

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

In Re:

**PETITION OF KINGSPORT POWER COMPANY
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 COMPANY TO PARTICIPATE IN PJM
INTERCONNECTION DEMAND RESPONSE
PROGRAMS**

DOCKET No. 12-00026

**Redacted Responses of EnerNOC, Inc. to Kingsport Power Company d/b/a AEP
Appalachian Power's Interrogatories (First Set).**

EnerNOC, Inc. ("EnerNOC") provides the following responses to the first set of interrogatories presented by Kingsport Power Company d/b/a AEP Appalachian Power ("KgPCo"). These answers and objections are provided pursuant to the Tennessee Rules of Civil Procedure 26 and 33.

General Objections

1. EnerNOC objects to any request as improper, overbroad, and unduly burdensome to the extent that the request purports to impose upon EnerNOC any obligations broader than those set forth in the TRA's rules or otherwise permitted by law. The rules of discovery require, among other matters, that matters inquired into must be relevant to the subject matter of the proceeding and must appear to be "reasonably calculated to lead to the discovery of admissible evidence."¹
2. EnerNOC objects to these discovery requests as overbroad, and unduly burdensome to the extent that they improperly seek or purport to require the disclosure of information protected by the attorney-client privilege, attorney work-product doctrine or any other

¹ Tenn. R. Civ. Proc. § 26.02, incorporated into the Rules of the Tennessee Regulatory Authority at 1220-1-2-.11 (1).

applicable privilege or doctrine. Such responses as may hereafter be given shall not include any information protected by such privileges or doctrines, and the inadvertent disclosure of such information shall not be deemed as a waiver of any such privilege or doctrine.

3. The objections and responses contained herein and documents produced in response hereto are not intended nor should they be construed to waive EnerNOC's right to object to these requests, responses or documents produced in response hereto, or the subject matter of such requests, responses, or documents, as to their competency, relevancy, materiality, privilege and admissibility as evidence for any purpose, in or at any hearing of this or any other proceeding.
4. EnerNOC objects to these discovery requests to the extent they improperly seek or purport to require the production of documents or information which is neither relevant nor material to the subject matter of the proceeding nor reasonably calculated to lead to the discovery of admissible evidence.
5. EnerNOC objects to these discovery requests insofar as they request the production of documents of information that are publicly available or already in KgPCo's possession, custody or control.
6. EnerNOC objects to each and every data request that seeks to obtain "all," "each" or "any" document to the extent that such requests are overbroad and unduly burdensome and seek information that is neither relevant nor material to the subject matter of this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.
7. EnerNOC objects to these discovery requests to the extent that such requests are not limited to any stated time period or identify a stated period of time that is longer than is relevant for purposes of this docket, as such discovery is unduly broad and overly burdensome.
8. EnerNOC objects to these discovery requests to the extent they are vague, ambiguous, use terms that are subject to multiple interpretations but are not properly defined for purposes of these discovery requests, or otherwise provide no basis from which EnerNOC can determine what information is sought.

Subject to the general objections identified above, EnerNOC supplies the following responses and specific objections:

KgPCo Interrogatory 1-1: 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 are 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.

EnerNOC's response to 1-1.a:

2003

EnerNOC's response to KgPCo 1-1.b:

Objection: KgPCo's request asks for a narrative description that is beyond the scope intended for interrogatory requests. In addition, the information requested by this interrogatory is beyond the scope of this proceeding and would not be reasonably calculated to lead to the Discovery of admissible evidence. Without waiving the foregoing objections or any general objection, the following additional response is provided:

As of March 31, 2012, EnerNOC managed approximately 8,000 MW of demand response capacity across a commercial, industrial, and institutional customer base of approximately 5,300 accounts and over 12,500 sites throughout multiple electric power grids. EnerNOC works with a wide variety of industries and sub-industries, including the cross-section presented below. These represent examples of business types where we have had repeated success engaging and enabling customers. However, we are constantly adding to this list as we find innovative ways to work with new commercial and industrial customer types.

