

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

In Re:

filed electronically in docket
office on 07/25/12

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

DOCKET No. 12-00012

In Re:

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

DOCKET No. 12-00026

**AIR PRODUCTS AND CHEMICALS, INC.'S RESPONSES TO
INTERROGATORIES AND REQUESTS FOR PRODUCTION
PROPOUNDED BY KINGSPORT POWER COMPANY**

Comes Air Products and Chemicals, Inc. ("Air Products") and for its responses to the interrogatories and requests for production propounded by Kingsport Power Company ("KgPCo") in the above-referenced dockets states as follows:

GENERAL OBJECTION

Air Products objects to the overly broad and non-defined scope of KgPCo's interrogatories and requests for production. Specifically and without limitation, Air Products objects to the extent any interrogatories and requests for production could be read to apply to facilities located, or demand response services provided, outside of the KgPCo service territory.

Moreover, Air Products reserves the right to object by way of Motion in Limine and/or at the hearing on these combined dockets to the interrogatories and requests for production, and/or use of these responses, as necessary.

Subject to these objections and reservations, Air Products responds as follows:

INTERROGATORIES

1. When did Air Products and Chemicals, Inc. first begin utilizing demand-response services from curtailment service providers (“CSP”) in the KgPCo service territory?

ANSWER: To date, Air Products has not used demand response services from any CSP in the KgPCo service territory.

2. Provide in detail the identities (names and addresses) of all CSP’s utilized by Air Products and Chemicals, Inc., from the date disclosed in Interrogatory No. 1 to the present, and supply the dates said CSP provided such services to Air Products and Chemicals, Inc.

ANSWER: See response to Interrogatory No. 1.

3. Describe in detail every service provided by the CSP(s) listed in response to Interrogatory No. 2.

ANSWER: See response to Interrogatory No. 1.

4. Is Air Products and Chemicals, Inc., responsible for paying any out-of-pocket penalties for its failure to comply with the contractual obligations of any Demand Response program(s) within the KgPCo.’s service territory?

ANSWER: No. See response to Interrogatory No. 1.

5. Relative to Air Products and Chemicals, Inc.’s CSP contract(s) for committed load reduction, provide the following information:

a. The average payment per megawatt (per month or per year) paid to you

during the 2010-2011 and 2011-2012 PJM delivery years.

b. The average payment anticipated for the 2012-2013, 2013-2014 and 2014-2015 PJM delivery years.

ANSWER: Not applicable. See response to Interrogatory No. 1.

6. For the period June 1, 2009 to the present, describe in detail the number of curtailments Air Products and Chemicals, Inc., was called upon to perform in accordance with its contract with its CSP, including, but not limited to, the date and time of curtailment.

ANSWER: Not applicable. See response to Interrogatory No. 1.

7. When did Air Products and Chemicals, Inc., first become aware that it was required to receive approval from the Tennessee Regulatory Authority to participate in any demand response program because it receives services from an electric distribution company which delivers 4 million MWh or less per fiscal year?

ANSWER: Air Products objects to Interrogatory No. 7 because it requests a legal conclusion. Subject to and without waiving this objection, Air Products is not aware that such approval from the Tennessee Regulatory Authority is required in order to participate in PJM demand response programs.

REQUESTS FOR PRODUCTION

1. Produce copies of all current contracts between Air Products and Chemicals, Inc., and any curtailment service provider ("CSP") covering any Air Products and Chemicals, Inc., facility located within the service territory of KgPCo.

RESPONSE: Air Products currently has no contracts in place with any CSP for demand-response activities in the KgPCo service territory.

2. Produce records of all demand response service curtailments experienced by Air

Products and Chemicals, Inc., at any facility/site within the KgPCo service territory for the period 2006-to the present.

RESPONSE: Not applicable. See response to Interrogatory No. 1.

3. Produce all financial records which disclose the financial cost/benefit received by Air Products and Chemicals, Inc., as a result of participation in any PJM Demand-Response program, either directly, or through a CSP, for the period 2006-to the present (in the KgPCo service territory).

RESPONSE: Not applicable. See response to Interrogatory No. 1.

4. Produce copies of all contracts between Air Products and Chemicals, Inc., and any CSP covering any Air Products and Chemicals, Inc., facility located within the service territory of KgPCo that were in effect during the six (6) years prior to the current contract(s) requested in Request No. 1.

RESPONSE: Not applicable. See response to Interrogatory No. 1.

5. Produce copies of all correspondence between Air Products and Chemicals, Inc., and any CSP it has done business with during the period 2006-present, concerning, in any manner, the FERC rules and the Open Access Transmission Tariff of PJM Interconnection, LLC, requirement that an end-user customer which receives service from an electric distribution company which delivers 4 million MWh or less per fiscal year, must receive approval from the “Relevant Electrical Regulatory Authority” in order to participate in any demand response program.

RESPONSE: None. See response to Interrogatory No. 1.

Respectfully submitted,

I hereby certify that the answers provided are true and accurate to the best of my knowledge and belief.

By: Rozn Y. Pitt
Name

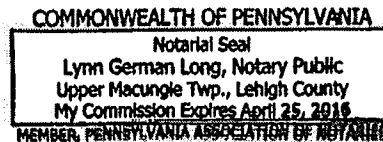
Its: Senior Energy Manager

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH

Sworn and subscribed to me this 24th day of July, 2012.

Lynn German Long
Notary Public

My Commission Expires: 4/25/2016.



As to objections:

Air Products and Chemicals, Inc.

By Counsel:


A handwritten signature in black ink, appearing to read "Michael J. Quinan", written over a horizontal line.

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Counsel for Air Products and Chemicals, Inc.

CERTIFICATE OF SERVICE

I hereby certify that, on July 25, 2012, the foregoing pleading was served by hand to Mr. Bosta, by overnight delivery service to all others (for delivery on 7/26/12), and by e-mail to all parties of record at their addresses shown below.

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