

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

In Re:

filed electronically in docket office
on 07/25/12

**PETITION OF KINGSPORT POWER KGPCO
FOR APPROVAL OF DEMAND RESPONSE
PROGRAMS AND ASSOCIATED DEMAND
RESPONSE TARIFFS**

DOCKET No. 12-00012

In Re:

**PETITION OF ENERNOC, INC. AND AIR
PRODUCTS AND CHEMICALS, INC., FOR
EXPEDITED REVIEW TO ALLOW CERTAIN
END USE CUSTOMERS OF KINGSPORT
POWER KGPCO TO PARTICIPATE IN PJM
INTERCONNECTION DEMAND RESPONSE
PROGRAMS**

DOCKET No. 12-00026

**RESPONSES OF DEMAND RESPONSE PARTNERS, INC. TO KINGSPORT POWER
KGPCO D/B/A AEP APPALACHIAN POWER'S INTERROGATORIES (FIRST SET).**

Demand Response Partners, Inc., ("DRP") provides the following responses and objections to the first set of Interrogatories of the Kingsport Power KgPCo d/b/a AEP Appalachian Power ("KgPCo"), pursuant to the Tennessee Rules of Civil Procedure.

GENERAL OBJECTIONS

1. DRP objects to the interrogatories as improper, overbroad, and unduly burdensome to the extent that they attempt to impose on DRP a burden or obligation greater than that required by the Tennessee Rules of Civil Procedure and applicable statutes and Tennessee Regulatory Authority regulations governing contested case hearings.
2. DRP objects to the discovery requests as improper, overbroad, and unduly burdensome to the extent that they call for information which is protected from disclosure by the attorney-client privilege, the attorney work product doctrine or any other applicable privilege or protection. DRP objects to the KgPCo's discovery requests to the extent that the KgPCo is attempting to impose on DRP obligations with regard to identification of privileged documents beyond those required by the Tennessee Rules of Civil Procedure and applicable statutes and Tennessee Regulatory Authority regulations governing contested case hearings.

3. DRP objects to the KgPCo's discovery requests as improper, overbroad, and unduly burdensome to the extent that they seek information to matters not at issue in this litigation or to the extent they are not reasonably calculated to lead to the discovery of admissible evidence. By providing information in response to these requests, DRP does not concede that such information is relevant, material or admissible in evidence. DRP reserves all rights to object to the use of such information as evidence.
4. DRP objects to the KgPCo's discovery requests as improper, overbroad, and unduly burdensome to the extent that the KgPCo is attempting to impose on DRP obligations to supplement its responses beyond those required by the Tennessee Rules of Civil Procedure and applicable statutes and Tennessee Regulatory Authority regulations governing contested case hearings.
5. DRP objects to the KgPCo's discovery requests to the extent that the KgPCo is attempting to require DRP to provide information beyond what is in its possession, custody or control as that phrase is used in the Tennessee Rules of Civil Procedure and applicable statutes and Tennessee Regulatory Authority regulations governing contested case hearings.
6. DRP objects to the KgPCo's discovery requests to the extent that they seek information readily available through public sources or is in the KgPCo's own possession, custody or control. It is unduly burdensome and oppressive to require DRP to respond or produce documents that are equally or more available to the KgPCo.
7. DRP objects to the discovery requests to the extent that they contain vague and ambiguous terms.
8. DRP objects to the production of any documents prepared by it subsequent to the filing of this litigation or contested case.
9. DRP's objections and responses to these requests are based on information now known to it. DRP reserves the right to amend, modify or supplement its objections and responses if it learns of new information.

RESPONSES AND ADDITIONAL OBJECTIONS TO SPECIFIC DISCOVERY REQUESTS

Subject to and without waiving any of the objections stated above, DRP responds to the specific discovery requests as follows:

1. **Provide a detailed description of your qualifications to offer demand-response programs. Such description should:**
 - a. **Specify when your Company began providing demand-response services to retail end-users;**

- b. Describe your capabilities and qualifications for identifying demand- response opportunities;**
- c. Describe your capabilities and qualifications for installing and maintaining demand-response equipment including disclosing the number of employees/contractors engaged in such activities broken down into areas of expertise;**
- d. Describe how you coordinate communications between your demand- response customers and PJM Interconnection, LLC;**
- e. Describe the specific services you offer to customers in the KgPCo service territory;**
- f. Describe what penalties exist for non-performance by either you or your customers when the level of curtailments achieved are below the contracted amount;**
- g. Disclose the names, addresses and amount of contracted capacity for demand-response of each of your current customers located in the KgPCo service territory.**

General and Specific Responses to Interrogatories 1-a to 1-g

DRP specifically objects to Interrogatories 1-a to 1-g as seeking information a) beyond the scope intended for interrogatory requests, b) the information requested by this interrogatory is beyond the scope of this proceeding and therefore is not reasonably calculated to lead to the discovery of admissible evidence, c) the information requested seeks proprietary and confidential information seeking competitive advantage and is not reasonably calculated to lead to the discovery of admissible evidence, and d) addresses issues not raised by the Petitions. Without waiving the foregoing objections or any general objection or these specific objections, the following additional responses are offered

DRP has been providing demand response services in PJM since 2009. DRP does not have any current customers in nor is currently offering demand response services to customers in the KgPCo service territory. DRP has the technical expertise and a successful record of providing these services, however since KgPCo is not responsible for regulating our activities in this market these questions are outside the scope of this case.