COMPETITIVELY SENSITIVE CONFIDENTIAL information redacted.

EnerNOC's response to KgPCo 1-1.c:

Objection. EnerNOC objects to this discovery request to the extent that such requests are not limited to any stated time period or location, as such this discovery request is unduly broad and overly burdensome and would not be reasonably calculated to lead to the discovery of admissible evidence. In addition, the information requested by this interrogatory is beyond the scope of this proceeding and again would not be reasonably calculated to lead to the Discovery of admissible evidence. Without waiving the foregoing objections or any general objection the following

response is provided:

EnerNOC has installed and maintained equipment at thousands of customer sites using both employees and contractors. Our Field Operations team is comprised of Project Managers and Site Technicians that is highly adept at identifying curtailable loads and enabling sites with our metering and control equipment. In some cases EnerNOC works with local contract electricians to assist with wiring and other aspects of site installations.

EnerNOC's response to KgPCo 1-1.d:

EnerNOC receives electronic and all-call phone messages each time PJM dispatches "emergency mandatory load management long lead time" (ELRP) events. Our Network Operation Center ("NOC") and our dispatch Platform process PJM's dispatch notifications internally, then broadcast them out to our included customers (by zone) using our broadcast platform. EnerNOC's customers receive dispatch notifications via email, phone, pager, and SMS, and the NOC monitors the receipt of confirmations from each facility.

During the event window, the NOC remotely monitors the electric usage and of each dispatched customer – using the proprietary metering equipment we install at each facility. If a facility isn't curtailing to expectation, a NOC employee may reach out to the facility via phone. When the event ends, PJM notifies EnerNOC and we notify our customers via the same method described above.

EnerNOC's response to KgPCo 1-1.e:

We offer demand response and energy efficiency services, but we do not have any energy efficiency customers.

EnerNOC's response to KgPCo 1-1.f:

Objection. Discovery should not be used for a party to seek public information it can determine independently. Without waiving the foregoing objections or any general objection the following response is provided:

Penalties for Curtailment Service Providers are outlined in the publically available PJM Open Access Transmission Tariff as well as PJM Manual 18. Our customers do not receive any penalties for non-performance.

EnerNOC's response to KgPCo 1-1.g:

The answer to this request includes confidential proprietary information that is COMPETITIVELY SENSITIVE CONFIDENTIAL information. We will make this information available in accordance with the terms of those agreements and to those we have a mutually agreeable protective agreement with that protects the competitively sensitive nature of the documents.

COMPETITIVELY SENSITIVE CONFIDENTIAL information redacted.

KgPCo Interrogatory 1-2: 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 to KgPCo 1-2:

Objection: KgPCo's request is vague (e.g. the word "effective" for whom) and asks for a narrative description that is beyond the scope intended for interrogatory requests. Without waiving the foregoing objections or any general objection, the following additional response is offered.

EnerNOC complies with all PJM rules and regulations and is an approved CSP in PJM.

KgPCo Interrogatory 1-3: What are your qualifications to provide demand-response services in Tennessee?

Response to KgPCo 1-3:

We are an approved CSP in PJM.

KgPCo Interrogatory 1-4: With reference to page 11 of the Schisler testimony, describe how your Company manages its customers' performance risk such that said customers will not have to pay out-of-pocket penalties as a result of poor performance.

Response to KgPCo 1-4: We are compensated by PJM based on the performance of a resource comprised of many customers. We are not compensated by PJM based solely on the performance of any one customer. Therefore, if one customer underperforms, overall resource performance can still be 100% or greater. We therefore do not pass any penalties on to customers. In addition, as discussed as part of the response to KgPCo interrogatory 1-1.d we actively "coach" the customer during events to make sure they are prepared to respond appropriately when called upon.

KgPCo Interrogatory 1-5: For the PJM planning years beginning in 2006 through May 31, 2016, how many megawatts (per month or per year) did your Company bid into the respective RPM Auctions in total, and as to your customers in the KgPCo service territory?

