



CHRISTIAN & BARTON, LLP
ATTORNEYS AT LAW

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Docket No. 12-00026

MICHAEL J. QUINAN
Direct Dial: 804.697.4149
Direct Fax: 804.697.6149
E-mail: mquinan@cblaw.com

March 30, 2012

VIA OVERNIGHT MAIL

Chairman, Tennessee Regulatory Authority
c/o Sharla Dillon
Dockets and Records Manager
460 James Robertson Parkway
Nashville, TN 37243

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

Dear Ms. Dillon:

Enclosed for filing please find an original and four copies of a Joint Petition for Expedited Review to Allow Certain End Use Customers of Kingsport Power Company to Participate in PJM Interconnection Demand Response Programs. Also enclosed is our firm's check in the amount of \$50.00 which represents the filing fee.

Accordingly, your attention to this matter and the Authority's consideration of this Petition is greatly appreciated.

Sincerely yours,

Michael J. Quinan

MJQ/wcy
Enclosures

cc: Mr. William C. Bovender
Mr. William A. Bosta
Mr. James R. Bacha
Mr. David Foster
Ms. Jean A. Stone

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

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.

**JOINT PETITION FOR EXPEDITED REVIEW TO ALLOW CERTAIN END USE
CUSTOMERS OF KINGSPORT POWER COMPANY TO PARTICIPATE IN PJM
INTERCONNECTION DEMAND RESPONSE PROGRAMS**

Come now Eastman Chemical Company ("Eastman") and Air Products and Chemicals, Inc. ("Air Products") (collectively, "Industrial Customers"), by counsel, pursuant to T.C.A. §§ 65-2-107, 65-4-104, 65-4-115 and 65-4-117(1) and (3) and Tennessee Regulatory Authority ("TRA" or "Authority") Rule 1220-1-1-.08, and request entry of an Order granting permission to participate in demand response programs offered by the PJM Interconnection, LLC ("PJM"). Industrial Customers further request that this Petition receive expedited treatment such that the requested order is entered no later than May 15, 2012. In support of their petition, Industrial Customers state as follows:

1. Kingsport Power Company d/b/a Appalachian Power ("KgPCo") is a subsidiary of American Electric Power Company, Inc. ("AEP"), and is the electric distribution company ("EDC") for approximately 47,000 customers in its service territory,

which consists of portions of Sullivan and Hawkins Counties, including the City of Kingsport. KgPCo has represented that it distributed 4 million MWh or less in its service territory in the previous fiscal year. KgPCo is subject to the jurisdiction of the TRA as to its retail rates and services.

2. Both Industrial Customers own and operate facilities located in KgPCo's service territory; both are industrial customers of KgPCo; and both have the ability to respond to demand contingencies.

3. PJM Interconnection, LLC ("PJM") is a regional transmission organization that coordinates the movement of electricity in all or parts of 13 states, including Tennessee, and the District of Columbia. Pursuant to PJM's Open Access Transmission Tariff, approved by the Federal Energy Regulatory Commission ("FERC"), and pursuant to current FERC Rules, PJM offers certain demand response programs ("Demand Response").

4. PJM's Demand Response programs offer advantages to certain customers willing to subscribe to such programs and to comply with program rules established by PJM. One requirement for participation in such programs is that customers served by EDCs that deliver less than 4 million MWh per fiscal year receive approval for such participation from the Relevant Electrical Retail Regulatory Authority ("RERRA"). KgPCo has taken the position that RERRA – that is to say, TRA – approval is needed for Industrial Customers to participate in such programs.

5. Last year, by Consent Order dated March 30, 2011 ("Consent Order"), the Authority granted permission to certain customers of KgPCo, including Eastman, to

participate in PJM's Demand Response Programs for the period June 1, 2011 – May 31, 2012.¹ KgPCo joined in the Petition requesting entry of that Consent Order. The Consent Order, dated March 30, 2011, in TRA Docket No. 11-00039 is attached as Exhibit 1; a Joint Petition to Intervene, filed by Eastman and KgPCo in that docket on March 23, 2011 ("Joint Petition"), is attached as Exhibit 2.

