

IN RE: )  
 )  
 PETITION OF KINGSPORT POWER )  
 COMPANY d/b/a AEP APPALACHIAN ) DOCKET NO. 16-00001  
 POWER GENERAL RATE CASE AND )  
 MOTION FOR PROTECTIVE ORDER )

**MOTION TO COMPEL KINGSPORT POWER COMPANY  
d/b/a AEP APPALACHIAN POWER  
TO ANSWER CONSUMER PROTECTION AND ADVOCATE DIVISION'S  
FIRST ROUND DISCOVERY REQUEST**

The Consumer Protection and Advocate Division (“Consumer Advocate” or “CPAD”) respectfully moves the Hearing Officer for an order requiring Kingsport Power Company d/b/a AEP Appalachian Power (“Kingsport Power” or “KgPCo” or “Company”) to provide full and complete answers to the Consumer Advocate’s first-round discovery requests enumerated below. In each of these requests, Kingsport Power either (i) objected to the request and, in doing so, did not provide a substantive answer, or (ii) simply failed to provide all of the data or information requested. The grounds for this *Motion*, as demonstrated below, are that Kingsport Power relies upon unfounded objections to which they are not entitled and, therefore, should be ordered to provide substantive responses consistent with Tennessee law favoring open discovery.

On February 24, 2016, an *Order Establishing Procedural Schedule* (“*Procedural Schedule*”) was filed in this Docket. That *Procedural Schedule* required that all of Petitioner’s Responses to *Consumer Advocate’s First Round Discovery Requests* be provided by February 23, 2016, and required that “[a]ll spreadsheets shall be filed in Excel format with working

formulas intact.” Kingsport Power failed to provide all responses by the designated February 23, 2016, due date. Kingsport Power provided the third installment of its responses, consisting of the responses to the Consumer Advocate’s Discovery Requests 2, 21, 42, 54, 56, 58, 71, 74, 77, 79, 85, 86, 87, 91, 92, 94, 96, 98, 100, 102, 103, 104, 105, 115, 116, 117, 118, 121, 130, 145, 162, and 172, on February 25, 2016. And not all of its spreadsheets have been filed in Excel format.<sup>1</sup> Kingsport Power has provided partial responses in a staggered, unorganized manner that has made the task of determining what has been responded to – and not responded to – more challenging.

**KINGSPORT POWER’S OBJECTIONS FAIL TO REFLECT THE PROPER  
APPLICATION OF TENNESSEE LAW, LACK FOUNDATION, AND CONTRADICT  
THE LETTER AND PURPOSE OF DISCOVERY**

**A. The Consumer Advocate’s First Discovery Requests Are Relevant, Not Overly Broad, and Reasonably Calculated to Lead to the Discovery of Admissible Evidence.**

Kingsport Power has objected to the Consumer Advocate’s first-round discovery request nos. 1, 9(c), 10(c), 11(c), 12(c), 13(d), 13(e), 14(c), 14(d), [CONFIDENTIAL: 25], 44, 45, 54, 61, 68, 69, 79, 130, 159, 172, 200, 201, 202, 203, 204, 205, and 206 – as well as renditions of its General Objections – on the grounds that the information sought is overly broad, not relevant, not calculated to lead to the discovery of relevant information, or a similar formulation or combination of those objections. Regardless of how formulated or combined, though, Kingsport Power’s objections are not proper applications of the Tennessee rules, lack foundation, and

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<sup>1</sup> For example, spreadsheets not filed in Excel format with working formulas intact include: CPAD 1-005, Attachment 25; CPAD 1-073, CONFIDENTIAL Attachments 1, 2, and 3; CPAD 1-103, Attachment 1; CPAD 1-104, Attachment 1; CPAD 1-120, Attachment 1; CPAD 1-124, Attachment 1; CPAD 1-125, Attachment 9; CPAD 1-142, Attachment 1; CPAD 1-147, Attachment 1; and CPAD 1-150, Attachment 1. Errors may be found in other spreadsheets, such as CPAD 1-112 Attachment 1.

contradict the letter and purpose of discovery, especially in the context of a TRA docket that is, by its nature and by statutory requirement, severely time constrained. It would not be a stretch with respect to some of Kingsport Power's responses to assert that the objections appear to be more obstruction than objection.

**1. Tennessee's discovery rules and cases permit and virtually encourage broad discovery.**

Tenn. R. Civ. P. 26.02 allows for broad discovery.<sup>2</sup> Specifically, the rule provides that:

*Parties may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action, whether it relates to the claim or defense of the party seeking discovery or to the claim or defense of any other party, including the existence, description, nature, custody, condition and location of any books, documents, or other tangible things and electronically stored information, i.e. information that is stored in an electronic medium and is retrievable in perceivable form, and the identity and location of persons having knowledge of any discoverable matter. It is not ground for objection that the information sought will be inadmissible at the trial if the information sought appears reasonably calculated to lead to the discovery of admissible evidence.*

(Emphasis added). Perhaps the most important underlying policy of discovery is “that discovery should enable the parties and the courts to seek the truth so that disputes will be decided by facts rather than by legal maneuvering.” *White v. Vanderbilt Univ.*, 21 S.W.3d 215, 223 (Tenn. Ct. App. 1999). Discovery should allow both the court and the parties to “have an intelligent grasp of the issues to be litigated and knowledge of the facts underlying them.” *Vythoulikas v.*

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<sup>2</sup> The Consumer Advocate incorporates by reference its *Memorandum in Support of the Consumer Advocate's Motion for Leave to Issue More Than Forty Discovery Requests*, as filed in this Docket on February 2, 2016, as well as the *Consumer Advocate's Response to Request of Petitioner Regarding Date for Filing of Intervenor's Testimony*, as filed in this Docket on February 22, 2016.

*Vanderbilt Univ. Hosp.*, 693 S.W.2d 350, 356 (Tenn. Ct. App. 1985) (internal citations omitted), *superseded on other grounds by statute*, Tenn. R. Civ. P. 26.02(4)(B), *as recognized in West v. Schofield*, 460 S.W.3d 113, 125 (Tenn. 2015). Accordingly, “[a] party seeking discovery is entitled to obtain information about any matter, not privileged, which is relevant to the subject matter involved, whether it relates to the claim or defense of the party seeking discovery or to the claim or defense of any other party.” *State ex. rel. Flowers v. Tenn. Trucking Ass’n Self Ins. Grp. Tr.*, 209 S.W.3d 602, 615 (Tenn. Ct. App. 2006) (internal citations omitted).

Consistent with Tennessee’s open discovery policy, the relevancy requirement is “construed broadly to encompass any matter that bears on, or that reasonably could lead to other matters that could bear on any of the case’s issues.” *Kuehne & Nagel, Inc. v. Preston, Skahan & Smith Int’l, Inc.*, 2002 WL 1389615, \*3 (Tenn. Ct. App. June 27, 2002) (internal citations omitted). Further, discovery is not limited to the issues raised by the pleadings. *Id.*, *see also Shipley v. Tenn. Farmers Mut. Ins. Co.*, 1991 WL 77540, \*7-\*8 (Tenn. Ct. App. May 15, 1991).

Under Tennessee’s lenient discovery standards, a party may also use discovery to: define and clarify the issues; formulate and interject additional issues into the case; determine additional causes of actions or claims against a party or a third-party; or probe a variety of fact-oriented issues unrelated to the merits of the case. *Shipley*, 1991 WL 77540 at \*7-8. Because of this broad policy favoring discovery, limitations on discovery should not be ordered unless the party opposing discovery can demonstrate with more than conclusory statements and generalizations that the requested discovery limitations are necessary to protect the party from annoyance, embarrassment, oppression, or undue burden and expense. *Duncan v. Duncan*, 789 S.W.2d 557, 561 (Tenn. Ct. App. 1991). Accordingly, a party objecting to any discovery request must state

the reasons for the objection. *Id.*; see also *Kuehne & Nagel, Inc.*, 2002 WL 1389615 at \*4. As a general matter, the rules favor the production of the requested information in all cases where the request is reasonable. *Kuehne & Nagel, Inc.*, 2002 WL 1389615 at \*4.

**2. In view of the Tennessee rules and cases, the Consumer Advocate's discovery requests are relevant, not overly broad, and reasonably calculated to lead to the discovery of admissible evidence.**

In the context of this TRA Docket 16-00001, it is worth noting that Kingsport Power has not had a general rate case in over twenty years<sup>3</sup> – and it is undeniable (from even a superficial glance at the *Petition of Kingsport Power Company d/b/a AEP Appalachian Power General Rate Case and Motion for Protective Order* (“*Petition*”) and the testimony of its many witnesses) that a great deal has changed in the electric utility industry and related regulation in that time period. As background, when the Consumer Advocate intervenes in a rate case, its aim is to present a complete case to the TRA. By “complete case,” the Consumer Advocate means a case that not merely opposes selected parts of a company’s petition, but one that presents a virtually parallel case that sets forth an alternative number for every number presented by the company. By presenting a complete case the Consumer Advocate believes it is not only representing consumers to the fullest extent possible, but also providing a useful framework for the TRA as it works to decide the case. It should be noted that the discovery process is the principal

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<sup>3</sup> It also should be noted that Kingsport Power initiated a general rate case in TRA Docket 15-00093, on September 28, 2015, by filing a *Petition of Kingsport Power Company d/b/a AEP Appalachian Power General Rate Case*. That *Petition* for a general rate case was withdrawn by Kingsport Power on December 11, 2015, by Kingsport Power’s *Motion to Withdraw Petition Initiating a General Rate Case*. Kingsport Power’s *Motion to Withdraw* was granted on December 15, 2015. In that TRA Docket, Kingsport Power submitted the testimony of its witnesses and responded to TRA Staff data requests, but did not substantively respond to the discovery requests made by the Consumer Advocate in its *First Discovery Request of the Consumer Protection and Advocate Division to Kingsport Power Company d/b/a AEP Appalachian Power*, as filed on December 1, 2015.

procedural vehicle available to the Consumer Advocate to gather evidence and conduct analysis prior to the hearing in this matter.