Response to KgPCo 1-5:

Objection. This interrogatory would not be reasonably calculated to lead to the discovery of admissible evidence, and otherwise seeks information which is confidential and proprietary. PJM has well over a dozen separate load zones in 13 states and the District of Columbia and the megawatts bid into those load zones are not relevant to the case before the TRA and will create an undue hardship on EnerNOC because of the time it will take to assemble this information and

the volume of confidential and proprietary information that will be distributed. Most notably, this information is not relevant because CSPs do not offer a specific customer into a PJM RPM auction. CSPs offer and clear MW by zone, and find customers to meet that obligation.

KgPCo Interrogatory 1-6: With respect to each such year referenced in Interrogatory No. 5, how many MW (per month or per year) were accepted in the respective auction in total, and as to your customers in the KgPCo's service territory.

Response to KgPCo 1-6:

See the objection and response to KgPCo Interrogatory 1-5.

KgPCo Interrogatory 1-7: With respect to each such year referenced in Interrogatory No. 5, how many megawatts (per month or per year) did you have under contract in total and as to your customers in the KgPCo service territory?

Response to KgPCo 1-7:

The answer to this request includes confidential proprietary information that is COMPETITIVELY SENSITIVE CONFIDENTIAL INFORMATION. We will make this information available in accordance with the terms of those agreements and to those we have a mutually agreeable protective agreement with that protects the competitively sensitive nature of the documents.

COMPETITIVELY SENSITIVE CONFIDENTIAL information redacted.

KgPCo Interrogatory 1-8: 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 to KgPCo 1-8.a.:

Objection. This interrogatory would not be reasonably calculated to lead to the discovery of admissible evidence, and otherwise seeks information which is confidential and proprietary.

Response to KgPCo 1-8.b.:

Objection. This interrogatory would not be reasonably calculated to lead to the discovery of admissible evidence, and otherwise seeks information which is confidential and proprietary.

Further, one of the inputs to payments is customer performance during audits and events, as well as energy prices during events since customers receive an energy payment when dispatched. Given that the 2012-2013 delivery season is in progress we cannot possibly answer this question.

Response to KgPCo 1-8.c.:

See response to KgPCo 1-8.b.

KgPCo Interrogatory 1-9: 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 to KgPCo 1-9:

The zone that KgPCo is in was not called for an Emergency DR Event from June 1, 2009 through the time the interrogatories were filed by KgPCo.

KgPCo Interrogatory 1-10: 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 to KgPCo 1-10:

The answer to this request includes confidential proprietary information that is COMPETITIVELY SENSITIVE CONFIDENTIAL INFORMATION. We will make this information available in accordance with the terms of those agreements and to those we have a mutually agreeable protective agreement with that protects the competitively sensitive nature of the documents.

COMPETITIVELY SENSITIVE CONFIDENTIAL information redacted.

KgPCo Interrogatory 1-11: 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 to KgPCo 1-11:

Objection. The information requested by this interrogatory would not be reasonably calculated to lead to the discovery of admissible evidence. In addition, discovery should not be used for a party to seek public information it can determine independently. Without waiving the foregoing objections or any general objection the following response is provided:

The PJM enrollment process for new members is outlined on PJM's website at the following links: <http://www.pjm.com/about-pjm/member-services/become-a-member/membership-enrollment.aspx> and <http://www.pjm.com/about-pjm/member-services/member-forms.aspx/>

KgPCo Interrogatory 1-12: Provide details to support how your Company has responded to the February 24, 2012 FERC order in Docket No. ER11-3322-001.

Response to KgPCo 1-12:

Objection. The information requested by this interrogatory would not be reasonably calculated to lead to the discovery of admissible evidence. In addition, discovery should not be used for a party to seek public information it can determine independently. Without waiving the foregoing objections or any general objection the following response is provided:

EnerNOC has not provided any response to the February 24, 2012 order in Docket No. ER11-3322-001. EnerNOC continues to be in compliance with the applicable terms of PJM's tariff and all applicable FERC orders.

