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December 4, 2012

*VIA FEDEX*

PLEASE RESPOND TO:  
KINGSPORT OFFICE

RECEIVED  
2012 DEC -5 PM 2:45  
TRA DOCKET ROOM

Ms. Sharla Dillon, Docket Room Manager  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

**Re: PETITION OF KINGSPORT POWER COMPANY FOR APPROVAL OF  
DEMAND RESPONSE PROGRAMS AND ASSOCIATED DEMAND  
RESPONSE TARIFFS; TRA Docket No. 12-00012**

**and**

**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; TRA Docket No.: 12-00026**

Dear Ms. Dillon:

We submit herewith the original and thirteen (13) copies of the "form" CAPACITY PURCHASE AND SALE AGREEMENT which is envisioned in the proposed tariff document that is a part of the overall proposed settlement of these combined dockets. We have previously made a JOINT SUBMITTAL OF SETTLEMENT AND TARIFF DOCUMENTS.

THIS AGREEMENT IS MARKED "CONFIDENTIAL" and should be filed by the TRA pursuant to Section 7 of the AMENDED AGREED PROTECTIVE ORDER which reads as follows:

"7. Any papers filed in this proceeding that contain, quote, paraphrase, compile or otherwise disclose documents covered by the terms of this Order, or any information contained therein, shall

December 4, 2012

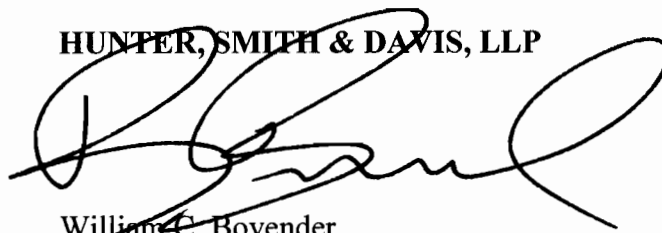
be filed and maintained in the TRA Docket Room in sealed envelopes marked CONFIDENTIAL and labeled to reflect the style of this proceeding, the docket number, the contents of the envelope sufficient to identify its subject matter and this Protective Order. The envelopes shall be maintained in a locked filing cabinet. The envelopes shall not be opened or their contents reviewed by anyone except upon order of the TRA or the Hearing Officer after due notice to counsel of record. Notwithstanding the foregoing, the Directors and the Staff of the TRA may review any paper filed as CONFIDENTIAL without obtaining an order of the TRA or the Hearing Officer provided the Directors and Staff maintain the confidentiality of the paper in accordance with the terms of this Order.”

We respectfully request that the terms and conditions of the Protective Order be adhered to with respect to this confidential contract document.

Should you have any questions, contact the writer.

Very sincerely yours,

**HUNTER, SMITH & DAVIS, LLP**



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Counsel for Kingsport Power Company

Enclosure

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