881	10,576,538	0.47%
PS	33,061,508	1.05881	35,005,855	1.54%
OL	4,314,154	1.05881	4,567,869	0.20%
Total	2,197,810,911		2,271,235,845	100%

Kingsport Power Company
Class Load Research Analysis Results
Demand Allocation Support - Metered KW

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Sum Peak	Sum Peak	Average
	EST	1/25/08 8:00	2/14/08 8:00	3/9/08 8:00	4/15/08 8:00	5/31/2008 17:	6/9/2008 17:0	7/21/08 15:00	8/6/2008 17:	9/3/08 17:00	10/30/08 8:00	11/22/08 8:00	12/22/08 8:00		kW	Monthly
Kingsport	Coincident Peak	460.9	402.4	378.7	318.2	286.2	343.5	338.3	343.2	338.5	330.4	406.4	441.3	4387.7	4,387,747	
Residential	Coincident Peak	259.0	217.7	209.5	143.4	99.7	135.0	131.1	133.3	123.5	129.9	207.6	235.4	2025.1	2,025,118	168,760
Electric Heat General	Coincident Peak	6.8	6.9	6.4	3.3	2.4	5.7	6.1	5.8	5.6	4.2	4.8	7.7	65.9	65,879	5,490
Church Service	Coincident Peak	2.6	2.1	3.4	1.2	1.5	2.6	2.3	2.6	2.7	1.6	2.2	2.3	27.0	27,015	2,251
Public Schools	Coincident Peak	7.3	6.4	4.1	6.0	3.2	4.4	4.8	3.9	5.7	6.7	4.2	5.5	62.2	62,210	5,184
Small General Service	Coincident Peak	5.2	3.9	3.6	2.1	2.1	3.6	3.5	3.6	3.7	3.4	3.6	4.1	42.6	42,564	3,547
Medium General Service	Coincident Peak	26.3	22.7	18.5	16.1	11.3	21.8	22.8	20.9	21.1	18.0	17.7	23.5	240.7	240,734	20,061
Large General Service	Coincident Peak	34.8	34.3	31.2	32.1	30.4	42.6	43.9	40.3	40.3	32.8	30.8	37.9	431.4	431,385	35,949
Industrial Power - Primary	Coincident Peak	18.0	16.5	17.4	17.6	18.5	17.6	19.2	18.7	18.4	17.6	18.5	16.4	214.3	214,286	17,857
Industrial Power - Transmission	Coincident Peak	101.4	100.5	95.6	97.5	100.3	96.8	98.9	106.5	110.0	100.2	99.3	91.8	1198.9	1,198,875	99,906
Lighting	Coincident Peak	0.7	0.7	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.7	0.7	0.7	4.9	4,900	408
Losses & Unaccounted		-1.2	-9.4	-11.7	-1.6	16.8	13.3	5.6	7.5	7.5	15.2	16.9	16.0	74.8	74,781	
Losses & Unaccounted %		-0.3%	-2.3%	-3.1%	-0.5%	5.9%	3.9%	1.6%	2.2%	2.2%	4.6%	4.2%	3.6%	0.2	220	
															4,312,966	

Kingsport Power Company
Twelve Months Ended Billed December 2008
Energy Allocation Support - Metered KWH

