**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

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| **IN RE:** | ) | |
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| **PETITION OF KINGSPORT POWER COMPANY d/b/a AEP APPALACHIAN POWER GENERAL RATE CASE** | ) | **DOCKET NO. 16-00001** |
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**THE ENERGY FREEDOM COALITION OF AMERICA PETITION TO INTERVENE**

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The Energy Freedom Coalition of America ("EFCA") files this Petition to Intervene in the above-referenced proceeding.

## I. Basis for Intervention

Pursuant to Tenn. Code Ann. §§ 4-5-310 and 65-2-107 and the Rules of the Tennessee Regulatory Authority 1220-1-1 and 1220-1-2-08, by and through its undersigned counsel, EFCA respectfully petitions the Tennessee Regulatory Authority ("TRA") to grant EFCA's intervention in this proceeding consistent with its long standing policy of encouraging participation of all interested parties to ensure all issues are considered and all due process concerns are satisfied.

A. EFCA is a national association of companies that promotes, provides, and consumes distributed energy resources ("DERs").[1] Its members include: SolarCity Corporation, Silevo Solar, Zep Solar, and Ecological Energy Systems. Those companies utilize solar and other renewable generation for residential, commercial, government, community solar, and

[1] Examples of DERs are: distributed solar generation, solar thermal generation, thermal and battery energy storage, and demand management.

utility scale applications. Those companies also serve millions of customers in 20 states, including Tennessee and the District of Columbia. EFCA members rely on fair and transparent rate structures to be able to successfully market and sell their products and services.

B. In Kingsport's previous filing for a general rate case,[2] EFCA was granted intervenor status subject to conditions based on the Hearing Officer's determination that EFCA's interests were limited to specific issues and lacked an active presence in the state of Tennessee.[3] However, EFCA's membership has since grown in significant ways related to party standing as a matter of right, thus its participation in this case should no longer be limited to specific issues. Local EFCA member Ecological Energy Systems is owned and operated in the state of Tennessee and provides DER services to customers near to, or directly within Kingsport Power Company's ("Kingsport" or "the Company") service territory. EFCA's members' legal rights, duties, privileges, immunities, and other legal interests will be determined by the outcome of the entirety of the issues in this proceeding. EFCA, therefore petitions for intervention status without limitation.

C. EFCA is so situated that the disposition of the various issues in this proceeding will directly or indirectly affect its ability to offer its products and services in a competitively neutral environment in this State. EFCA's interests would not be adequately represented if it were not granted full intervention. Furthermore, EFCA's admittance as a party would not interfere with the interests of justice and the orderly and prompt conduct of the proceedings. On the contrary, EFCA's participation will ensure that there is a robust record related to the changes

[2] TRA Docket No. 15-00093.
[3] Order Granting Intervention to Sunrun, Inc. and the Energy Freedom Coalition of America Subject to Certain Limits and Conditions, Docket No. 15-00093 (Dec. 7, 2015) [hereinafter "Order Granting Intervention to EFCA"] at p. 12.

proposed in this proceeding that could have significant financial impacts on Kingsport's customers and EFCA members' business interests.

D. EFCA has a registered agent in Tennessee, is authorized to transact business in Tennessee,[4] and EFCA members are engaged in active business efforts in Tennessee, including in and around the Kingsport service territory. EFCA members are also participating in requests for proposals in Tennessee. These efforts are part of the business development activities necessary to understand new markets, build relationships, and create consumer familiarity with their brands. EFCA member business expansion efforts are sustained over multi-year periods and clearly demonstrate that EFCA has a distinct and palpable economic interest in the outcome of this proceeding.

E. Kingsport's filing proposes numerous changes to how the Company allocates and recovers costs from different customer classes. EFCA's interests are directly affected by Kingsport's filing and include the Company's cost of service and rate design proposals for residential, commercial, industrial, general service, net metering, and other customers. The outcome of this case will result in multi-year impacts to ratepayers through new rate structures, fees, and other charges that will have long-term impacts on the cost of energy and energy service for consumers in the Kingsport territory, including customers served by EFCA's members. EFCA has a direct interest in ensuring that the final rates approved in this proceeding incorporate cost of service and public policy considerations that are fair, clear, and transparent so as not to discriminate against any particular class of customers or favor the utility to the exclusion of competitive industry.