6. In the Consent Order, the parties agreed that the order would not be construed as a waiver of their rights with respect to PJM Demand response programs in effect after expiration of the June 1, 2011 – May 31, 2012 program participation period, and they reserved all of their rights and arguments in connection with the permissibility of participating in any such programs in the future.² (The Consent Order also offered other qualified end-use customers of KgPCo the opportunity to become parties to the Consent Order through the date of PJM's deadline for registration in order to participate in the PJM Demand Response programs.³)

7. In the Joint Petition filed in TRA Docket No. 11-00039, KgPCo represented that, although it did not at that time offer a demand response program, it intended "in the near future" to seek approval of one or more demand response tariff schedules that would offer advantages to certain customers willing to receive service under the terms of such schedules as established by KgPCo and approved by TRA.⁴

8. On February 7, 2012, KgPCo filed with the Authority a Petition for Approval of Demand Response Programs and Associated Demand Response Tariffs. That Petition

¹ Customers participate in such programs through a Curtailment Service Provider ("CSP").

² See, Exhibit 1, Consent Order, p. 4, ¶ 10.

³ Id., p. 5, ¶ 3.

⁴ Exhibit 2, p. 4, ¶ 8.

has been assigned TRA Docket No. 12-00012. (Eastman and its counsel were first advised of KgPCo's Petition and provided a copy on March 7, 2012.)

9. KgPCo now proposes in its Petition in TRA Docket No. 12-00012 to prohibit its customers, including Industrial Customers, from further participation in the PJM Demand Response programs.

10. Industrial Customers oppose the proposed prohibition on customer participation in the PJM Demand Response programs. Accordingly, concurrent with the filing of the instant Petition, such customers are filing a Joint Petition to Intervene in TRA Docket No. 12-00012 in opposition to KgPCo's Petition. Such customers also oppose the Demand Response programs and tariffs that KgPCo has proposed in that docket. In comparison to the PJM Demand Response programs, KgPCo's proposed demand response programs and tariffs would be inferior to and more limiting than the PJM Demand Response programs, and therefore substantially discourage or eliminate demand response by Industrial Customers.

11. KgPCo, AEP and the other AEP operating utilities in AEP's Eastern Zone ("AEP-East utilities") are members of PJM and benefit from their participation in the PJM and its markets and programs.

12. It would be unjust and unreasonable to prevent KgPCo's Industrial Customers from participating in PJM's Demand Response programs.

A. KgPCo's proposed prohibition on the participation of Industrial Customers in PJM's Demand Response programs would require them to forego the benefits of such participation after May 31, 2012.

- B. KgPCo is a full requirements customer of Appalachian Power Company (“APCo”). Thus, KgPCo obtains its generation and transmission service from APCo pursuant to rates approved by the Federal Energy Regulatory Commission (“FERC”).
- C. APCo also provides retail electric service in Virginia, and APCo’s retail customers in Virginia are not prohibited from participating in PJM Demand Response programs. It would be unfair, unduly preferential, and unreasonably discriminatory to prohibit Tennessee customers served by KgPCo from participating in PJM Demand Response programs while Virginia customers served on the other side of the border by APCo – often from the same transmission and generation facilities – are not prohibited from doing so. Tennessee should not place its industrial customers at such a disadvantage compared to industrial customers ultimately served by the *same* utility, and even from the *same* facilities, across a common border.
- D. While retail customers of APCo in Virginia may participate in PJM Demand Response programs, APCo retail service in that state also includes, as KgPCo acknowledges, demand response programs and tariffs similar to those proposed by KgPCo in TRA Docket No. 12-00012. Thus, the existence of KgPCo demand response programs and tariffs, if approved by the Authority, should not bar participation by Industrial Customers in PJM Demand Response programs.

- E. Eastman, one of the Industrial Customers in the instant matter, has committed demand response capacity to PJM for the 2012-13, 2013-14 and 2014-15 program years and may incur significant penalties if unable to fulfill such commitments.
- F. Prohibiting Industrial Customers from participating in PJM Demand Response programs would discourage demand response despite its myriad public and consumer benefits.
- G. As KgPCo acknowledges in its Petition, each member of the AEP-East power pool, of which APCo is a member, already has given notice to the other members and to America Electric Power Service Corporation as agents for the pool of its intention to terminate the pool, effective as of January 1, 2014 or such other date as specified by the FERC. In light of the resulting, considerable uncertainty as to APCo's future power supply, its participation in PJM programs, and its contractual and other relations with other AEP companies, a prohibition on continued participation by Industrial Customers in PJM Demand Response programs could hardly be more untimely.

