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PLEASE RESPOND TO: KINGSPORT OFFICE

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March 15, 2010 VIA EMAIL & FEDEX

AMEP/Z.85308

ATTN: Sharla Dillon, Dockets & Records Manager
Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re:

Petition of Kingsport Power Company d/b/a AEP Appalachian Power for Permission to Recoup Increased Inspection Fees;

Docket No.: 10-00037

B, SMITH & DAVIS, LLP

## Dear Chairman Kyle:

Attached please find the *revised* Exhibit C - Notice to the Public, along with four copies for filing in the captioned docket.

If you have any questions, please do not hesitate to contact the writer.

Very sincerely yours,

Wittiam C. Bovender

WCB/slb

Enclosures

Sara Kyle, Chairman Page 2 March 15, 2010

cc: Cynthia E. Kinser, Esq. (w/enc.)

James R. Bacha, Esq. (w/enc. via email) William A. Bosta (w/enc. via email) Gary Simmons (w/enc. via email)

## KINGSPORT POWER C OMPANY NOTICE TO THE PUBLIC

In compliance with Tennessee Regulatory Authority ("TRA") rules, Kingsport Power Company, d/b/a AEP Appalachian Power ("Kingsport"), hereby gives notice that on March 12, 2010, it filed a notice with the TRA relative to its Tennessee Inspection Fee Surcharge.

Effective June 17, 2009, the amount of the inspection fee paid by Kingsport increased pursuant to Public Chapter No. 531. T.C.A. 65-4-303 permits Kingsport to recover this increase through a line item surcharge on consumers' bills or other mechanism approved by the TRA.

Kingsport estimates its increased Tennessee Inspection Fee liability to be \$291,000 greater than what will be collected through its base rates; therefore, Kingsport proposes to recover this incremental increase by applying a surcharge of 0.2% times a customer's total bill. This Tennessee Inspection Fee Surcharge will become effective April 15, 2010 on a 'service rendered' basis.

Kingsport anticipates that the Tennessee Inspection Fee Rider will be considered during the TRA's April 12, 2010 conference to be held at the TRA's offices at 460 James Robertson Parkway, Nashville, Tennessee.