TARIFF CODE	TARIFF	REVENUE	FUEL CLAUSE	REVENUE EXCL FUEL CLAUSE	METERED KWH	OFF PK KWH	BILLING DEMAND	# OF CUST INCL	# OF CUST EXCL	# OF LAMPS	REALIZATION INCL FUEL	REALIZATION EXCL FUEL
11	RS-LMWH	41,134.93	4,106.49	37,028.44	775,432	0	244.8	34	0	0	5.30	4.78
15	RS	41,795,384.27	4,108,553.82	37,686,830.45	733,959,033	0	13,197.4	40,855	0	0	5.69	5.13
18	RS EMP	101,382.46	11,342.69	90,039.77	2,051,794	0	0.0	95	0	0	4.94	4.39
51	RSW-LM-EM	1,976.28	223.47	1,752.81	42,250	0	0.0	2	0	0	4.68	4.15
93	OL 7000	54,643.83	0.00	54,643.83	426,629	0	0.0	0	457	497	12.80	12.80
94	9500 HPS	246,610.58	0.00	246,610.58	1,353,819	0	0.0	0	2,347	2,818	18.22	18.22
95	OL 20000	10,871.83	0.00	10,871.83	108,458	0	0.0	0	34	58	10.02	10.02
97	22000 HPS	88,429.81	0.00	88,429.81	622,921	0	0.0	0	391	618	14.20	14.20
103	27500SVPT	509.35	0.00	509.35	1,676	0	0.0	0	0	1	30.39	30.39
107	22000HPSF	61,839.79	0.00	61,839.79	409,223	0	0.0	0	230	405	15.11	15.11
109	50000HPSF	7,967.69	0.00	7,967.89	76,527	0	0.0	0	14	39	10.41	10.41
110	17000 MH	8,710.35	0.00	8,710.35	64,465	0	0.0	0	29	54	13.51	13.51
111	9500HPSPT	46,920.77	0.00	46,920.77	150,885	0	0.0	0	64	316	31.10	31.10
115	9500 HPSF	12,472.03	0.00	12,472.03	53,979	0	0.0	0	78	113	23.11	23.11
116	28800 MH	114,710.87	0.00	114,710.67	1,024,975	0	0.0	0	188	544	11.19	11.19
122	16000SVPT	3,663.48	0.00	3,663.46	6,336	0	0.0	0	4	9	57.82	57.82
124	50000SVPF	552.12	0.00	552.12	2,720	0	0.0	0	0	1	20.30	20.30
126	36000MHPF	2,957.00	0.00	2,957.00	11,341	0	0.0	0	4	6	26.07	26.07
208	EHG	1,758,139.53	152,511.19	1,605,628.34	26,764,471	0	119,924.4	518	0	0	6.57	6.00
209	EHG MIN	365,815.38	29,412.84	336,402.54	5,550,163	0	25,081.7	142	0	0	6.59	6.06
221	CS	693,291.16	56,335.80	636,955.36	9,989,080	0	57,139.3	189	0	0	6.94	6.38
229	MGS TODON	40,483.70	3,641.06	36,842.64	626,755	300,371	0.0	4	0	0	6.46	5.88
231	SGS FIXED	1,645,708.49	113,401.30	1,532,307.19	19,617,439	0	22,190.1	3,165	0	0	6.39	7.81
232	SGS MEAS	195,224.43	14,669.82	180,554.61	2,572,598	0	8,194.5	259	0	0	7.59	7.02
233	SGS NMTR	20,022.59	1,216.39	16,806.20	213,249	0	0.0	61	0	0	9.39	8.82
235	MGS SEC	7,027,154.87	615,862.43	6,411,292.44	102,942,246	0	392,087.0	1,321	0	0	6.83	6.23
237	MGS PRI	34,640.11	2,655.02	31,985.09	473,485	0	3,479.0	3	0	0	7.32	6.76
240	LGS SEC	12,172,589.31	1,339,967.36	10,832,621.95	227,505,557	0	653,591.0	255	0	0	5.35	4.76
242	LGS M SEC	254,341.56	26,568.61	227,772.95	4,994,400	0	12,725.0	4	0	0	5.09	4.56
244	LGS PRI	1,152,231.62	132,334.71	1,019,896.91	24,653,750	0	80,997.0	10	0	0	4.67	4.14
322	IP PRI	6,205,775.99	917,288.75	5,288,487.24	151,939,200	0	234,811.0	3	0	0	4.08	3.48
324	IP TRAN	32,783,552.60	4,966,536.88	27,817,015.72	845,764,347	0	1,342,091.0	4	0	0	3.88	3.29
523	SL	1,276,437.91	0.00	1,276,437.91	7,426,388	0	0.0	4	0	0	17.19	17.19
640	PS	555,760.24	50,352.73	505,407.51	8,566,106	0	33,167.4	17	0	0	6.49	5.90
641	PS UNITS	59,516.96	6,899.61	52,617.35	1,133,400	0	4,006.8	1	0	0	5.25	4.64
642	PSALL E	1,160,079.35	131,713.14	1,028,366.21	23,362,000	0	80,858.5	16	0	0	4.97	4.40

Kingsport Power Company
One Month Ended Billed December 2008
Customer Support - # of Cust Incl.