13. Industrial Customers seek TRA permission to participate in the PJM Demand Response programs for the program year commencing June 1, 2012 and ending May 31, 2013, and thereafter. The deadline to register for the PJM programs for the June 1, 2012-May 31, 2013 PJM program year, and to submit the evidence of RERRA (here, TRA) approval, is May 16, 2012. Therefore, unless the TRA enters an Order permitting

such participation on or before May 15, 2012, Industrial Customers may not be permitted to participate in such PJM programs. Accordingly, Industrial Customers seek expedited review by the Authority of the instant Petition. (As was the case last year with respect to the Consent Order, Industrial Customers support providing other qualified end-use customers a similar opportunity in the instant docket.)

14. All correspondence and communications with respect to this Petition should be sent to the following:

Michael J. Quinan, Esq.
CHRISTIAN & BARTON, LLP
909 East Main St., Suite 1200
Richmond, VA 23219
Email: mquinan@cblaw.com
Phone: (804)697.4149
Fax: (804)697.6149

NOW, THEREFORE, Industrial Customers respectfully request that the Authority enter an Order that:

1. Grants them permission to participate in the PJM Demand Response programs for the program year commencing June 1, 2012 and ending May 31, 2013, and thereafter, and
2. Grants this Petition expedited treatment such that said Order may be entered on or before May 15, 2012.

Respectfully submitted this 30th day of March, 2012,

By Counsel:

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

Michael J. Quinan, Esq.
(Tenn. Sup. Ct. No. 11104)
CHRISTIAN & BARTON, LLP
909 East Main St., Suite 1200
Richmond, VA 23219
(804) 697-4149 (Telephone)
(804) 697-6149 (Fax)

Counsel for Eastman Chemical Company,
Domtar Corporation, and Air Products and
Chemicals, Inc.

CERTIFICATE OF SERVICE

I hereby certify that, on March 30, 2012, the foregoing pleading was served by hand-delivery, facsimile, overnight delivery service, or first class mail, postage prepaid, to all parties of record at their addresses shown below

William C. Bovender, Esq. HUNTER, SMITH & DAVIS, LLP 1212 North Eastman Road Kingsport, TN 37664	Mr. William A. Bosta Director, Regulatory Services VA/TN Appalachian Power Company Three James Center Suite 1100, 1051 E. Cary St. Richmond, VA 23219-4029
James R. Bacha, Esq. Hector Garcia, Esq. American Electric Power Service Corp. One Riverside Plaza, 29 th Floor Columbus, OH 43215	Mr. David Foster Chief, Utilities Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505
Jean A. Stone General Counsel Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505	

This 30th day of March, 2012.



Michael J. Quinan, Esq.

#1258719

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

March 30, 2011

IN RE:

**PETITION FOR EXPEDITED REVIEW TO ALLOW
END USE CUSTOMER OF KINGSPORT POWER
CO. TO CONTINUE THEIR PARTICIPATION IN
THE PJM INTERCONNECTION'S DEMAND
RESPONSE PROGRAM**

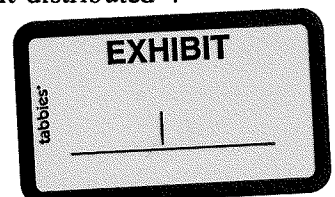
**DOCKET NO.
11-00039**

CONSENT ORDER

This matter came before Chairman Mary W. Freeman, Director Eddie Roberson and Director Sara Kyle of the Tennessee Regulatory Authority ("TRA" or "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on March 28, 2011 to consider the *Joint Petition to Intervene and Joint Request for Entry of Consent Order* ("Joint Petition") which was filed on March 23, 2011 by Kingsport Power Company d/b/a AEP Appalachian Power ("KgPCo"), Eastman Chemical Company ("ECC") and Demand Response Partners, Inc. ("DRP").

FINDINGS AND CONCLUSIONS

1. KgPCo is a public utility corporation organized and existing under the laws of the Commonwealth of Virginia whose principal place of business is located at 420 Riverport Road, Kingsport, Sullivan County, Tennessee.
2. KgPCo is the electric distribution company ("EDC") to approximately 47,000 customers in its service territory, which consists of portions of Sullivan and Hawkins Counties, Tennessee, including the City of Kingsport, Tennessee. KgPCo represents that it distributed 4



million MWh or less in its service territory in the previous fiscal year. KgPCo is subject to the jurisdiction of the TRA as to its retail rates and services.