Furthermore, the magnitude of the rate increase that Kingsport Power is requesting and the complexity of the issues in the general rate case (described in Kingsport Power's *Petition* and in the testimony of its many witnesses) justify substantial discovery by the Consumer Advocate. The Consumer Advocate's discovery requests reflect the need for a substantial amount of information that is needed to analyze and consider the substantial and complex requests made by Kingsport Power.

**3. Kingsport Power's objections are not proper applications of the Tennessee rules, lack foundation, and contradict the letter and purpose of discovery, especially in the context of TRA dockets that are, by their nature and by statutory requirement, severely time constrained.**

Kingsport Power comes to the TRA with a complex case presented by many witnesses and seeks to deny the Consumer Advocate the data and information the Consumer Advocate needs. That denial takes the form of the objections put forward by the Company and its legal counsel.

The consequences of the denial of the discovery requested would include the inability of the Consumer Advocate to test the merits of Kingsport Power's proposed rate increase and to evaluate the general rate case and related policy issues presented in the Company's *Petition*. And this would mean that that the Consumer Advocate would not have the ability to develop fully prepared positions on the myriad of issues presented in the *Petition*. Without the additional requested discovery – and without receiving discovery responses in the format requested – the

Consumer Advocate will be severely constrained in representing the interests of households and businesses in Kingsport Power's service territory, some 47,000 customers. Discovery and resulting pre-filed testimony present the only opportunities for consumers to receive due process with a representative and evidentiary voice regarding the rates charged to them by Kingsport Power prior to the hearing. And a hearing that occurs without the benefit of robust discovery prevents the Consumer Advocate from effectively representing consumers' interests.

**B. The Consumer Advocate's First Discovery Requests Are Not Unduly Burdensome or Expensive, Especially Taking Into Account the Complexity and Magnitude of the Case**

Kingsport Power has objected to the Consumer Advocate's first-round discovery request nos. 1, 9(c), 10(c), 11(c), 12(c), 13(d), 13(e), 14(c), 14(d), [CONFIDENTIAL: 25], 54, 68, 79, 130, 172, 200, 201, 202, and 206 – as well as renditions of its General Objections – on the ground that the Consumer Advocate's requests are unduly burdensome or a similar formulation or combination of that objection. Regardless of how Kingsport Power's objections are formulated or combined, though, the Consumer Advocate's requests are not unduly burdensome or expensive to Kingsport Power and its affiliates.

Kingsport Power is a part of one of the largest public electric utility conglomerates in the United States and effectively is the only source for most of the information that is needed to analyze and develop information with respect to this Docket. The reality of this Docket is that Kingsport Power has not had a general rate case in over twenty years, the electric utility industry has changed significantly in that time period, and the issues presented in Kingsport Power's general rate case are broad and highly complex. And Kingsport Power seeks a rate increase of

about \$12.1 million. With that context, Kingsport Power and its affiliates should not be allowed to limit discovery by claiming that it would be burdened by responding to the Consumer Advocate's requests.

As with most large rate cases filed by public utilities, Kingsport Power's initial filing is voluminous – and only represents Kingsport Power's argument in favor of the substantial rate increase and other relief sought by the Company. The case, and the discovery responses provided by the Company, require substantial review and analysis by the Consumer Advocate. After that review and analysis, the Consumer Advocate's experts will then put together a complete alternative rate case using the information that Kingsport Power has provided and data and information that it has obtained through discovery. If the Consumer Advocate's experts are denied discovery simply by the unfounded claim that providing that discovery would unduly burden one of the largest electric utilities in the country, then the TRA would be denied the valuable recommendations of the Consumer Advocate's experts and consumers would be denied perhaps the only means of obtaining due process with respect to the substantial rate increase that Kingsport Power seeks to impose on them.

Kingsport Power has requested a rate increase of approximately \$12.1 million. And it should be noted that this amount is multiplied in a rate-making setting – this is not simply a matter of \$12.1 million, but rather Kingsport Power is seeking an extra \$12.1 million *per year* from the 47,000 households and businesses in its service territory through increased rates. It must be said that Kingsport Power's resources, and as a subsidiary of American Electric Power, one the largest public electric utilities in the United States, the resources to which Kingsport Power has access – are vast. And employees of affiliated companies of American Electric Power



appear to have provided the bulk of the expert testimony in Docket 15-00093, this Docket 16-00001, with respect to the discovery responses to-date in this Docket 16-00001, and in similar rate case in other jurisdictions. Thus, while it may take some effort and some resources for Kingsport Power to respond to the Consumer Advocate's requests, these discovery requests amount to a simple part of doing business for a company backed by American Electric Power's vast resources.<sup>4</sup>

Thus, Kingsport Power's hollow objections that the Consumer Advocate's requests would be unduly burdensome to a member of one of the largest electric utility conglomerates in the country should be rejected.

### **C. Conclusion**

For the reasons stated above, the objections by Kingsport Power to the Consumer Advocate's requests enumerated above – and in the General Objection section and in each affidavit and certification of William K. Castle filed in the Company responses to the Consumer Advocate's discovery requests – should be overruled and the Company should be ordered to provide the data and information requested.

### **MOTION TO COMPEL** **WITH RESPECT TO SPECIFIC DISCOVERY RESPONSES**

**CPAD DISCOVERY REQUEST No. 1:** Please provide all written accounting, tax, regulatory or other policies that are currently being used or have been adopted by KgPCo or that are currently being used or have been adopted by KgPCo affiliates that also are currently

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<sup>4</sup> The apparent experience of regulated affiliates of KgPCo in rate cases in other jurisdictions also indicates that the Consumer Advocate discovery requests are comparable to – and in some cases substantially less than – the requests made in other jurisdictions. *See Affidavit of Ralph Smith, CPA*, filed in TRA Docket 15-00093 on December 8, 2015. Thus, the Consumer Advocate's requests are not unduly burdensome or expensive in comparison with requests made in those jurisdictions.

applicable to KgPCo. Please provide any such policies that have terminated in the most recent twenty four months.

CATEGORY: General.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company states as follows:

Refer to the Company's response to CPAD 1-110 for the most recent Kingsport FERC Form 1 annual reports that contain, in the Notes to Financial Statements section, a summary of significant accounting policies applicable to KgPCo and/or its affiliated companies.

**MOTION TO COMPEL:** Kingsport Power's response is inadequate and fails to provide the requested information on the policies that are currently being used to make determinations by Kingsport Power and its affiliates related to the subject matter of this request. The Consumer Advocate needs to have access to the relevant accounting, tax and regulatory policies that the Company is using, which are only available from the Company and from no other source, to evaluate them in terms of consistency with Tennessee rate-making policy and whether those policies are being followed by the Company. It is believed that the Company has internal written accounting, tax, and regulatory policies that are used by Kingsport Power (and other AEP subsidiaries) as guidance. The Company's response and objection does not state that it does not have such materials. Such written policies and procedures are relevant to understanding the specific accounting that the Company has been applying. The Consumer Advocate respectfully requests that that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 5:** Refer to the Company's response to TRA Staff Data Request #1-022 regarding the monthly trial balance. Please update this response to provide a monthly trial balance from January 2009 through December 2012, and from January 2015 through December 2015.

CATEGORY: General.

**COMPANY RESPONSE:** Please see CPAD 1-005 Attachments 1-43 for the available monthly trial balances from June 2012 through December 2015.

**MOTION TO COMPEL:** The Consumer Advocate is seeking monthly data from the Company's trial balance since January 2009 in Excel format in order to properly analyze changes to specific accounts. This analysis enables the Consumer Advocate to determine whether or not the test period amounts represent a reasonable level for setting rates. Because the monthly trial balance touches almost every aspect of the rate case, this request is absolutely critical to analyzing the rate case. The only source for this information is the Company. The Company has provided the year-to-date amounts for each account. The Company should provide the monthly balance (debit or credit) for each account in Excel format. Furthermore, as must be emphasized, the Consumer Advocate needs the data for January 2009 through December 2015 in order to provide an adequate baseline test for the test period amounts. The Company has only provided data from June 2012 without explanation other than that these are the months that are available. If the data is not available, then consideration should be given to whether the Company maintained adequate records to support its requests set forth in the *Petition*. If it has not, consideration must be given to dismissing the Company's requests in its *Petition*. The Consumer

Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 6:** Refer to the Company's response to TRA Staff Data Request #1-022 regarding the monthly trial balance. Specifically note that the subaccount detail for plant in service is rolled up into a summary total (Account 1010001). Please update the monthly trial balance schedules to include the detailed 300-series accounts for plant in service (accounts 301 through 399.1) from January 2009 through December 2015. Also, include amounts in Completed Construction Not Classified (account 106) for these same months. CATEGORY: General.

**COMPANY RESPONSE:** Please see CPAD 1-6 Attachment 1.pdf for Kingsport Power Company electric plant in service detailed in the 300-series accounts, reported on an annual basis. For the years 2009 through 2014 the information is provided from the Company's filed FERC Form 1 pages 204 through 207 for each year. For year 2015 the information is provided in a similar format, but is not finalized, as the Company's FERC Form 1 for 2015 has not yet been filed. Information on a monthly basis is not readily available, as this information is reported only on an annual basis.

**MOTION TO COMPEL:** The Consumer Advocate is seeking monthly data from the Company's trial balance since January 2009 in Excel format in order to properly analyze changes for each plant account. This analysis enables the Consumer Advocate to determine whether or not the test period amounts represent a reasonable level for setting rates. Because the monthly trial balance touches almost every aspect of the rate case, this request is absolutely critical to analyzing the rate case. The only source for this information is the Company. The Company has

provided only the annual amounts for each account. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 7:** Refer to the Company's response to TRA Staff Data Request #1-022 regarding the monthly trial balance. Specifically note that the subaccount detail for capital leases is rolled up into a summary total (Account 1011001). Please update the monthly trial balance schedules to include the detailed subaccounts for capital leases from January 2009 through December 2015.

