

RECEIVED

BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

2013 AUG 14 PM 2: 20

T.R.A. DOCKET ROOM

IN RE:

PETITION FOR APPROVAL OF DEMAND RESPONSE
PROGRAM AND ASSOCIATED DEMAND RESPONSE
TARIFFS ON BEHALF OF KINGSPORT POWER COMPANY
D/B/A AEP APPALACHIAN POWER

DOCKET NO.
12-00012

IN RE:

JOINT 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

ANNUAL DEMAND RESPONSE REPORT OF KINGSPORT POWER COMPANY
D/B/A AEP APPALACHIAN POWER

Comes Kingsport Power Company d/b/a AEP Appalachian Power ("KgPCo"), and
submits its Annual Demand Response Report to the Utilities Division Staff of the Tennessee
Regulatory Authority ("TRA"). All correspondence and communications with respect to this
report should be sent to the following on behalf of KgPCo:

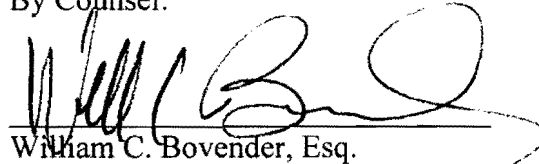
William C. Bovender, Esq.
HUNTER, SMITH & DAVIS, LLP
P. O. Box 3740
Kingsport, TN 37664
Email: bovender@hdsdlaw.com

Mr. William A. Bosta
Director, Regulatory Services VA/TN
Appalachian Power Company
Three James Center
Suite 1100 1051 E. Cary Street
Richmond, VA 23219-4029
Email: wabosta@aep.com

James R. Bacha, Esq.
Hector Garcia, Esq.
American Electric Power Service Corp.
1 Riverside Plaza, 29th Floor
Columbus, OH 43215
Email: jrbacha@aep.com
hgarcia1@aep.com

Respectfully submitted,
**Kingsport Power Company, d/b/a
AEP Appalachian Power**

By Counsel:

A handwritten signature in black ink, appearing to read 'William C. Bovender', is written over a horizontal line.

William C. Bovender, Esq.
HUNTER, SMITH & DAVIS, LLP
P. O. Box 3740
Kingsport, TN 37664
(423) 378-8858
(423) 378-8801 (Fax)

James R. Bacha, Esq.
Hector Garcia, Esq.
American Electric Power Service Corp.
1 Riverside Plaza, 29th Floor
Columbus, OH 43215
(614) 716-3410
(614) 716-1613 (Fax)

Counsel for Kingsport Power Company

**Kingsport Power Company d/b/a AEP Appalachian Power
Annual Demand Response Report to the Utilities Division Staff of the Tennessee
Regulatory Authority**

Pursuant to the TRA's March 4, 2013 Order in Docket Nos. 12-00012 and 12-00026, KgPCo provides the following information for the PJM Delivery Year ending May 31, 2013 ("2012/13 PJM Delivery Year"):

- (1) A list of participating KgPCo customers and the demand response programs they are enrolled in.

Response: Several of KgPCo's industrial customers, utilizing the services of Curtailment Service Providers ("CSP"), were enrolled in PJM demand response programs for the 2012/13 PJM Delivery Year. These enrollments pre-dated the recently approved Settlement Agreement and Tariff RTODR in these dockets and are provided below.

PJM Delivery Year	Customer	DR Program	Part of Tariff RTODR?
2012/13	Air Products and Chemical, Inc.	Emergency DR Full	No
2012/13	Air Products and Chemical, Inc.	Economic	No
2012/13	Domtar Corp.	Emergency DR Full	No
2012/13	Eastman Chemical Co.	Emergency DR Full	No

No KgPCo customers were enrolled in PJM demand response programs during the 2012/13 PJM Delivery Year as part of Tariff RTODR. Also, no customers were enrolled in Tariff PSEDR through December 31, 2012, and no customers to date have been enrolled in Tariff PSDR. However, several KgPCo customers have enrolled through CSPs in PJM demand response programs for the 2013/14 PJM Delivery Year as part of Tariff RTODR.

- (2) The Number of curtailments called.

Response: Only one PJM Emergency Mandatory Load Management Event for the AEP zone long-lead time customer accounts was called and it occurred on July 17, 2012, from 15:08 through 19:05.

- (3) A detailed calculation of the costs incurred and non-compliance payments received.

Response: KgPCo did not incur any costs, nor were any non-compliance payments received, during the 2012/13 PJM Delivery Year.

- (4) A cost/benefit analysis of the Demand Response programs.

Response: Not applicable for the 2012/13 PJM Delivery Year since no KgPCo customers were enrolled in PJM demand response programs as part of Tariffs RTODR, PSDR or PSEDR during that time.