3. ECC owns and operates facilities located in Kingsport, Tennessee, and is a customer of KgPCo. ECC has participated in PJM Demand Response programs, specifically in the Emergency Load Response Program as an Interruptible Load for Reliability, since May, 2009. ECC's current curtailment service provider is Tenaska Power Services Co.

4. DRP, the original Petitioner in this Docket, is a curtailment service provider ("CSP") authorized to conduct the demand response program in the PJM Interconnection and seeks in this Docket an Order that allows it and its current customers as of the filing of its *Petition for Expedited Review of Continued Participation in PJM Program* ("Petition") to continue to participate in the PJM programs known as Demand Response. Reference is hereby made to the *Petition* filed by DRP in this Docket.

5. All correspondence and communications with respect to this Consent Order should be sent to the following:

A. As to 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
American Electric 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
Columbus, OH 43215
Email: jrbacha@aep.com
hgarcia1@aep.com

B. As to DRP:

Andrew W. Dorn
Demand Response Partners, Inc.
360 Delaware Avenue, Suite 406
Buffalo, NY 14202
Email: adorn@demandresponsepartners.com

C. As to ECC:

Michael J. Quinan, Esq.
CHRISTIAN & BARTON, LLP
909 East Main St., Suite 1200
Richmond, VA 23219
Email: mquinan@cblaw.com

6. Under current FERC rules and the Open Access Transmission Tariff (“OATT”) of PJM Interconnection, LLC (“PJM”), PJM offers certain Demand Response programs. Such programs offer advantages to certain customers willing to subscribe to the programs and comply with program rules established by PJM. One of the requirements for participation in PJM’s Demand Response programs is that in the case of end-use customers which are served by EDCs which deliver less than 4 million MWh per fiscal year, the Relevant Electrical Retail Regulatory Authority (“RERRA”), which in the case of DRP and ECC is the TRA, must permit such customer’s demand response to be submitted into a PJM Demand Response program by a CSP.

7. The TRA has not previously authorized the provisions of such programs in KgPCo’s service territory.

8. KgPCo currently does not offer a demand response program, but intends in the near future to seek approval of one or more demand response tariff schedules that would offer advantages to certain customers willing to receive service under the terms of the tariff schedules as established by KgPCo and approved by TRA.

9. The parties to the *Joint Petition* and DRP are willing to enter into this Consent Order to permit participation by DRP, its current customers as of the filing of its *Petition*, ECC and other qualified end-use customers of KgPCo (who join in the Consent Order on or before March 31, 2011) during said one year period (June 1, 2011 – May 31, 2012) in the PJM program. KgPCo also anticipates it will be filing with the TRA for approval, during said year, its own demand response tariff schedule.

10. KgPCo, DRP, and ECC have agreed that the *Joint Petition* and this Consent Order shall not be construed as a waiver of any rights of the parties with respect to PJM Demand Response programs in effect after the expiration of the June 1, 2011 – May 31, 2012 program participation period, and that the parties reserve all their rights and arguments in connection with the permissibility of offering or participating in any such programs in the future.

IT IS THEREFORE ORDERED THAT:

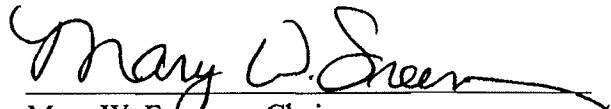
1. Kingsport Power Company d/b/a AEP Appalachian Power (“KgPCo”) and Eastman Chemical Company (“ECC”) are permitted to intervene in this TRA Docket No. 11-00039.

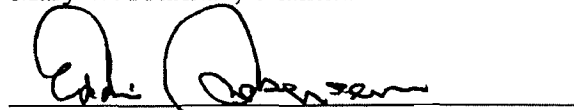
2. Demand Response Partners, Inc. (“DRP”), and the customers of DRP as of the date of the filing of DRP’s *Petition*, and ECC are hereby granted permission to participate in PJM’s Demand Response Programs for the period June 1, 2011 – May 31, 2012, as requested in the *Petition* filed by DRP in this Docket on March 14, 2011, and in the *Joint Petition* filed by KgPCo, ECC and DRP on March 23, 2011.