CATEGORY: General.

**COMPANY RESPONSE:** Please see CPAD 1-7 Attachment 1.pdf for Kingsport Power Company distribution leased asset summary data and CPAD 1-7 Attachment 2.pdf for transmission leased asset summary data. Monthly information is not readily available.

**MOTION TO COMPEL:** The Consumer Advocate is seeking monthly balance (debit or credit) from the Company's trial balance since January 2009 in Excel format in order to properly analyze changes for each plant account. This analysis enables the Consumer Advocate to determine whether the test period amounts represent a reasonable level for setting rates. Because the monthly trial balance touches almost every aspect of the rate case, this request is absolutely critical to analyzing the rate case. The only source for this information is the Company. The Company has provided only the annual amounts for each account. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 8:** Refer to pages 118, 119 and 162 of the 2014 AEP stockholder's annual report. Specifically refer to the following selected items from the report:

Net Property, Plant & Equipment	\$44,117,000,000
Operating Revenues	\$9,484,000,000
Gross Margin	\$5,531,000,000
Operating Income	\$1,613,000,000
Net Income	\$712,000,000
Total KWh Energy Sales	130,954,000,000 KWh

Please provide segment reconciliation for each of these items from all state jurisdictions including Tennessee for 2014 as well as for similar items for fiscal years 2009 through 2013 and for 2015.

CATEGORY: General.

**COMPANY RESPONSE:** The requested information is not available on a state jurisdictional basis. Refer to CPAD 1-008 Attachment 1 for requested data prepared from Kingsport Power Company's FERC Form 1 for the years 2009 through 2014. The majority of the requested information (excluding the KWh by Registrant) may be obtained for AEP and its Registrant Subsidiaries by using AEP's SEC Form 10K's provided in response to Staff Informal 1-017.

**MOTION TO COMPEL:** The Consumer Advocate needs the details for each subsidiary to confirm Kingsport Power's share of the total consolidated amounts reported by AEP. This is

necessary to confirm that all reported consolidated amounts are properly considered. The Company's response claims that this information is not available on a jurisdictional basis. However, since the total consolidated amounts are composed from the reports of the individual subsidiaries, the question arises as to the source of the Company's information. If the data is not available, then consideration should be given to whether the Company has maintained adequate records to support its requests set forth in the *Petition*. If it has not, consideration must be given to dismissing the Company's requests in its *Petition*. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 9(c):** Refer to the "Staff Informal 1-24 – DRB & TAC – Attachment 2 – KgPCo Per Book and Going Level Revenues" file included with the Company's response to Item 24 of the TRA's Minimum Filing Requirement. Specifically, refer to the "Summary" tab of this spreadsheet and Column H which is titled "Incremental Weather Adjustment to Revenue". The \$2,426,081 total in this column provides the support for the Company's proposed Weather Normalization Adjustment (OR-1) included on Company Exhibit 2c (DRB). In connection with this adjustment, please provide the following information: . . .

(c) Update all tabs in this spreadsheet to include footnotes to the source files. To the extent that any of these referenced source files have not already been provided, please include them with your response.

CATEGORY: Revenue.

**COMPANY RESPONSE:** The Company objects to subsection (c) of this request which asks the Company to "Update all tabs in this spreadsheet to include footnotes to the source

files.” The Company objects to such request on the grounds that it is unduly burdensome. The Company does not maintain documents with all cells formatted as sought by this request and creating such documents (which do not presently exist) would require countless hours to compile. The Company further objects to this request on the grounds that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, the Company states that sources for the data in the spreadsheet were provided in the testimony and data request responses filed in this case.

**MOTION TO COMPEL:** The Company objects to providing a documented audit trail to its weather normalization calculations of \$2,426,081. The Consumer Advocate’s request relates to the Company’s filing of its own revenue forecast. Specifically, there is no documentation or footnotes related to the source and destination of the individual component calculations in the Company’s revenue forecast. As a result, the Consumer Advocate is unable to follow the development of the Company’s calculations and has asked in these specific requests for the Company to provide a documented audit trail for the revenue calculation. In its response, the Company has refused to provide such an audit trail. The Consumer Advocate is only asking that the Company cure the ambiguity for the calculations in its own filing by providing a documented audit trail. Either the Company should provide a clear audit trail for their weather adjustment calculations or these calculations should be removed from the Company’s case. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.



**CPAD DISCOVERY REQUEST No. 10(c):** Refer to the “Staff Informal 1-24 – DRB & TAC – Attachment 2 – KgPCo Per Book and Going Level Revenues” file included with the Company’s response to Item 24 of the TRA’s Minimum Filing Requirement. Specifically, refer to the “Summary” tab of this spreadsheet and Column J which is titled “Incremental Growth Adjustment to Revenue”. The \$692,989 total in this column provides the support for the Company’s proposed Customer Growth Adjustment (OR-2) included on Company Exhibit 2c (DRB). In connection with this adjustment, please provide the following information: . . .

(c) Update all tabs in this spreadsheet to include footnotes to the source files. To the extent that any of these referenced source files have not already been provided, please include them with your response.

CATEGORY: Revenue.

**COMPANY RESPONSE:** The Company objects to subsection (c) of this request which asks the Company to “Update all tabs in this spreadsheet to include footnotes to the source files.” The Company objects to such request on the grounds that it is unduly burdensome. The Company does not maintain documents with all cells formatted as sought by this request and creating such documents (which do not presently exist) would require countless hours to compile. The Company further objects to this request on the grounds that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, the Company states that sources for the data in the spreadsheet were provided in the testimony and data request responses filed in this case.

**MOTION TO COMPEL:** The Company objects to providing a documented audit trail to its customer growth calculations of \$692,989. The Consumer Advocate's request relates to the Company's filing of its own revenue forecast. Specifically, there is no documentation or footnotes related to the source and destination of the individual component calculations in the Company's revenue forecast. As a result, the Consumer Advocate is unable to follow the development of the Company's calculations and has asked in these specific requests for the Company to provide a documented audit trail for the revenue calculation. In its response, the Company has refused to provide such an audit trail. The Consumer Advocate is only asking that the Company cure the ambiguity for the calculations in its own filing by providing a documented audit trail. Either the Company should provide a clear audit trail for their customer growth calculations or these calculations should be removed from the Company's case. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 11(c):** Refer to the "Staff Informal 1-24 – DRB & TAC – Attachment 2 – KgPCo Per Book and Going Level Revenues" file included with the Company's response to Item 24 of the TRA's Minimum Filing Requirement. Specifically, refer to the "Summary" tab of this spreadsheet and Column D which is titled "Book to Billed Adjustment". The \$227,055 total in this column provides the support for the Company's proposed Book to Billed Adjustment (OR-3) included on Company Exhibit 2c (DRB). In connection with this adjustment, please provide the following information: . . .

(c) Update all tabs in this spreadsheet to include footnotes to the source files. To the extent that any of these referenced source files have not already been provided, please include them with your response.

CATEGORY: Revenue.

**COMPANY RESPONSE:** The Company objects to subsection (c) of this request which asks the Company to “Update all tabs in this spreadsheet to include footnotes to the source files.” The Company objects to such request on the grounds that it is unduly burdensome. The Company does not maintain documents with all cells formatted as sought by this request and creating such documents (which do not presently exist) would require countless hours to compile. The Company further objects to this request on the grounds that it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, the Company states that sources for the data in the spreadsheet were provided in the testimony and data request responses filed in this case.

**MOTION TO COMPEL:** The Company objects to providing a documented audit trail to its Booked to Billed Adjustment calculations of \$227,055. The Consumer Advocate’s request relates to the Company’s filing of its own revenue forecast. Specifically, there is no documentation or footnotes related to the source and destination of the individual component calculations in the Company’s revenue forecast. As a result, the Consumer Advocate is unable to follow the development of the Company’s calculations and has asked in these specific requests for the Company to provide a documented audit trail for the revenue calculation. In its response, the Company has refused to provide such an audit trail. The Consumer Advocate is only asking

that the Company cure the ambiguity for the calculations in its own filing by providing a documented audit trail. Either the Company should provide a clear audit trail for their Booked to Billed Adjustment calculations or these calculations should be removed from the Company's case. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

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**CPAD DISCOVERY REQUEST No. 12(c):** Refer to the "Staff Informal 1-24 – DRB & TAC – Attachment 2 – KgPCo Per Book and Going Level Revenues" file included with the Company's response to Item 24 of the TRA's Minimum Filing Requirement. Specifically, refer to the "Summary" tab of this spreadsheet and Column F which is titled "Annualization Adjustment". The \$1,955,389 total in this column provides the support for the Company's proposed Rate Annualization Adjustment (OR-5) included on Company Exhibit 2c (DRB). In connection with this adjustment, please provide the following information: . . .

(c) Update all tabs in this spreadsheet to include footnotes to the source files. To the extent that any of these referenced source files have not already been provided, please include them with your response.

CATEGORY: Revenue.

**COMPANY RESPONSE:** The Company objects to subsection (c) of this request which asks the Company to "Update all tabs in this spreadsheet to include footnotes to the source files." The Company objects to such request on the grounds that it is unduly burdensome. The Company does not maintain documents with all cells formatted as sought by this request and creating such documents (which do not presently exist) would require countless hours to compile. The Company further objects to this request on the grounds that it seeks information

that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objection, the Company states that sources for the data in the spreadsheet were provided in the testimony and data request responses filed in this case.

