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PLEASE RESPOND TO:
KINGSPORT OFFICE

March 16, 2012

VIA EMAIL & FEDERAL EXPRESS

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

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 TRA Docket No. 12-00012; Responses of Appalachian Power Company to Staff's Data Request No. 1**

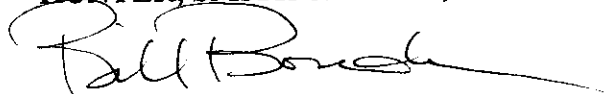
Dear Ms. Dillon:

Enclosed with this letter is Appalachian Power Company's Supplemental Response and Attachment to TRA Staff's Data Request #1-4, for filing in the captioned docket. We will ship the original and four (4) copies via Federal Express for Monday delivery.

If you have any questions, please do not hesitate to contact me.

Very sincerely yours,

HUNTER, SMITH & DAVIS, LLP



William C. Bovender
Counsel for Appalachian Power Company

Enclosures

Ms. Sharla Dillon, Docket Room Manager

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March 16, 2012

c: David Foster, Chief – Utilities Division (via email)
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Edward L. Petrini, Esq. (via email)
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**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**

TRA Docket No. 12-00012

**Supplemental Response of Appalachian Power Company to Staff's Data
Request No. 1**

TRA Data Request 1-4: Provide any reports submitted to the Indiana or Virginia Commissions regarding updates of the demand response programs.

Response TRA 1-4: As of the date of this response, no reports have been submitted to either the Indiana or the Virginia Commissions. A report is scheduled to be filed with the Indiana Commission by March 15th. This response will be supplemented with a copy of that report when it becomes available

Supplemental Response 3-16-12:

See TRA 1-4, Supplemental Attachment 1. Consistent with the original response to TRA 1-4, the Company is providing a copy of the report that was filed with the Indiana Commission on March 15, 2012.

STATE OF INDIANA

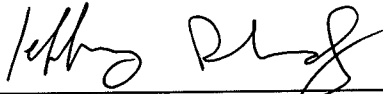
INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE COMMISSION'S)
INVESTIGATION INTO ANY AND ALL)
MATTERS RELATED TO COMMISSION)
APPROVAL OF PARTICIPATION BY INDIANA) **CAUSE NO. 43566**
END-USE CUSTOMERS IN DEMAND)
RESPONSE PROGRAMS OFFERED BY THE)
MIDWEST ISO AND PJM INTERCONNECTION)

**RESPONDENT INDIANA MICHIGAN POWER COMPANY'S
SUBMISSION OF DEMAND RESPONSE ANNUAL REPORT**

Respondent, Indiana Michigan Power Company ("I&M"), by counsel, hereby submits the attached Demand Response Annual Report in compliance with the Indiana Utility Regulatory Commission's ("Commission") Order in this Cause dated July 28, 2010.

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served by email transmission to:

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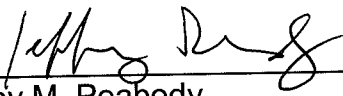
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Dated this 15th day of March, 2012.



Jeffrey M. Peabody

INDIANA MICHIGAN POWER COMPANY
INDIANA UTILITY REGULATORY COMMISSION
2011 DEMAND RESPONSE ANNUAL REPORT
CAUSE NO. 43566

TRA 1-4
Supplemental Attachment 1
Page 5 of 6

Pursuant to the Commission's July 28, 2010 Order in Cause No. 43566, I&M provides the following information for calendar year 2011:

(1) The number and size of customers participating in the utility's RTO demand response tariff(s) or rider(s);

Response: I&M has a total of 6 medium sized commercial and industrial customers comprised of 15 individual electric accounts participating.

(2) The particular RTO demand response program or provision in which customers are participating and the amount of load participating.

Response: All 6 customers during 2011 participated in I&M's Demand Response Service - Emergency (Rider D.R.S.1). The total interruptible capacity is 4.95 MW.

(3) A description of the efforts being made to encourage participation by small and medium sized customers in the utility RTO demand response tariff(s) or rider(s);

Response: I&M is working with the AEP National Accounts/Customer Service Support group to communicate DRS programs to retail chain outlets. I&M Customer Service Engineers work directly with their managed accounts to communicate the programs. In addition, I&M is developing a webinar for customers to further review DRS1 and provide education on DRS2 and DRS3 prior to the 2012-2013 PJM year. Information is available to all I&M customers on the I&M website regarding I&M's DRS riders.

(4) Any agreements reached, or being considered, with any CSP or other entity for the purpose of aggregating customers for participation in RTO demand response programs or provisions;

Response: To date, I&M has not entered into an agreement with any CSP for customer aggregation purposes. The Company continues to explore that option. I&M's customers may elect to use the services of energy consultants or CSPs provided that such arrangements do not violate the terms and conditions of the Company's demand response riders. The customer's energy consultant or CSP can provide assistance in demand response activity including aggregation.

(5) Information on how the RTO demand response tariff(s) or rider(s) were used by the utility in meeting its service obligations, which RTO products the demand response capabilities made possible by the tariff(s) or rider(s) were employed by the utility, when the demand response resources were used by the RTO and the circumstances existing at that time for both the utility and the RTO.

INDIANA MICHIGAN POWER COMPANY
INDIANA UTILITY REGULATORY COMMISSION
2011 DEMAND RESPONSE ANNUAL REPORT
CAUSE NO. 43566

TRA 1-4
Supplemental Attachment 1
Page 6 of 6

Response: I&M / AEP meets its PJM Interconnection, L.L.C. RTO (PJM) capacity obligations through the Fixed Resource Requirement (FRR) alternative. Since the Company's Demand Response Service - Emergency (Rider D.R.S.1) meets the requirements of the PJM Emergency Demand Response Program, I&M may count enrolled DRS capacity towards its FRR capacity obligations.

The Company's Demand Response Service - Economic (Rider D.R.S.2) and Demand Response Service - Ancillary Service (Rider D.R.S.3), which have received Commission approval, have not yet been utilized by I&M's Indiana customers.