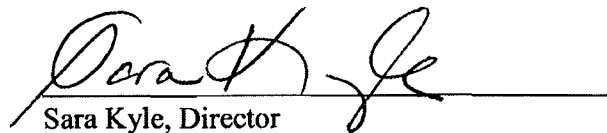
3. Any and all other qualified end-use customers located within the service territory of KgPCo are hereby permitted to make filings in this Docket to become parties to this Consent Order up to and including March 31, 2011, so as to be considered for participation in said PJM Demand Response Programs for the period June 1, 2011 – May 31, 2012, assuming said end-use customers of KgPCo are otherwise qualified to so participate under applicable Federal laws and regulations and in accordance with and with any necessary approval of KgPCo and PJM.

4. End-use customers within KgPCo's service territory not parties to this Consent Order are not authorized to subscribe to, or offer subscription to, the PJM Programs for the June 1, 2011 – May 31, 2012 program participation period, except for those having filed with the TRA on or before March 31, 2011, a request to join in and be subject to the Consent Order.

5. The *Petition* and this Consent Order shall not be construed as a waiver of any rights of the parties to the extent that TRA permission to participate is not required or with respect to PJM Demand Response programs in effect after the expiration of the June 1, 2011 – May 31, 2012 program participation period, and the parties have preserved all their rights and arguments in connection with the permissibility of offering or participating in any such programs.


Mary W. Freeman, Chairman


Eddie Roberson, Director


Sara Kyle, Director

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

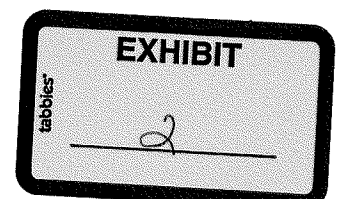
In Re:

**PETITION FOR EXPEDITED REVIEW TO
ALLOW END USE CUSTOMERS ON
KINGSPORT POWER CO. TO CONTINUE TRA DOCKET No. 11-00039
THEIR PARTICIPATION IN THE PJM
INTERCONNECTION'S DEMAND
RESPONSE PROGRAM**

**JOINT PETITION TO INTERVENE AND JOINT REQUEST FOR ENTRY OF
CONSENT ORDER**

Come Kingsport Power Company, d/b/a AEP Appalachian Power ("KgPCo"), and Eastman Chemical Company ("ECC"), by their respective Counsel, and, pursuant to T.C.A. § 65-2-107 and Rules and Regulations of the Tennessee Regulatory Authority Section 1220-1-2-.08, move to intervene in this Docket No. 11-00039, and further request that the proposed Consent Order, which includes your Petitioners herein and original Petitioner, Demand Response Partners, Inc., ("DRP"), attached hereto as EXHIBIT A, be entered by the Tennessee Regulatory Authority ("TRA") as expeditiously as possible and before March 31, 2011. KgPCo, ECC, and (where applicable) DRP would respectfully show to the TRA the following:

1. KgPCo is a public utility corporation organized and existing under the laws of the Commonwealth of Virginia whose principal place of business is located at 420



Riverport Road, Kingsport, Sullivan County, Tennessee.

2. KgPCo is the electric distribution company ("EDC") to approximately 47,000 customers in its service territory, which consists of portions of Sullivan and Hawkins Counties, Tennessee, including the City of Kingsport, Tennessee. KgPCo represents that it distributed 4 million MWh or less in its service territory in the previous fiscal year. KgPCo is subject to the jurisdiction of the TRA as to its retail rates and services.

3. ECC owns and operates facilities located in Kingsport, Tennessee, and is a customer of KgPCo. ECC has participated in PJM Demand Response programs, specifically in the Emergency Load Response Program as an Interruptible Load for Reliability, since May, 2009. ECC's current curtailment service provider is Tenaska Power Services Co.

4. DRP, the original Petitioner in this Docket, is a curtailment service provider ("CSP") authorized to conduct the demand response program in the PJM Interconnection and seeks in this Docket an Order that allows it and its current customers in KgPCo's service territory as of the date of its Petition, to continue to participate in the PJM programs known as Demand Response. Reference is hereby made to the Petition filed by DRP in this Docket.

