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August 19, 2022

KPOW-86949

Electronically Filed in TPUC Docket
Room on August 19, 2022 at 3:30 p.m.

VIA EMAIL (tpuc.docketroom@tn.gov) & FEDEX

Dr. Kenneth C. Hill, Chair
c/o Ectory Lawless, Dockets & Records Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

**Re: PETITION FOR APPROVAL OF DEMAND RESPONSE PROGRAM AND
ASSOCIATED DEMAND RESPONSE TARIFFS ON BEHALF OF KINGSFORT
POWER COMPANY D/B/A AEP APPALACHIAN POWER Docket No. 12-00012**

and

**JOINT PETITION OF EASTMAN CHEMICAL COMPANY AND AIR
PRODUCTS AND CHEMICALS, INC., FOR EXPEDITED REVIEW TO
ALLOW CERTAIN END USE CUSTOMERS OF KINGSFORT POWER
COMPANY TO PARTICIPATE IN PJM INTERCONNECTION DEMAND
RESPONSE PROGRAMS;
Docket No.: 12-00026**

Dear Dr. Hill:

Enclosed please find the Annual Demand Response Report of Kingsport Power Company d/b/a AEP Appalachian Power ("Kingsport") for filing in the captioned dockets.

Based upon proceedings in the Kingsport's Base Rate Case, Docket No. 21-00107, we believe Kingsport's obligation to make this annual filing has been extinguished hereafter. If we are incorrect, we shall, of course, follow the instructions of the Commission.

The original and four (4) copies are being sent via Federal Express for Monday, August 22, 2022 delivery.

Sincerely yours,

HUNTER, SMITH & DAVIS, LLP



William C. Bovender

Enclosure: As stated

cc: David Foster (w/enc.)	via email
William K. Castle (w/enc.)	via email
James R. Bacha, Esq. (w/enc.)	via email
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Michael J. Quinan, Esq. (w/enc.)	via email

BEFORE THE
TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

August 19, 2022

IN RE:)	
)	
PETITION FOR APPROVAL OF DEMAND RESPONSE)	
PROGRAM AND ASSOCIATED DEMAND RESPONSE)	DOCKET NO.
TARIFFS ON BEHALF OF KINGSPORT POWER COMPANY)	12-00012
D/B/A AEP APPALACHIAN POWER)	
)	
IN RE:)	
)	
JOINT PETITION OF EASTMAN CHEMICAL COMPANY)	
AND AIR PRODUCTS AND CHEMICALS, INC. FOR)	DOCKET NO.
EXPEDITED REVIEW TO ALLOW CERTAIN END USE)	12-00026
CUSTOMERS OF KINGSPORT POWER COMPANY TO)	
PARTICIPATE IN PJM INTERCONNECTION DEMAND)	
RESPONSE PROGRAMS)	

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 Public Utility Commission (“TPUC”). All correspondence and communications with respect to this report should be sent to the following on behalf of KgPCo:

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

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

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, 2022 ("2021/22 PJM Delivery Year"):

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

Response: Nine KgPCo customers, utilizing the services of a Curtailment Service Provider ("CSP"), were enrolled in PJM demand response programs for the 2021/22 PJM Delivery Year and are shown in the table below.

PJM Delivery Year	Customer	DR Program	Part of Tariff RTODR?
2021/22	VCM - 1137 - Kingsport - TN	Load Management DR Full	Yes
2021/22	City of Kingsport Water Treatment Plant	Load Management DR Full	Yes
2021/22	City of Kingsport Colonial View Pump Station	Load Management DR Full	Yes
2021/22	City of Kingsport Hillcrest Pump Station	Load Management DR Full	Yes
2021/22	City of Kingsport Wastewater Treatment Plant	Load Management DR Full	Yes
2021/22	Dobyns-Bennett High School - Kingsport - TN	Load Management DR Full	Yes
2021/22	Dobyns-Bennett High School - Kingsport - TN	Load Management DR Full	Yes
2021/22	Sevier Middle School - Kingsport - TN	Load Management DR Full	Yes
2021/22	Robinson Middle School - Kingsport - TN	Load Management DR Full	Yes

- (2) The Number of curtailments called.

Response:

PJM did not initiate any Emergency or Pre-emergency Load Management Events for the AEP subzone during the Capacity Year 2021/2022 period. All customers were subject to a PJM required curtailment test during the summer of 2021.

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

Response:

Total Costs	\$130,315.12
Less: Non-Compliance Payments Received	\$0
Less: Load Management Test Failure Charge Passed-Through	\$0
Net Cost	\$130,315.12

For the applicable demand response product registered by the CSP, the price is determined to be the average rate in \$/MW-day for all cleared MW, weighted by the megawatts cleared at each clearing price. Cleared MW shall include all cleared sell offers in the applicable Locational Deliverability Area from each RPM auction (Base Residual Auction, First Incremental Auction, Second Incremental Auction and Third Incremental Auction) for the relevant PJM Delivery Year.

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

Response: A formal cost/benefit analysis of the Demand Response programs has not been performed. For the 2021/22 PJM Delivery Year, AEP included 2.5MW from Tariff RTODR in its Fixed Resource Requirement (“FRR”) plan with PJM. KgPCo benefits from Tariff RTODR by providing an alternative capacity resource to satisfy PJM reserve margin requirements.