TARIFF CODE	TARIFF	REVENUE	FUEL CLAUSE	REVENUE EXCL FUEL CLAUSE	METERED KWH	OFF PK KWH	BILLING DEMAND	# OF CUST INCL	# OF CUST EXCL	# OF LAMPS	REALIZATION	
											INCL FUEL	EXCL FUEL
11	RS-LMWH	5,320.42	851.82	4,468.60	94,632	0	24.2	35	0	0	5.62	4.72
15	RS	5,291,609.79	810,515.14	4,481,094.65	90,043,831	0	1,223.5	41,010	0	0	5.88	4.98
18	RS EMP	12,424.40	2,162.79	10,261.61	240,395	0	0.0	99	0	0	5.17	4.27
51	RSW-LM-EM	264.13	47.81	216.32	5,314	0	0.0	2	0	0	4.97	4.07
93	OL 7000	4,479.64	0.00	4,479.64	44,716	0	0.0	0	449	487	10.02	10.02
94	9500 HPS	20,689.96	0.00	20,689.96	146,182	0	0.0	0	2,380	2,820	14.15	14.15
95	OL 20000	873.60	0.00	873.60	11,191	0	0.0	0	33	56	7.81	7.81
67	22000 HPS	7,468.36	0.00	7,468.36	67,190	0	0.0	0	397	626	11.12	11.12
103	27500SVPT	145.53	0.00	145.53	528	0	0.0	0	1	4	27.56	27.56
107	22000HPSF	5,150.70	0.00	5,150.70	43,541	0	0.0	0	228	404	11.83	11.83
109	50000HPSF	678.64	0.00	678.64	8,346	0	0.0	0	14	39	8.13	8.13
110	17000 MH	695.14	0.00	695.14	6,628	0	0.0	0	29	52	10.49	10.49
111	9500HPSPT	3,813.68	0.00	3,813.68	16,172	0	0.0	0	57	311	23.58	23.58
115	9500 HPSF	1,002.41	0.00	1,002.41	5,616	0	0.0	0	75	106	17.85	17.85
116	28800 MH	9,515.23	0.00	9,515.23	109,304	0	0.0	0	164	538	8.71	8.71
122	16000SVPT	305.29	0.00	305.29	675	0	0.0	0	4	9	45.23	45.23
124	50000SVPF	157.75	0.00	157.75	856	0	0.0	0	1	4	18.43	18.43
126	36000MHPF	247.22	0.00	247.22	948	0	0.0	0	4	6	26.08	26.08
208	EHG	174,415.83	23,492.86	150,922.77	2,537,580	0	11,300.1	514	0	0	6.87	5.95
209	EHG MIN	45,104.60	6,161.33	38,943.27	669,169	0	2,498.9	141	0	0	6.74	5.82
221	CS	74,736.31	9,854.23	64,882.08	1,030,350	0	5,203.0	188	0	0	7.25	6.30
229	MGS TODON	4,054.39	545.43	3,508.96	60,744	30,379	0.0	5	0	0	6.67	5.76
231	SGS FIXED	166,243.14	18,108.72	148,134.42	1,994,932	0	2,004.9	3,187	0	0	8.33	7.43
232	SGS MEAS	19,219.38	2,327.63	16,891.75	248,460	0	733.6	257	0	0	7.74	6.80
233	SGS NMTR	1,693.72	157.18	1,536.54	17,065	0	0.0	62	0	0	9.93	9.00
235	MGS SEC	665,679.09	88,505.59	577,173.50	9,400,137	0	34,289.0	1,317	0	0	7.08	6.14
237	MGS PRI	3,167.48	394.32	2,773.16	43,830	0	198.0	3	0	0	7.23	6.33
240	LGS SEC	1,102,694.45	189,156.24	913,538.21	19,676,518	0	51,844.0	247	0	0	5.60	4.64
242	LGS M SEC	27,276.55	5,332.26	21,944.29	484,000	0	1,233.0	4	0	0	5.64	4.53
244	LGS PRI	106,559.40	17,687.61	88,871.79	1,854,250	0	7,596.0	10	0	0	5.75	4.79
322	IP PRI	569,775.23	117,918.88	451,856.35	13,107,050	0	19,854.0	3	0	0	4.35	3.45
324	IP TRAN	2,730,290.95	614,443.65	2,115,647.30	60,844,765	0	108,304.0	4	0	0	4.49	3.48
523	SL	108,242.25	0.00	108,242.25	803,093	0	0.0	4	0	0	13.48	13.48
640	PS	52,989.30	7,551.33	45,437.97	771,576	0	2,786.0	17	0	0	6.87	5.99
641	PS UNITS	5,504.45	696.06	4,808.39	99,600	0	346.2	1	0	0	5.53	4.63
642	PSALL E	131,937.67	23,279.92	108,657.75	2,472,203	0	6,509.1	16	0	0	5.34	4.40

EXHIBIT C

(Comparison of 2007 and 2008)

Kingsport Power Company
Calculation of Customer Totals
Purchase Power Adjustment

	December 2007 Customer Totals	December 2008 Customer Totals	**Difference #**
Residential	41,038	41,146	108
SGS	3,492	3,506	14
MGS	1,296	1,325	29
LGS - Sec	301	251	(50)
LGS - Pri	10	10	-
Total LGS	311	261	(50)
IP - Pri	3	3	-
IP - Tran	4	4	-
Total IP	7	7	-
EHG	677	655	(22)
CS	193	188	(5)
PS	37	34	(3)
OL		-	-
Total	47,051	47,122	