- 2. Describe all steps your Company is taking to assure its programs are effective, reliable, and verifiable with respect to your customers in the KgPCo service territory.**

Response

DRP does not have any current customers within the service territory of KgPCo.

- 3. What are your qualifications to provide demand-response services in Tennessee?**

Response

DRP objects to the request as improper, overbroad, and unduly burdensome to the extent that the qualifications of DRP to provide demand-response services in Tennessee are beyond the scope of the Petitions and therefore requests information not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections or any general objection, DRP is a registered and qualified PJM Curtailment Service Provider.

4. For the PJM planning years beginning in 2006 through May 31, 2016, how many megawatts of demand response capacity (per month or per year) from your customers in KgPCo service territory did your Company bid into each years respective RPM Auctions?

Response

DRP objects to the request as improper, overbroad, and unduly burdensome to the extent that it seeks competitive information and confidential proprietary information beyond the scope of the Petitions and therefore requests information not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections or any general objection, DRP offers capacity into the PJM RPM auctions by utility zone based on what we expect our portfolio of resources to be able to deliver in that zone for the auctions applicable delivery year. DRP does not offer a customer's participation in a PJM RPM auction. DRP relies on the commitment of customers to meet compliance with DRP's RPM obligations. KgPCo falls within the large AEP zone. DRP's past single customer in KgPCo had minimal impact on our forecasted resource position for the AEP zone and our detailed auction strategy is confidential and sensitive competitive information beyond the scope of this case.

5. With respect to each such year referenced in Interrogatory No. 4, how many megawatts (per month or per year) were cleared in the respective auction in total, and from your customers in the KgPCo's service territory?

Response

See answer to Interrogatory No.4.

6. With respect to each such year referenced in Interrogatory No. 4, how many megawatts (per month or per year) did you have under contract in total and with your customers in the KgPCo service territory?

Response

See answer to Interrogatory No.4.

7. What is the average payment per megawatt (per month or per year) of promised load reduction that your Company, pursuant to contracts with KgPCo customers:

- a. Paid to KgPCo customers during the 2010-2011 and 2011-2012 PJM delivery years;**
- b. Will pay during the 2012-2013 delivery year; and**

c. Will pay in any future years you are contractually bound for?

Response

DRP objects to the request as improper, overbroad, and unduly burdensome to the extent that it seeks competitive information and confidential proprietary information beyond the scope of the Petitions and therefore requests information not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections or any general objection, DRP does not have any contracts with KgPCo customers for the current 2012-2013 delivery year or any future years.

8. For the period June 1, 2009 — to the present, please describe in detail the number of events where KgPCo customers were called upon to perform in accordance with the contractual DR Program, including but not limited to, the date and time of the event as well as the aggregate KgPCo customer performance relative to each event.

Response

DRP objects to the request as improper, overbroad, and unduly burdensome to the extent that it seeks competitive information and confidential proprietary information beyond the scope of the Petitions and therefore requests information not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections or any general objection, DRP customers are subject to any and all load reduction events called by PJM. PJM provides the history of activation of load reduction events on their website, which is public information already available to KgPCo. The customer performance in these events is confidential and beyond the scope of this agreement.

9. Per the PJM demand response program rules, your Company must perform a test to determine if its customers in the KgPCo service territory are prepared to curtail if necessary. Please provide the results of any tests and describe in detail how your Company has conducted or will conduct the tests.

Response

DRP objects to the request as improper, overbroad, and unduly burdensome to the extent that it seeks competitive information and confidential proprietary information beyond the scope of the Petitions and therefore requests information not reasonably calculated to lead to the discovery of admissible evidence. Further, the customer test results are the confidential property of the non-party customer and therefore not subject to disclosure. Without waiving the foregoing objections or any general objection, DRP conducts the tests in accordance to the PJM tariff and manual requirements. The customer performance in these tests is confidential and beyond the scope of this proceeding.

10. Detail the steps your Company needed to take in order to become a member of PJM, particularly with regard to showing of technical and financial fitness to participate as a demand response provider.

Response

DRP objects to the request as improper, overbroad, and unduly burdensome to the extent that it seeks information beyond the scope of the Petitions and therefore requests information not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections or any general objection, PJM details the steps and qualifications required to become a Curtailment Service Provider on their website and in their tariff, which is public information already available to KgPCo. DRP as with all Curtailment Service providers was required to follow the same process.

11. Provide details to support how your Company has responded to the February 24, 2012 FERC order in Docket No. ER11-3322-001.

Response

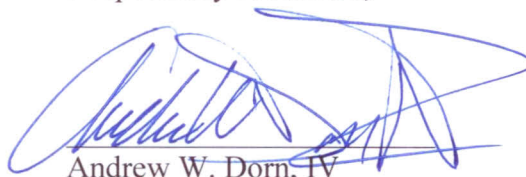
DRP objects to the request to the extent that it implies a legal obligation on behalf of DRP to respond to the February 24, 2012 FERC order in Docket No. ER11-3322-001. Notwithstanding this objection, DRP was not required to specifically respond to this FERC order. As it always has DRP continues to be in compliance with all PJM tariffs and FERC orders including this FERC order.

12. If applicable, whether any of your customers within KgPCo's territory has contractually committed load to the PJM program beyond May 31, 2013.

Response

DRP objects to the request as improper, overbroad, and unduly burdensome to the extent that it seeks competitive information and confidential proprietary information beyond the scope of the Petitions and therefore requests information not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections or any general objection, DRP states the question is not applicable.

Respectfully submitted,



Andrew W. Dorn, IV
President
Demand Response Partners, Inc.