**MOTION TO COMPEL:** The Company objects to providing a documented audit trail to its Annualization Adjustment calculations of \$1,955,389. The Consumer Advocate's request relates to the Company's filing of its own revenue forecast. Specifically, there is no documentation or footnotes related to the source and destination of the individual component calculations in the Company's revenue forecast. As a result, the Consumer Advocate is unable to follow the development of the Company's calculations and has asked in these specific requests for the Company to provide a documented audit trail for the revenue calculation. In its response, the Company has refused to provide such an audit trail. The Consumer Advocate is only asking that the Company cure the ambiguity for the calculations in its own filing by providing a documented audit trail. Either the Company should provide a clear audit trail for their Annualization Adjustment calculations or these calculations should be removed from the Company's case. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 13 (d) and (e):** Refer to the "Staff Informal 1-24 – DRB & TAC – Attachment 3 – KgPCo Load Research" file included with the Company's response to Item 24 of the TRA's Minimum Filing Requirement. . . .

(d) Update the load research file to include footnotes to the source files. To the extent that any of these referenced source files have not already been provided, please include them with your response.

(e) Update the load research file to include footnotes to the destination files where this data is used in the Company's rate case.

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**CATEGORY:** Revenue.

**COMPANY RESPONSE:** The Company objects to subsections (d) and (e) of this request which ask the Company to "Update the load research file to include footnotes to the source files." and "Update the load research file to include footnotes to the destination files..." The Company objects to such requests on the grounds that they are unduly burdensome. The Company does not maintain documents with all cells formatted as sought by this request and creating such documents (which do not presently exist) would require countless hours to compile. The Company further objects to these requests on the grounds that they seek information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Subject to and without waiving the foregoing objections, the Company states that source and destination for the data in the spreadsheets is described in the data collection process described in CPAD 1-013, part a.

**MOTION TO COMPEL:** The Company objects to providing a documented audit trail to its Load Research calculations. The Consumer Advocate's request relates to the Company's filing of its own revenue forecast. Specifically, there is no documentation or footnotes related to the source and destination of the individual component calculations in the Company's revenue

forecast. As a result, the Consumer Advocate is unable to follow the development of the Company's calculations and has asked in these specific requests for the Company to provide a documented audit trail for the revenue calculation. In its response, the Company has refused to provide such an audit trail. The Consumer Advocate is only asking that the Company cure the ambiguity for the calculations in its own filing by providing a documented audit trail. Either the Company should provide a clear audit trail for their Load Research calculations or these calculations should be removed from the Company's case. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 14 (c) and (d):** Refer to the "Staff Informal 1-24 – DRB & TAC – Attachment 1 – KgPCo Weather Impacts & Billing Determinants" file included with the Company's response to Item 24 of the TRA's Minimum Filing Requirement. . . .

(c) Update the Weather Impact & Billing Determinants file to include footnotes to the source files. To the extent that any of these referenced source files have not already been provided, please include them with your response.

(d) Update the Weather Impact & Billing Determinants file to include footnotes to the destination files where this data is used in the Company's rate case.

CATEGORY: Revenue.

**COMPANY RESPONSE:** The Company objects to subsections (c) and (d) of this request which ask the Company to "Update the Weather Impact & Billing Determinants file to include footnotes to the source files." and "Update the Weather Impact & Billing Determinants file to include footnotes to the destination files..." The Company objects to such

requests on the grounds that they are unduly burdensome. The Company does not maintain documents with all cells formatted as sought by this request and creating such documents (which do not presently exist) would require countless hours to compile. The Company further objects to these requests on the grounds that they seek information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving the foregoing objections, the Company states that source and destination for the data in the spreadsheets is described in response to CPAD 1-14 part b.

**MOTION TO COMPEL:** The Company objects to providing a documented audit trail to its Weather Impacts & Billing Determinants calculations. The Consumer Advocate's request relates to the Company's filing of its own revenue forecast. Specifically, there is no documentation or footnotes related to the source and destination of the individual component calculations in the Company's revenue forecast. As a result, the Consumer Advocate is unable to follow the development of the Company's calculations and has asked in these specific requests for the Company to provide a documented audit trail for the revenue calculation. In its response, the Company has refused to provide such an audit trail. The Consumer Advocate is only asking that the Company cure the ambiguity for the calculations in its own filing by providing a documented audit trail. Either the Company should provide a clear audit trail for their Weather Impacts & Billing Determinants calculations or these calculations should be removed from the Company's case. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 18:** Refer to the "Staff Informal 1-24 – DRB & TAC – Attachment 1 – KgPCo Weather Impacts & Billing Determinants" file included with the



Company's response to Item 24 of the TRA's Minimum Filing Requirement. Specifically, refer to the "Unadj kWh by rate" tab of this spreadsheet. Please provide the billing demand data in this same rate code format from January 2009 through December 2015 in Microsoft Excel format.

CATEGORY: Revenue.

**COMPANY RESPONSE:** Billing demand data outside the test year has not been calculated and is not available.

**MOTION TO COMPEL:** The Company states that billing demand for periods other than the test period are not available and therefore refuses to provide this information by month from January 2009 as requested. In order to test the rate case projections, data for a number of years is obtained and normalized as a test against the test period amounts. In order to complete this testing, the Consumer Advocate requires monthly data for several years that includes billing demand by rate code. The Company should be required to provide this data in order to prove that its test period data is reasonable. It also must be noted that the Company does not specifically state the reasons why this data is not available. Much of this data relates to financial statement information from 2009 which should be available if the Company's record retention policy is in compliance with FERC requirements as referenced in the TRA's rules for electric utilities. As described above, the information asked for in these requests is necessary to analyze the rate case filing. If the requests are truly not available, then consideration must be given to whether the Company's records are in a position that would allow a proper audit, and if not, consideration must be given to whether the Company's rate case should be dismissed. The

Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 19:** Refer to the “Staff Informal 1-24 – DRB & TAC – Attachment 1 – KgPCo Weather Impacts & Billing Determinants” file included with the Company’s response to Item 24 of the TRA’s Minimum Filing Requirement. Specifically, refer to the “Unadj kWh by rate” tab of this spreadsheet. Please provide the customer bills data in this same rate code format from January 2009 through December 2015 in Microsoft Excel format.

CATEGORY: Revenue.

**COMPANY RESPONSE:** Number of customer bills data outside the test year has not been calculated and is not available.

**MOTION TO COMPEL:** The Company states that customer bills for periods other than the test period are not available and therefore refuses to provide this information by month from January 2009 as requested. In order to test the rate case projections, data for a number of years is obtained and normalized as a test against the test period amounts. In order to complete this testing, the Consumer Advocate requires monthly data for several years that includes customer bills by rate code. The Company should be required to provide this data in order to prove that its test period data is reasonable. It also must be noted that the Company does not specifically state the reasons why this data is not available. Much of this data relates to financial statement information from 2009 which should be available if the Company’s record retention policy is in compliance with FERC requirements as referenced in the TRA’s rules for electric utilities. As described above, the information asked for in these requests is necessary to analyze the rate case filing. If the requests are truly not available, then consideration must be given to whether the

Company's records are in a position that would allow a proper audit, and if not, consideration must be given to whether the Company's rate case should be dismissed. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 20:** Provide a copy of the Company's monthly tariff summaries (Billed and Billed & Accrued) from January 2009 through September 2015.

CATEGORY: Revenue.

**COMPANY RESPONSE:** Please see CPAD 1-020, Attachment 1 for the Company's monthly Billed Tariff Summaries from January 2009-December 2015.

See CPAD 1-020, Attachment 2 for the Company's monthly Billed and Accrued Tariff Summaries from January 2009-December 2015.

**MOTION TO COMPEL:** Each monthly tariff summary contains hundreds of numbers that would be required to be entered manually before any analysis of the Company's case can go forward. The Consumer Advocate therefore asks that the tariff summaries be made available in Excel format. As described above, the information asked for in these requests is necessary to analyze the rate case filing. If this information is not promptly provided in a usable format, then consideration must be given to whether the Company's records are in a position that would allow a proper audit, and if not, consideration must be given to whether the Company's rate case should be dismissed. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 23:** Provide a copy of all Street Lighting contracts currently in effect and/or that have terminated in the most recent twenty four month period. In addition, provide a copy of any TPSC/TRA Orders approving these contracts.

CATEGORY: Revenue.

**COMPANY RESPONSE:** The Company objects to this question on the basis that it requests materials related to Street Lighting, which is not included in Case No. 16-00001 and is non-jurisdictional.