5. All correspondence and communications with respect to this Petition should be sent to the following:

A. As to KgPCo:

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

Mr. William A. Bosta
Director, Regulatory Services VA/TN
American Electric 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
Columbus, OH 43215
Email: jrbacha@aep.com
hgarcia1@aep.com

B. As to DRP:

Andrew W. Dorn
Demand Response Partners, Inc.
360 Delaware Avenue, Suite 406
Buffalo, NY 14202
Email: adorn@demandresponsepartners.com

C. As to ECC:

Michael J. Quinan, Esq.
CHRISTIAN & BARTON, LLP
909 East Main St., Suite 1200
Richmond, VA 23219
Email: mquinan@cblaw.com

6. Under current FERC rules and the Open Access Transmission Tariff ("OATT") of PJM Interconnection, LLC ("PJM"), PJM offers certain Demand Response programs. Such programs offer advantages to certain customers willing to subscribe to

the programs and comply with program rules established by PJM. One of the requirements for participation in PJM's Demand Response programs is that , in the case of end-use customers which are served by EDCs which deliver less than 4 million MWh per fiscal year, the Relevant Electrical Retail Regulatory Authority ("RERRA"), which in the case of DRP and ECC is the TRA, must permit such customer's demand response to be submitted into a PJM Demand Response program by a CSP.

7. The TRA has not authorized, to date, the provisions of such programs in KgPCo's service territory.

8. KgPCo currently does not offer a demand response program, but intends in the near future to seek approval of one or more demand response tariff schedules that would offer advantages to certain customers willing to receive service under the terms of the tariff schedules as established by KgPCo and approved by TRA.

9. Like DRP, ECC seeks to participate in the PJM Demand Response program for the year commencing June 1, 2011 and ending May 31, 2012. Also like DRP, KgPCo states that unless the TRA enters an Order that permits such participation by DRP, its current customers as of the date of the filing of its Petition, and ECC (and other qualified end-use customers in its service territory before March 31, 2011), said qualified Petitioners and end-use customers will not be permitted to participate in said PJM program.

10. The parties have agreed that, in order to avoid disputes, they are willing to enter into the Consent Order attached hereto as EXHIBIT A.

11. Said Consent Order, if approved and issued by the TRA, would allow DRP

and its current customers (as of the date of the filing of its Petition) and ECC to participate in PJM's Demand Response program for said one year period (June 1, 2011 – May 31, 2012) and would, further, allow other end-use customers located in KgPCo's service territory to participate in said program during said one year period if they request to join in and be subject to the Consent Order on or before March 31, 2011.

12. KgPCo, DRP and ECC have agreed that this Petition and the Consent Order shall not be construed as a waiver of any rights of the parties with respect to PJM Demand Response programs in effect after the expiration of the June 1, 2011 - May 31, 2012 program participation period, and that the parties preserve all their rights and arguments in connection with the permissibility of offering or participating in any such programs in the future.

NOW, THEREFORE, KgPCo and ECC request the TRA:

1. Permit this intervention in this Docket.

KgPCo, ECC and DRP request the TRA:

2. Approve and enter the Consent Order (EXHIBIT A), giving it immediate force and effect; and

3. Declare that any other end-use customers in KgPCo's service territory be authorized, pursuant to said Consent Order, to file with the TRA a request to join in and be subject to said Consent Order, if said end-use customers of KgPCo file for same on or before March 31, 2011; and

4. Declare that no end-use customer within KgPCo's service territory that is not a party to the Consent Order is authorized to subscribe to, or offer subscription to, the PJM Programs for the June 1, 2011 – May 31, 2012 program participation period, except for those having filed with the TRA prior to March 31, 2011, a request to join the Consent Order.

5. Declare that this Petition and the Consent Order shall not be construed as a waiver of any rights of the parties to the extent that TRA permission to participate is not required or with respect to PJM Demand Response programs in effect after the expiration of the June 1, 2011 - May 31, 2012 program participation period, and that the parties preserve all their rights and arguments in connection with the permissibility of offering or participating in any such programs.

Attached hereto is said proposed Consent Order, EXHBIT 1.

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 (Telephone)
(423) 378-8801 (Fax)

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

Counsel for Kingsport Power Company

Eastman Chemical Company

By Counsel:

Michael J. Quinan By *William*
Michael J. Quinan, Esq. *Bunker*
(Tenn. Sup. Ct. No. 11104) *per*
CHRISTIAN & BARTON, LLP
909 East Main St., Suite 1200
Richmond, VA 23219
Email: mquinan@cblaw.com

Counsel for Kingsport Power Company

permission
of
07/23/11

Demand Response Partners, Inc.

Andrew W. Dorn by

Andrew W. Dorn
Demand Response Partners, Inc.
360 Delaware Avenue, Suite 406
Buffalo, NY 14202
Email:
adorn@demandresponsepartners.com

*William Bonds
per permission
of 03/29/11*