[4] *See* Tennessee State of Secretary of State Certificate of Existence & Authorization to Transact Business, SOS Control # 000819525.

F. EFCA's members work with customers that seek to generate electricity through the installation of DERs, including rooftop solar. The decision to invest and install these technologies is a significant decision anywhere in the country and is directly tied to the potential benefits and costs of the investment. These benefits and costs include energy cost savings, costs of interconnection, the potential for additional fixed charges, and other fees associated with hosting such a system. Importantly, these considerations are significantly influenced by the rates, charges, and policies imposed by the utility serving a customer seeking to install DERs.

G. Furthermore, under Kingsport's proposal, customers who install solar and take service under the Company's proposed N.M.S.-2 tariff would be subject to an increased monthly service charge and a new demand charge under the proposed Tariff Residential Demand-Metered Electric Service ("R.S.-D.") or Tariff Small General Service-Demand Metered ("S.G.S.-D.").[5] The imposition of these charges on customer generators would be a strong disincentive to customer investment in rooftop solar. The increase in rates for all customers, (whether residential or otherwise, and whether they install solar or not), and the proposed rate alignment adjustments are ostensibly designed to allow the Company to recover the costs of service for each customer class based on the Company's cost of service studies. However, Kingsport's proposed adjustments to rates, charges for providing electric service, and its proposed tariff revisions would lead to new fixed costs, additional fees, and other charges that discriminate against certain customers. Specifically, EFCA's members and their customers will be disproportionately impacted by the utility's proposals, which in turn, impact the value of the investment in DERs.

[5] Direct Testimony of Theresa Caudill, KgPCo Exhibit No. 3(TAC) P. 38 of 65, Tariff N.M.S.-2 (Net Metering Service Rider 2) (Jan. 4, 2016).

H. In Kingsport's previous rate case application proceeding,[6] the Hearing Officer acknowledged EFCA's interest in net metering, but limited EFCA's participation in the proceeding to the net metering tariff and the net metering issue.[7] However, EFCA maintains that its interest in this docket implicates all aspects of ratemaking because the credit given to a net metering customer is based on the final rates ultimately approved in this docket. The entirety of the Company's proposal, therefore, has a direct impact on the interests of EFCA's members.

I. EFCA's participation in this proceeding would allow the TRA to bring EFCA's extensive expertise gained through its work on similar issues in proceedings in other states, as well as its perspective on protecting the public interest in ensuring that the customers of its members are protected from discriminatory rate designs and other charges. Indeed, in Docket No. 15-00093, the Hearing Officer found that the "participation by . . . EFCA would be helpful to the TRA's understanding of the issue and beneficial to the *overall* proceeding."[8]

J. EFCA has a justiciable interest in the disposition of this case that may be impaired or impeded by the outcome of this proceeding since it will impact EFCA's members' ability to successfully sell their products and services in Kingsport's service territory. EFCA respectfully requests that it be granted full party intervention status so that it may participate in discovery, access all discovery and data responses (confidential and non-confidential), present its own witnesses and examine others' witnesses to adduce evidence to protect its interests, contribute to the record, and aid the TRA's evaluation of Kingsport's proposals in this proceeding.

## II. Notice of Appearance

EFCA requests that the Commission and all parties serve all communications, pleadings, and discovery responses to their authorized representatives in this proceeding, as follows:

[6] Docket 15-00093.
[7] Order Granting Intervention of EFCA at p. 12
[8] *Id.* at 10 (emphasis added).

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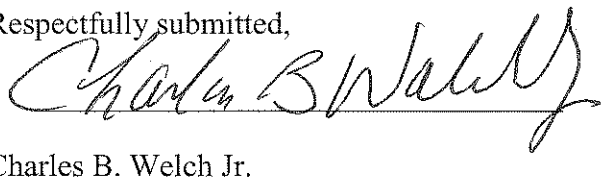
## III. Conclusion

Wherefore, EFCA respectfully requests that it be granted full intervenor status to participate as a party in this proceeding.

Respectfully submitted,



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## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing instrument has been served via electronic mail to all parties of record in this proceeding on February 4, 2016.

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