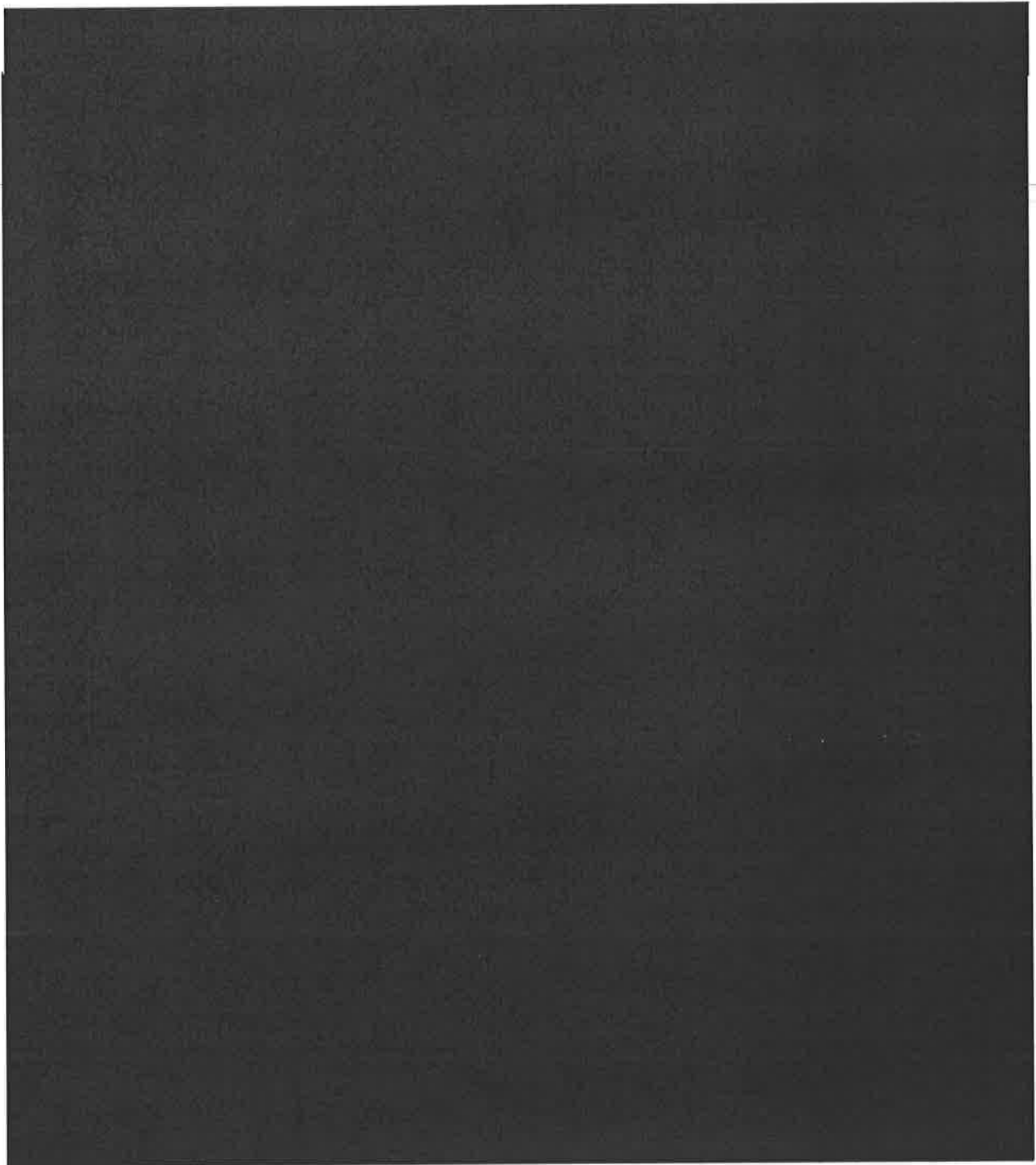
**MOTION TO COMPEL:** The Company has refused to provide copies of their Street Lighting contracts by stating that these contracts are not jurisdictional. The Consumer Advocate contests the Company's position that these contracts are not jurisdictional since all contracts are required to be approved by the TRA. Therefore, the Consumer Advocate asks that the Company be required to provide their Street Lighting contracts. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

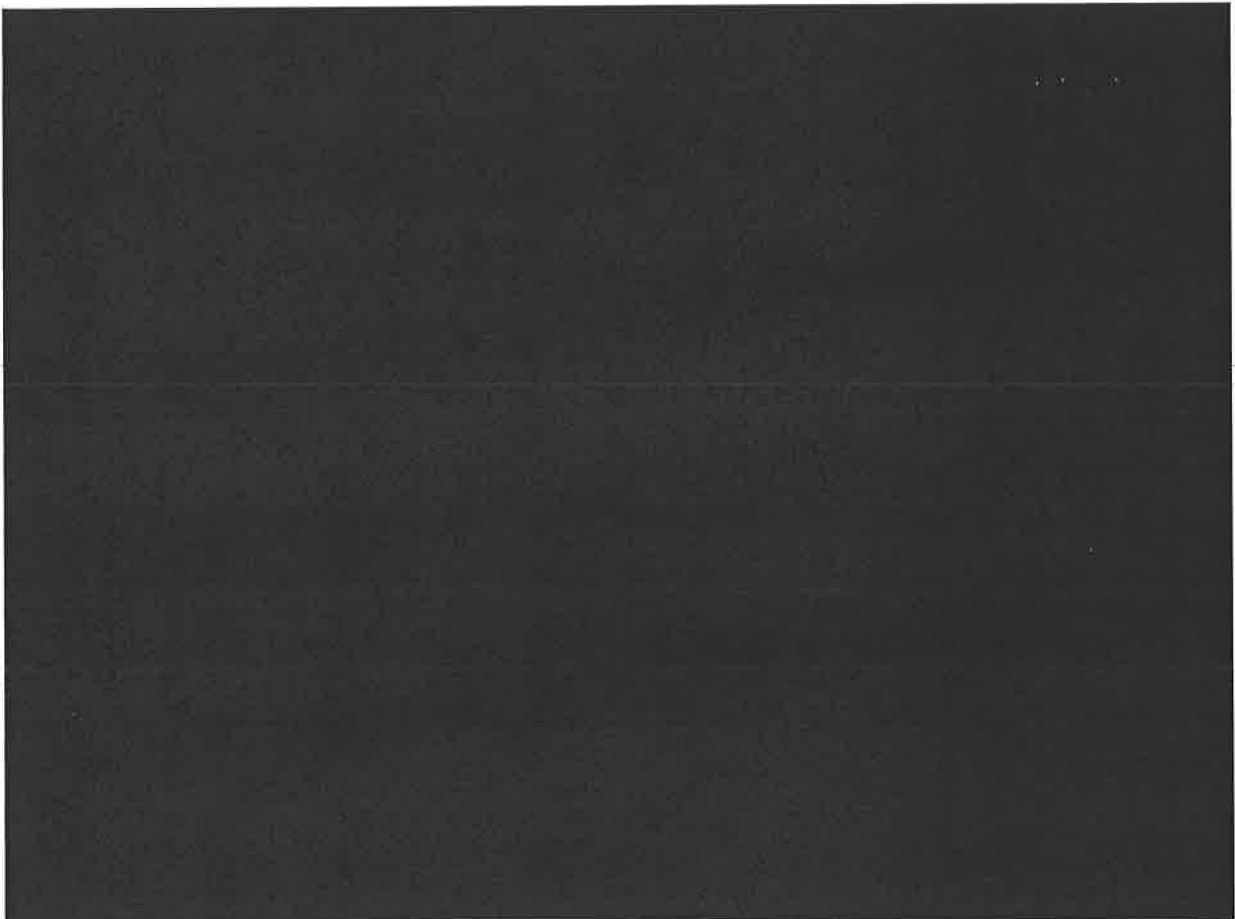
**CPAD DISCOVERY REQUEST No. 25:** Refer to the Company's response to TRA Staff Data Request #27 regarding electric consumption by the Company's 25 largest customers. For each customer identified in this response, please provide the following information:

- (a) The contact name and phone number of the individual at each company that is most familiar with their electric usage.
- (b) All correspondence with these customers from January 1, 2009 through December 2015 regarding historical, projected or anticipated changes to their electric usage.
- (c) The monthly delivered kWh at each meter point for each customer from January 2009 through December 2015.

(d) A copy of each customer's monthly bill from January 2014 through December 2015.

CATEGORY: Revenue.





During a rate case, the Consumer Advocate routinely contacts these types of customers because anticipated changes to their load can have a material impact on a rate case. It is not reasonable or appropriate to simply rely on the Company representations. Therefore, the Consumer Advocate asks that the Company be required to provide the contact information, correspondence and usage by meter point for the Company's 25 largest customers from January 1, 2009. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 26:** Please provide a copy of the monthly NOAA reports for the Kingsport weather station showing the daily high temperature, daily low

temperature, daily heating degree days, and daily cooling degree days from January 1985 through December 2015.

CATEGORY: Revenue.

**COMPANY RESPONSE:** The Company objects to this request. NOAA information is publicly available.

**MOTION TO COMPEL:** The Company has refused to provide weather data in support of its case. In response to CPAD1-9 the Company states “The monthly billing-cycle weighted degree days are computed using daily average temperatures from the weather station in Bristol, TN (TRI).” In CPAD 1-26, the Consumer Advocate is attempting to determine the source and support for the exact weather data used by the Company. Therefore, the Consumer Advocate asks that the Company be required to provide the daily weather data used and relied upon by the Company. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 27:** Provide the following monthly information by customer class (RS, SGS, MGS, LGS, IP, CS, PS, EHG, OL, SL) by tariff and by rate block from January 2009 through December 2015.

- (a) Number of customers;
- (b) Billed KWH;
- (c) Billing Demand; and
- (d) All other billing determinants included in the Company’s tariff.

CATEGORY: Revenue.

**COMPANY RESPONSE:** a, b, c) Please see the response to CPAD 1-020. d) Please see the response to TRA Staff 1-024, excel file “Staff Informal 1-24 - TAC - Attachment 1 - KgPCo Tariff Ratio File.xlsx” for monthly billing determinants for the Test Year. Billing determinants outside the test year have not been calculated and are not available.

**MOTION TO COMPEL:** The Company states that billing determinants for periods other than the test period are not available and therefore refuses to provide this information by month from January 2009 as requested. In order to test the rate case projections, data for a number of years is obtained and normalized as a test against the test period amounts. In order to complete this testing, the Consumer Advocate requires monthly data for several years that includes billing determinants by rate code. The Company should be required to provide this data in order to prove that its test period data is reasonable. It also must be noted that the Company does not specifically state the reasons why this data is not available. Much of this data relates to financial statement information from 2009 which should be available if the Company’s record retention policy is in compliance with FERC requirements as referenced in the TRA’s rules for electric utilities. As described above, the information asked for in these requests is necessary to analyze the rate case filing. If the requests are truly not available, then consideration must be given to whether the Company’s records are in a position that would allow a proper audit, and if not, consideration must be given to whether the Company’s rate case should be dismissed. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 32:** Provide monthly accumulated depreciation by subaccount from January 2009 through December 2015 detailing the beginning monthly



balance, accrual, retirements, cost of removal, salvage, adjustments, and ending monthly balance to each subaccount for each month. Please provide this analysis in Microsoft Excel format with all formulas intact.

**CATEGORY:** Rate Base.

**COMPANY RESPONSE:** Please see CPAD 1-32 Attachment 1.xlsx for Kingsport Power Company annual accumulated depreciation by subaccount for the period 2009 through 2015. Monthly information is not readily available.