Kingsport Power Company
Calculation of Customer Totals
Purchase Power Adjustment

Demand Allocation Factors

	2007 Loss Adjusted Load	2007 Allocation Factor	2008 Loss Adjusted Load	2008 Allocation Factor	**Difference**
Residential	156,716	44.76%	179,334	47.82%	3.06%
SGS	3,489	1.00%	3,769	1.00%	0.01%
MGS	17,889	5.11%	21,318	5.68%	0.58%
LGS - Sec	36,359	10.38%	34,539	9.21%	-1.17%
LGS - Pri	4,360	1.25%	3,561	0.95%	-0.30%
Total LGS	40,719	11.63%	38,100	10.16%	-1.47%
IP - Pri	17,240	4.92%	18,453	4.92%	0.00%
IP - Tran	99,473	28.41%	99,906	26.64%	-1.77%
Total IP	116,712	33.33%	118,359	31.56%	-1.77%
EHG	6,427	1.84%	5,834	1.56%	-0.28%
CS	2,127	0.61%	2,392	0.64%	0.03%
PS	5,687	1.62%	5,509	1.47%	-0.16%
OL	390	0.11%	434	0.12%	0.00%
Total	350,155	100%	375,051	100%	

Kingsport Power Company
Calculation of Customer Totals
Purchase Power Adjustment

Energy Allocation Factors

	2007 Loss Adjusted Load	2007 Allocation Factor	2008 Loss Adjusted Load	2008 Allocation Factor	**Difference**
Residential	797,167,164	34.79%	780,161,394	34.35%	-0.44%
SGS	22,571,561	0.99%	23,720,823	1.04%	0.06%
MGS	96,156,447	4.20%	110,161,225	4.85%	0.65%
LGS - Sec	255,359,763	11.14%	246,173,279	10.84%	-0.31%
LGS - Pri	30,463,011	1.33%	25,253,576	1.11%	-0.22%
Total LGS	285,822,774	12.47%	271,426,855	11.95%	-0.52%
IP - Pri	149,539,222	6.53%	155,635,881	6.85%	0.33%
IP - Tran	854,316,608	37.28%	845,764,347	37.24%	-0.05%
Total IP	1,003,855,830	43.81%	1,001,400,228	44.09%	0.28%
EHG	35,384,124	1.54%	34,215,058	1.51%	-0.04%
CS	10,849,084	0.47%	10,576,538	0.47%	-0.01%
PS	34,927,152	1.52%	35,005,855	1.54%	0.02%
OL	4,582,946	0.20%	4,567,869	0.20%	0.00%
Total	2,291,317,082	100%	2,271,235,845	100%	

EXHIBIT D

(Notice to Public)

KINGSPORT POWER COMPANY
NOTICE TO PUBLIC

Kingsport Power Company, d/b/a AEP Appalachian Power ("Kingsport"), hereby gives notice that on November 13, 2009 it made a tariff filing with the Tennessee Regulatory Authority ("TRA") relative to changes in Kingsport's Purchased Power Adjustment Rider ("PPAR") surcharges. The PPAR authorizes Kingsport, upon no less than 30-days notice, to apply a surcharge to all customer bills rendered by it to allow for changes in the non-fuel cost of purchased power from Kingsport's wholesale power supplier, under rate schedules implemented by the Federal Energy Regulatory Commission ("FERC"). Changes in fuel costs associated with power from Kingsport's wholesale supplier would continue to be reflected in Kingsport's fuel adjustment clause. Kingsport's current tariffs, and its filing regarding changes to its PPAR surcharges, are on file with the TRA at 460 James Robertson Parkway, Nashville, Tennessee, and in the office of Kingsport Power Company, 420 Riverport Road, Kingsport, Tennessee, and are available for public inspection.

On December 2, 2008, the FERC accepted for filing, effective January 1, 2009, an Amended and Restated Interconnection Agreement ("Agreement") between Appalachian Power Company ("APCo") and Kingsport, which APCo designated as Appalachian Power Company First Revised FERC Rate Schedule No. 23 ("Revised Rate Schedule 23"). Revised Rate Schedule 23 provides for three annual step increases in APCo's generation rates to Kingsport, as of January 1, 2009, 2010 and 2011, and changes in FERC-approved charges for transmission services. Following a public hearing on December 15, 2008, the TRA approved Kingsport's current PPAR, which includes surcharges designed to recover the January 1, 2009 increases in Kingsport's non-fuel purchased power charges implemented by the FERC.

Pursuant to Revised Rate Schedule 23, Kingsport's non-fuel cost of purchased power will increase on January 1, 2010. In its November 13, 2009 tariff filing with the TRA, Kingsport provided new PPAR surcharges, calculated in accordance with the provisions of its PPAR, to recover these increased purchased power costs. The surcharges to be applied to customer bills beginning January 1, 2010, would result in average increases of 5.7% for residential customers, 5.5% for general service customers, and 5.1% for industrial customers.