

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

October 16, 2014

IN RE:

PETITION OF KINGSPORT POWER COMPANY D/B/A)	DOCKET NO.
AEP APPALACHIAN POWER FOR APPROVAL OF)	13-00121
DEFERRED ACCOUNTING)	

ORDER APPROVING REQUEST TO DEFER STORM COST

This matter came before Vice Chairman Herbert H. Hilliard, Director Robin Bennett, and Director David F. Jones of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on June 16, 2014 for consideration of the request to add the unrecovered 2009 storm cost in TRA Docket No. 12-00051 to \$1,949,062 of 2013 storm cost that was previously deferred in this docket (“Request”) filed by Kingsport Power Company d/b/a AEP Appalachian Power (“Company” or “Kingsport”) on April 14, 2014.¹

BACKGROUND AND REQUEST

On March 13, 2014, Kingsport filed its Detailed Records of Recoveries in Docket No. 12-00051 and filed its Revised Detailed Records of Recoveries from Customers on April 14, 2014.² The Company’s records state that the Company recovered \$1,539,018.72 of the \$1,629,352.00 in storm costs approved to be recovered, leaving \$90,333.28 unrecovered.³ The Company requests that it be allowed to include the \$90,333.28 under-recovery in its future

¹ On April 14, 2014, the Company filed its Revised Detailed Records of Recoveries from Customers in which it also requested to continue deferral of 2009 storm cost.

² See *In re: Petition of Kingsport Power Company d/b/a AEP Appalachian Power To Implement A Storm Damage Rider Tariff For Recovery Of Storm Costs*, Docket No. 12-00051, Request for Approval of Unrecovered Amount of Storm Damage Cost (April 14, 2014).

³ See *AEP’s Revised SDR Reconciliation, Exhibit 2* (May 27, 2014).

recovery filing to recover \$1,949,062 expense associated with January 2013 storms that were deferred in this docket, resulting in a total future request of \$2,039,395.28.⁴

JUNE 16, 2014 AUTHORITY CONFERENCE

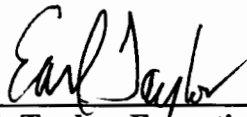
At the regularly scheduled Authority Conference held on June 16, 2014, the panel considered Kingsport's Request. Based on the record and in light of the panel's decision in Docket No. 12-00051 to continue the deferral of \$90,333.28 of under-recovered 2009 storm costs for potential recovery in the future period, the panel voted unanimously to approve Kingsport's request to add the unrecovered 2009 storm cost in that docket to the \$1,949,062 of 2013 storm cost that was previously deferred in this docket for a total amount of storm costs deferred in this docket to \$2,039,395.28. The panel also advised the Company that deferral of costs in this docket does not guarantee recovery of these costs in the future; therefore, Kingsport should keep sufficient and appropriate financial records and documentation supporting any future request for recovery of the cost that has been deferred in this docket.

IT IS THEREFORE ORDERED THAT:

Kingsport Power Company d/b/a AEP Appalachian Power's request to add the unrecovered 2009 storm cost in TRA Docket No. 12-00051 to \$1,949,062 of 2013 storm cost that was previously deferred in this docket is granted.

Vice Chairman Herbert H. Hilliard, Director Robin Bennett, and Director David F. Jones concur.

ATTEST:



Earl R. Taylor, Executive Director

⁴ See Request, p. 2 (April 14, 2014).