**MOTION TO COMPEL:** The Company refuses to provide this information by month from January 2009 as requested. In order to test the rate case projections, data for a number of years is obtained and normalized as a test against the test period amounts. In order to complete this testing, the Consumer Advocate requires monthly data for several years that includes accumulated depreciation. The Company should be required to provide this data by month in order to prove that its test period data is reasonable. It also must be noted that the Company does not specifically state the reasons why this data is not available. Much of this data relates to financial statement information from 2009 which should be available if the Company's record retention policy is in compliance with FERC requirements as referenced in the TRA's rules for electric utilities. As described above, the information asked for in these requests is necessary to analyze the rate case filing. If the requests are truly not available, then consideration must be given to whether the Company's records are in a position that would allow a proper audit, and if not, consideration must be given to whether the Company's rate case should be dismissed. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 42:** Provide the monthly balance in Contributions in Aid of Construction by subaccount from January 2009 through December 2015 detailing the beginning monthly balance, additions, removals, adjustments and ending monthly balance to each subaccount for each month. Please provide this analysis in Microsoft Excel format with all formulas intact.

**CATEGORY:** Rate Base.

**COMPANY RESPONSE:** The monthly balances of CIAC by subaccount are not available. Contributions in Aid of Construction (CIAC) are tracked by work order, where applicable, and recorded as a credit in Account 107, Construction Work in Progress. If the total CIACs are more than the construction charges for the applicable work orders, the excess is recorded in Account 2530124. See the response to CPAD 1-005 for the monthly balances in Account 2530124, which the Company began using in March 2014. Refer to KgPCo Exhibit No. 2-a (ORB), Page 4 of 10, attached to Company witness Buck's testimony, for the test year-end balance of Account 2530124 that was included as a rate base offset in the cost of service study. For completed construction work, CIAC is recorded as an offset to the Account 101 balance as part of the 300 series electric plant account detail.

**MOTION TO COMPEL:** The Company states that Contributions in Aid of Construction are not available on a monthly basis and therefore refuses to provide this information by month from January 2009 as requested. In order to test the rate case projections, data for a number of years is obtained and normalized as a test against the test period amounts. In order to complete this testing, the Consumer Advocate requires monthly data for several years that includes Contributions in Aid of Construction. The Company should be required to provide this data by

month in order to prove that its test period data is reasonable. It also must be noted that the Company does not specifically state the reasons why this data is not available. Much of this data relates to financial statement information from 2009 which should be available if the Company's record retention policy is in compliance with FERC requirements as referenced in the TRA's rules for electric utilities. As described above, the information asked for in these requests is necessary to analyze the rate case filing. If the requests are truly not available, then consideration must be given to whether the Company's records are in a position that would allow a proper audit, and if not, consideration must be given to whether the Company's rate case should be dismissed. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested.

**CPAD DISCOVERY REQUEST No. 44:** Provide the monthly balance in Accumulated Deferred FIT by subaccount from January 2009 through December 2015 detailing the beginning monthly balance, additions, removals, adjustments and ending monthly balance to each subaccount for each month. Please provide this analysis in Microsoft Excel format with all formulas intact.

CATEGORY: Rate Base.

**COMPANY RESPONSE:** See the Response to CPAD 1-59 and CPAD 1-59 Attachment 1 for the information requested as of 12/31/2012, 12/31/2013, 12/31/2014 and 12/31/2015. The monthly information requested is voluminous. It is contained in the PowerPlan Tax Provision System and can be made available at a mutually agreed upon time in Columbus, Ohio.

**MOTION TO COMPEL:** The Company states that inspection of the details to Accumulated Deferred Federal Income Taxes are only available at the Company's offices in Columbus, Ohio.

In order to test the rate case projections, data for a number of years is obtained and normalized as a test against the test period amounts. In order to complete this testing, the Consumer Advocate requires monthly data for several years that includes Accumulated Deferred Federal Income Taxes. The Company should be required to provide this data by month in order to prove that its test period data is reasonable. Further, in view of the vast resources of Kingsport Power and its affiliates and the resources of the Consumer Advocate, requiring the Consumer Advocate to go to Columbus, Ohio, to view the Company response would be unduly burdensome. Furthermore, the Company's electric system is located in Tennessee, the TRA Staff is located in Tennessee, and the rate case is to be heard in Tennessee. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested at the TRA's offices in Nashville, Tennessee, for review and analysis by all parties.

**CPAD DISCOVERY REQUEST No. 45:** Provide the monthly balance in Accumulated Deferred ITC by subaccount from January 2009 through December 2015 detailing the beginning monthly balance, additions, removals, adjustments and ending monthly balance to each subaccount for each month. Please provide this analysis in Microsoft Excel format with all formulas intact.

CATEGORY: Rate Base.

**COMPANY RESPONSE:** See the Response to CPAD 1-59 and CPAD 1-59 Attachment 1 for the information requested as of 12/31/2012, 12/31/2013, 12/31/2014 and 12/31/2015. The monthly information requested is voluminous. It is contained in the PowerPlan Tax Provision System and can be made available at a mutually agreed upon time in Columbus, Ohio.

**MOTION TO COMPEL:** The Company states that inspection of the details to Accumulated Deferred Investment Tax Credit are only available at the Company's offices in Columbus, Ohio. In order to test the rate case projections, data for a number of years is obtained and normalized as a test against the test period amounts. In order to complete this testing, the Consumer Advocate requires monthly data for several years that includes Accumulated Deferred Investment Tax Credit. The Company should be required to provide this data by month in order to prove that its test period data is reasonable. Further, in view of the vast resources of Kingsport Power and its affiliates and the resources of the Consumer Advocate, requiring the Consumer Advocate to go to Columbus, Ohio, to view the Company response would be unduly burdensome. Furthermore, the Company's electric system is located in Tennessee, the TRA Staff is located in Tennessee, and the rate case is to be heard in Tennessee. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested at the TRA's offices in Nashville, Tennessee, for review and analysis by all parties.

**CPAD DISCOVERY REQUEST No. 54:** Please provide a complete copy of all of the Company's internal accounting manuals, directives, policies and procedures currently in effect or that have terminated in the most recent twenty four months.

CATEGORY: Accounting Information.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company states as follows: Refer to the Company's responses to CPAD 1-001 and 1-055.

**MOTION TO COMPEL:** The Company objects to providing a copy of its accounting manuals and instead provides other data that may or may not be responsive to the request. The Company should state affirmatively that the data provided are all of the Company's accounting manuals. The Company's internal accounting manuals, directives, policies and procedures are available only from the Company and may provide data and information about the accounting policies and procedures followed by the Company. To the extent that the data provided does not represent the Company's entire accounting manual, such data should be provided. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 57:** Please provide a copy of all jurisdictional operating budget variance reports for 2012, 2013, 2014, 2015 and 2016 to date.

**CATEGORY:** Operating Expenses.

**COMPANY RESPONSE:** Please see CPAD 1-057 Attachment 1.pdf for budget variance reports for 2012 to Jan 2016.

**MOTION TO COMPEL:** The Company's response to this request was incomplete. Variance reports for January in 2012 and 2013 have not been provided. Further, the variance report information was not provided in Excel format. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the requested format.

**CPAD DISCOVERY REQUEST No. 60:** Please provide the following monthly labor data for the Company for 2012, 2013, 2014, 2015 and 2016 to date, showing annual totals.

- (a) Number of actual employees broken down between type (e.g. salaried, hourly, union, non-union, temporary, etc.).
- (b) Number of authorized employees broken down between type (e.g. salaried, hourly, union, non-union, temporary, etc.).
- (c) Regular payroll broken down between expensed, capitalized and other.
- (d) Overtime payroll broken down between expensed, capitalized and other.
- (e) Temporary payroll broken down between expensed, capitalized and other; and
- (f) Other payroll (specify).

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:**

- (a) See CPAD 1-060, Attachment 1, for the number of actual employees broken down by type, for 2012 through 2015.
- (b) Not applicable, see response to part a above for actual employee data.
- c-f) See CPAD 1-060, Attachment 2, for regular payroll, overtime payroll and other payroll data for 2012 through 2015. Temporary payroll is not broken-out separately and is included with the corresponding payroll values.

**MOTION TO COMPEL:** CPAD 1-060, Attachment 1, contained four data groups for each year 2012-2015 but none of those data groups are labeled, so it is not clear what information is being provided in each group and how the listings in Attachment 1 are responsive to the specific information requested. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide a supplemental response with the information on the CPAD 1-

060, Attachment 1 clearly labeled to indicate how the information provided is responsive to the request.

**CPAD DISCOVERY REQUEST No. 61:** Employee Levels.

- (a) Please provide the number of KgPCo employees for 2012, 2013, 2014, 2015 and 2016 to date.
- (b) Please provide the number of Service Company employees for 2012, 2013, 2014, 2015 and 2016 to date.
- (c) Please provide the number of employees for each other KgPCo affiliate that charges or allocates cost to KgPCo for 2012, 2013, 2014, 2015 and 2016 to date.

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:** The Company objects to CPAD 1-061 (c) on the ground that it is not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objection, the Company states as follows:

- (a) and (b): Please see CPAD 1-061 Attachment 1 for the number of employees for 2012 through January 2016.
- (c) The number of employees of other non Service Corp affiliates that charge costs or allocate time to KgPCo is not readily available.

**MOTION TO COMPEL:** The Company's response to part (c) of this request was incomplete. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to identify the other Service Corp affiliates that charge costs or allocate time to KgPCo and to explain how the cost and employee time for those other non-Service Corp affiliate employees is charged to KgPCo.



**CPAD DISCOVERY REQUEST No. 68:** Please identify and provide a complete copy of all compensation studies that the Company has used to develop or evaluate compensation in the test year, attrition period or rate year.