KgPCo Interrogatory 1-13: Describe the "energy efficiency services" provided by EnerNOC to the Memphis City School System.

Response to KgPCo 1-13:

Objection. The information requested by this interrogatory would not be reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objection or any general objection the following response is provided:

Please see the following press release as well as case study found attached.

**Memphis City Schools Selects EnerNOC's EfficiencySMART™
Insight to Improve System-Wide Energy Use**

School System Adds Energy Efficiency to its DemandSMART™ Demand Response Participation

BOSTON, MA, August 24, 2011 – EnerNOC, Inc. (NASDAQ: ENOC), a leading provider of energy efficiency applications and solutions for commercial, institutional, and industrial customers, today announced that Memphis City Schools has deployed its EfficiencySMART™ Insight application in order to reduce overall energy consumption across 25 locations. EfficiencySMART Insight leverages real-time energy-use data to identify and prioritize energy savings opportunities, while also offering Memphis City Schools system-wide and school-level visibility into energy usage and spending. Over the course of the initial three-year contract,

EfficiencySMART Insight is expected to provide an estimated five percent annual energy savings for the school system.

“Memphis City Schools is committed to reducing costs across all of our facilities, and energy plays a big role in those efforts,” said Bobby Barlow, Memphis City Schools’ Energy Manager. “By working with EnerNOC, we can manage and reduce our energy use more effectively and create cost savings in the process. Those savings can then be applied directly back to our academic programs and operations.”

EfficiencySMART Insight offers large, multi-site organizations like Memphis City Schools real-time visibility into energy usage and costs across their entire portfolio of facilities. Unlike programs that focus on capital-intensive equipment upgrades, the application allows schools, commercial property, retail outlets, and manufacturers to rapidly identify and harvest a range of low and no-cost energy savings opportunities, reduce energy spikes and related demand charges, optimize energy efficiency investments and strategy, and enhance measurement and verification of ongoing and future energy efficiency projects. EfficiencySMART Insight also enables customers to disseminate real-time alerts and alarms that help avoid potential inefficiencies and minimize payback periods for resource-constrained institutions.

“When funding and staff time are limited, unmanaged energy usage can quickly eat into budgets. EnerNOC’s energy management applications help to keep costs under control so that educators can stay focused on creating a positive learning environment for their students,” said Tim Healy, Chairman and CEO of EnerNOC. “We see demand response and energy efficiency working hand-in-hand, and our existing DemandSMART demand response customers like Memphis City Schools clearly recognize the value of adopting a broader energy management strategy.”

EfficiencySMART Insight is part of the EfficiencySMART suite of applications and services. Designed to deliver energy savings to customers based on their actual energy usage patterns, the suite also includes EfficiencySMART Commissioning, which includes traditional, new building, and persistent commissioning, and EfficiencySMART Services, which offers energy engineering, strategic planning, and project design.

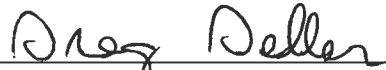
KgPCo Interrogatory 1-14: If applicable, explain whether any of your customers within KgPCo's territory has contractually committed load to the PJM program beyond May 31, 2013.

Response to KgPCo 1-14:

The answer to this request includes confidential proprietary information that is COMPETITIVELY SENSITIVE CONFIDENTIAL information. We will make this information available in accordance with the terms of those agreements and to those we have a mutually agreeable protective agreement with that protects the competitively sensitive nature of the documents.

COMPETITIVELY SENSITIVE CONFIDENTIAL information redacted.

Respectfully Submitted,



Greg Geller

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Representative for EnerNOC, Inc.

CERTIFICATE OF SERVICE

I certify that the foregoing Redacted Responses of EnerNOC, Inc. to Kingsport Power Company d/b/a AEP Appalachian Power's Interrogatories (First Set).has been e-mailed to:

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This 25th day of July, 2012.



Greg Geller