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:** The Company objects to this request on the grounds the request is overly broad and unduly burdensome to the extent it seeks “all” documents. The Company further objects to the extent this question seeks information that is confidential and proprietary. In support of this objection, the Company states that the requested information contains information which is proprietary and confidential to the authors and the Company has no authority to disclose the protected work product or proprietary information of third parties. Disclosure of the requested information would be useful to current and potential competitors of the Company and, if this confidential information could come into the possession of current or prospective competitors, such disclosure may have a substantial and detrimental effect. Without waiving the above objections, the Company states it will make these documents available for review at its AEP 1 Riverside Plaza, Columbus, OH 43215 location. Please see CPAD 1-068 Attachment 1 for a listing of test year compensation studies and CPAD 1-068 Attachment 2 for attrition year compensation studies.

**MOTION TO COMPEL:** The Company has the protective order that it requested, as filed in this Docket, to mitigate its concerns about confidential and proprietary data. In view of the vast resources of Kingsport Power and its affiliates and the resources of the Consumer Advocate, requiring the Consumer Advocate to go to Columbus, Ohio, to view the Company response would be unduly burdensome. Furthermore, the Company’s electric system is located in

Tennessee, the TRA Staff is located in Tennessee, and the rate case is to be heard in Tennessee. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested at the TRA's offices in Nashville, Tennessee, for review and analysis by all parties.

**CPAD DISCOVERY REQUEST No. 69:** Please identify and provide a complete copy of all compensation studies that the Company has relied upon or intends to rely upon for purposes of the current rate case.

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:** Please see response to CPAD 1-068.

**MOTION TO COMPEL:** This response fails to provide the information requested and, by reference to the response to CPAD 1-068 would make it available only at the AEP headquarters office in Columbus, Ohio. Therefore, similar to the Motion to Compel for the information requested in CPAD 1-068, it is noted that the Company has the protective order that it requested, as filed in this Docket, to mitigate its concerns about confidential and proprietary data. In view of the vast resources of Kingsport Power and its affiliates and the resources of the Consumer Advocate, requiring the Consumer Advocate to go to Columbus, Ohio, to view the Company response would be unduly burdensome. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested in the format requested at the TRA's offices in Nashville, Tennessee, for review and analysis by all parties.

**CPAD DISCOVERY REQUEST No. 76:** Please provide the monthly level of each separate benefit cost broken down between expensed, capitalized and other the Company for

2012, 2013, 2014, 2015 and 2016 to date. Also, provide the annual totals, by account, for employee benefit costs for each of these periods.

CATEGORY: Operating Expenses.

**RESPONSE:** Please see response to CPAD 1-005 using subaccounts of FERC Account 926. Subaccounts 9260050, 9260051, 9260052 and 9260053 are the amounts transferred from being expensed to capital and other accounts. Subaccount 9260055 are the amounts billed to other affiliates so that labor charges billed include the cost of benefits.

**MOTION TO COMPEL:** Kingsport's response, by reference to CPAD 1-005, only provided the monthly costs. Annual costs are needed in order to provide a base for analysis of the test year. The Company's response to this request was incomplete. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested, which includes annual costs.

**CPAD DISCOVERY REQUEST No. 79:** Please list all net periodic pension cost and pension funding payments by AEP consolidated and the Company for each year 1990 through 2015.

- (a) For each pension funding contribution, in each year, indicate how much was required by ERISA and how much was discretionary.
- (b) For each discretionary pension funding payment identified in response to part a, identify and provide all quantitative and other analysis that was used to evaluate and determine the amount of funding payment.

(c) For each discretionary pension funding payment identified in response to part (a), identify and provide all presentations to the AEP board and board committees and also identify and provide all related board and board committee minutes.

(d) For each discretionary pension funding payment identified in response to part (a), identify and provide all presentations to the Company's board and board committees and also identify and provide all related board and board committee minutes.

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving its objections, the Company states as follows:

(a) See table below for pension expense and funding payments for 2010-2015 for AEP consolidated and for KgPCo. Similar data for years prior to 2010 is not readily available.

<b>Pension Expense &amp; Contributions</b>			
<b>\$s</b>			
<b>Year</b>	<b>Kingsport</b>	<b>AEP Consolidated</b>	
2010 Expense	343,908	132,598,976	
2011 Expense	369,000	110,033,000	
2012 Expense	419,827	122,179,275	
2013 Expense	560,949	172,774,577	
2014 Expense	536,638	151,433,518	
2015 Expense	387,614	126,471,547	
<b>Year</b>	<b>Kingsport</b>	<b>AEP Consolidated</b>	<b>Service Cost</b>
2010 Contribution	595,076	500,000,000	109,179,598
2011 Contribution	1,582,000	450,000,000	71,900,761
2012 Contribution	767,000	200,000,000	75,709,045
2013 Contribution	0	0	68,688,725
2014 Contribution	252,000	71,464,000	71,464,000
2015 Contribution	264,000	92,514,000	92,514,000
AEP's current policy is generally to contribute any amount required under ERISA or the annual service cost of the pension plan, whichever is greater. Prior to adopting the current policy, we made contributions in 2010 through 2012 to help restore the plan's funded status and to reduce premiums. In 2013, ERISA credits were applied so a contribution was not made.			

(b), (c) & (d) Pension funding decisions are evaluated by AEP management, not the Board of Directors. See (a) above for the Company's policy for pension funding contributions and the response to CPAD 1-078 for the related actuarial reports.

**MOTION TO COMPEL:** The Company's response is incomplete. The Company's response to part a, for example, only provides information back to 2010 and states that: "Similar data for years prior to 2010 is not readily available." However, the Consumer Advocate does not believe that representation by the Company is accurate, since a witness for other AEP utility subsidiaries, Hugh McCoy, has been presenting pension funding information for years prior to 2010 in his testimony in regulatory proceedings involving other AEP utility subsidiaries. As one illustrative example of this, in the affiliate regulatory proceeding in Virginia involving Appalachian Power Company (an affiliate that charges cost to KgPCo) Docket No. PUE-2014-00026, the witness for APCo, Mr. McCoy, who is the Director of Accounting Policy and

Research for the American Electric Power Service Corporation (i.e., the affiliated Service Company that serves both APCo, KgPCo and other AEP utility subsidiaries) presented pension funding information going back to 2002 as well as for “cumulative prior years” (i.e., for periods prior to 2002), as follows:

APCo Exhibit No. \_\_\_\_\_  
 Witness: MEM  
 Schedule I

Effect of Additional Pension Contributions Recorded As Prepaid Pension Asset in Reducing Pension Cost  
 Total Company Amounts Before Jurisdictional Allocation

Appalachian Power Company					
Plan Contributions	Less Qualified FAS 87 Cost	Additional Contributions	Investment Return		Balance of Plan Assets
			Rate	Amount	
FAS 87 Savings					
2002 Contributions	-	(10,004,964)			
2003 Contributions	9,256,774	(5,021,643)			
2004 Contributions	1,429,015	1,359,434			
2005 Contributions	123,787,391	7,391,594			120,396,297
2006 Return on 2005 Balance			8.50%	10,333,683	130,629,982
2006 Contribution	-	(5,903,623)			124,726,359
2007 Return on 2006 Balance			8.50%	11,103,548	135,829,908
2007 Contribution	-	(3,462,586)			132,367,322
2008 Return on 2007 Balance			8.00%	10,866,393	143,233,714
2008 Contribution	-	(3,424,127)			139,809,587
2009 Return on 2008 Balance			8.00%	11,458,697	151,268,285
2009 Contribution	-	(10,474,939)			140,793,346
2010 Return on 2009 Balance			8.00%	12,101,463	152,894,808
2010 Contribution	36,783,948	15,813,278			173,865,478
2011 Return on 2010 Balance			7.75%	13,474,575	187,340,053
2011 Contribution	60,060,000	15,311,970			232,288,083
2012 Return on 2011 Balance			7.25%	16,840,886	249,128,969
2012 Contributions	25,170,000	16,617,846			257,681,123
2013 Return on 2012 Balance			6.50%	16,749,273	274,430,396
2013 Contribution	-	(21,977,888)			252,452,508
Total Additional Contributions Above	260,487,628	36,510,680			
Cumulative Prior Years					7,813,212
Prepaid Pension Balance at December 2013					181,750,160

The information on pension cost and pension funding is needed to evaluate the Company's claims for pensions in the current rate case, including claims for inclusion of a pension asset in

rate base. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

With respect to the response to (b), (c) & (d) the Company states that: "Pension funding decisions are evaluated by AEP management, not the Board of Directors." However, the CPAD does not believe that representation by the Company is accurate, because it was revealed in rate proceedings of KgPCo's affiliate, Appalachian Power Company, in Virginia, that pension funding decisions, particularly those that involve discretionary funding beyond minimum required amounts, have been reviewed and addressed by the AEP board of directors and AEP board of directors committees, in addition to review by AEP management. The presentations and economic analysis for discretionary pension funding is relevant to evaluating issues concerning pension costs and ratemaking treatment of pensions in the current KgPCo rate case. There is no other source for such information but the Company and its affiliates. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 84:** Please provide the level of contributions and donations by the Company included in cost of service by separate payee, along with a description and the purpose for each payee.

**CATEGORY:** Operating Expenses.

**COMPANY RESPONSE:** See the Company's response to Staff Informal 1-48.

**MOTION TO COMPEL:** The costs were provided in response to Staff Informal 1-48, but the description and purpose of each contribution payee was not provided by Kingsport Power. Knowing the purpose of the payments is relevant to evaluating whether the expenditures were

necessary and appropriate for the provision of public utility service and to determine if the donations should be excluded from the cost of service. The Company's response to this request was incomplete. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested, which includes the description and purpose of the payments.

**CPAD DISCOVERY REQUEST No. 86:** Please provide the level of dues included by the Company in cost of service by separate payee, along with a description and the purpose for membership for each payee.

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:**

Refer to the table below for membership dues included in the Company's cost of service.

Name	Account	Amount
KINGSPORT CHAMBER OF COMMERCE	9302000	\$1,900
TENNESSEE CHAMBER OF COMMERCE	9302000	\$1,000
DOWNTOWN KINGSPORT ASSN	9302000	\$500
SCOTT COUNTY ROTARY	5800000	\$375
DOWNTOWN KINGSPORT ROTARY	5800000	\$507
		<b>\$4,282</b>

**MOTION TO COMPEL:** The costs were listed by payee, but the description and purpose of each contribution to the payee was not provided by Kingsport Power. Knowing the purpose of the payments is relevant to evaluating whether the expenditures were necessary and appropriate for the provision of public utility service and to determine if the donations should be excluded from the cost of service. The Company's response to this request was incomplete. The



Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested, which includes the description and purpose of the payments.

**CPAD DISCOVERY REQUEST No. 87:** Please provide the level of payments made by the Company to industry organizations other than membership dues included in cost of service along with a description of each payee organization or project.

CATEGORY: Operating

**COMPANY RESPONSE:**

Refer to table below:

Name	Amount
NETWORKS SULLIVAN PARTNERSHIP	\$18,354
KINGSPORT CHAMBER OF COMMERCE	\$11,500
FUN FEST	\$10,000
Total	\$39,854

**MOTION TO COMPEL:** The costs were listed by payee, but the description and purpose of each contribution to the payee was not provided by Kingsport Power. Knowing the purpose of the payments and the organizations to which the payments are being made is relevant to evaluating whether the expenditures were necessary and appropriate for the provision of public utility service and to determine if the contributions should be excluded from the cost of service. The Company's response to this request was incomplete. The Company presumably knows the purpose of the organizations to which it is making contributions. Not to know the purpose of the organizations being funded would suggest a lack of controls and possibly imprudent expenditures. The Company's response fails to identify the purpose of the "Networks Sullivan Partnership" and the "Fun Fest" or to explain why payments are being made to such organizations. The Consumer Advocate respectfully requests that the Hearing Officer order the

Company to provide the information requested, which includes the description of the payees such as the “Networks Sullivan Partnership” and the “Fun Fest” and the purpose of the payments.

**CPAD DISCOVERY REQUEST No. 100:** Please provide the following annual jurisdictional data related to uncollectible accounts for 2012, 2013, 2014, 2015 and 2016 to date:

- (a) Bad debt expense;
- (b) Bad debt write-offs;
- (c) Collections of written-off accounts;
- (d) Allowance for doubtful accounts; and
- (e) Billed revenues

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:** AEP Credit factors accounts receivable on a daily basis for the Company. Generally, AEP Credit records bad debt expense based upon a 12-month rolling average of bad debt write-offs in proportion to gross accounts receivable purchased from participating AEP subsidiaries. The Company does not record an amount for Allowance for Doubtful accounts.

Refer to the table below for the requested data for 2012-2015:

		2015	2014	2013	2012
a	Bad Debt Expense	\$ 367,265	\$ 418,205	\$ 349,434	\$ 473,025
b	Bad Debt Write-offs	\$ 273,923	\$ 392,088	\$ 402,704	\$ 287,471
c	Collection of Written-off Accounts	\$ 77,877	\$ 81,843	\$ 65,892	\$ 73,170
d	Allowance for Doubtful Accounts	\$ -	\$ -	\$ -	\$ -
e	Billed Revenues	\$147,654,383	\$ 158,546,315	\$ 151,312,764	\$ 147,052,979

**MOTION TO COMPEL:** The Company's response to this request was incomplete. Kingsport did not provide information for 2016 to date. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested for 2016 to date.

**CPAD DISCOVERY REQUEST No. 105:** Please identify the amounts included by the Company in cost of service during the test year, by account, from the Service Company for the following items:

- (a) Membership dues in service, social and professional organization (identify);
- (b) Lobbying expenses;
- (c) Charitable contributions;
- (d) Investor relations expenses;
- (e) Public relations expense, including an explanation of the nature and purpose of the activities;
- (f) Advertising expenses broken down by categories including project, marketing, corporate, institutional, informational, etc., and
- (g) Corporate aircraft.

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:**

(a) The following table provides the amount of company and employee memberships dues included in cost of service during the test year, by account, as billed from the AEP Service Corporation to Kingsport.

FERC Account	Company Memberships	Employee Memberships	Grand Total
5000		1	1
5560	0		0
5600	2	14	16
5612		5	5
5615		17	17
5630		1	1
5660		13	13
5710		0	0
5800		40	40
5860		6	6
5880		24	24
9030		9	9
9070	239	4	243
9120	133	34	167
9210	469	394	863
9230	623	55	678
9280		1	1
9301		3	3
9302	5.907	9	5.916
Grand Total	7.372	630	8.002

There are no social membership dues included in cost of service. Company memberships pertain to various trade or industrial organizations, while employee memberships pertain primarily to professional or technical organizations.

(b) Refer to response TRA Staff Informal Data Request No. 1-48 for the requested information.

(c) Refer to response TRA Staff Informal Data Request No. 1-48 for the requested information.

(d) The following table provides the amount of investor relations expenses included in cost of service during the test year, by account, as billed from the AEP Service Corporation to Kingsport.

FERC Account	Total
9200	1,893.97
9210	407.60
9230	469.18
9302	33.87
<b>Grand Total</b>	<b>2,804.62</b>

(e) The following table provides the amount of public relations expenses included in cost of service during the test year, by account, as billed from the AEP Service Corporation to Kingsport. Public relations activity includes those tasks associated with issuing press releases and answering questions from the media. Major tasks included, but were not limited to, holding press conferences; responding to articles and communications about the Company in the media; researching, preparing and issuing news releases; supporting media tours and open houses; and providing the related technical support to perform these duties.

FERC Account	Total
5600	3.28
9200	2,172.07
9210	19.44
9230	422.22
9301	126.00
<b>Grand Total</b>	<b>2,743.01</b>

(f) The following table provides the amount of advertising expenses included in cost of service during the test year, by account and category, as billed from the AEP Service Corporation to Kingsport.

FERC Account	Category	Total
9301	Corporate	142
	Informational	203
	Marketing	1,991
Grand Total		2,336

(g) The following table provides the amount of aviation expenses included in cost of service during the test year, by account, as billed from the AEP Service Corporation to Kingsport.

FERC Account	Total
5600	955.92
5660	4.59
5880	47.79
9210	12,518.00
9230	256.53
Grand Total	13,782.83

**MOTION TO COMPEL:** Consumer Advocate Discovery Request 105, Subpart (a), regarding amounts included in cost in service during test year from the Service Company, requested: “Membership dues in service, social and professional organization (identify)”, Kingsport did not identify the professional organizations. Knowing the identity of the organizations being funded by the affiliated Service Company, for which cost is being charged to KgPCo, is important to the process of evaluating such expenses for whether they are necessary for the provision of utility service and should, or should not, be included in the cost of service. The Company’s response to this request was incomplete. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 121:** Supplemental Executive Retirement Plan (SERP).

- (a) Please provide the level of SERP expense, by account, included in the Company's cost of service for the test year ended December 31, 2014.
- (b) Please provide the comparable SERP expense for each year 2012, 2013, 2014 and 2015.
- (c) Provide the most recent actuarial reports for SERP.
- (d) Provide all actuarial studies, reports and estimates used for SERP for the test year ended December 31, 2014.

CATEGORY: Operating Expenses.

**COMPANY RESPONSE:**

- (a) See CPAD 1-121 Attachment 1.xls for the 2014 AEPSC SERP cost of service billings to Kingsport by FERC account.

Time Span	Amount
Jan - Dec 2012	\$ 31.779
Jan - Dec 2013	\$ 17.141
Jan - Dec 2014	\$ 13.551
Jan - Dec 2015	\$ 18.956

- (b) The following table provides the calendar year ended 2012, 2013, 2014, and 2015 AEPSC cost of service SERP billings to Kingsport.
- (c) See CPAD 1-121 Attachment 2.pdf for the 2015 actuarial report for SERP.
- (d) See CPAD 1-121 Attachment 3.pdf for the 2014 actuarial report for SERP.

**MOTION TO COMPEL:** CPAD 121, Subpart (a), regarding SERP requested: "Please provide the level of SERP expense, by account, included in the Company's cost of service for the test year ended December 31, 2014." Kingsport provided 2014 AEPSC SERP cost of service

billings to Kingsport by FERC account, but does not clearly state whether there are any direct SERP costs for Kingsport. The Company's response to this request was incomplete. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested, which would include a clear statement from KgPCo concerning whether there are any SERP costs incurred directly by Kingsport, and, if so, to identify those amounts by account.

**CPAD DISCOVERY REQUEST No. 130:** Please provide AEP's Board of Directors' meeting minutes since January 1, 2014. Include all studies, documents, presentations, and other materials referenced in the minutes. Also include all minutes (and studies, documents, presentations, and other materials referenced in the minutes) of Board committee meetings.

CATEGORY: General.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. The documents requested contain highly sensitive confidential information unrelated to the Company or the Company's application, including communications and documents protected by attorney-client privilege and/or the attorney work product doctrine, none of which is subject to discovery in this case. Furthermore, it would be unduly burdensome to produce "all studies, documents, presentations, and other materials referenced in the [AEP Board of Directors' meeting] minutes" and/or "all minutes (and studies, documents, presentations, and other materials referenced in the minutes) of Board committee meetings." These materials are not only voluminous, confidential, and highly sensitive, but also contain numerous references to potential supporting documents, references



which are prohibitively vague, and which do not make at all clear whether a physical supporting document exists. In addition, there are no supporting documents attached to the official copy of the AEP Board minutes. Even with more than diligent effort, it is possible that KgPCo would not even be able to identify and locate all supporting documents, including any that may be specifically referenced in the AEP Board minutes or Committee minutes. Without waiving these objections, the Company states as follows:

The Board of Directors' meeting minutes do not contain references to KgPCo or to documents referring to KgPCo, and do not contain information relevant to the subject matter of the Company's application.

**MOTION TO COMPEL:** The Company's response is inadequate because decisions are made at the AEP Board which affect all AEP subsidiaries, including other AEP subsidiaries that charge or allocate cost to Kingsport Power including AEP Service Company and Appalachian Power Company. And note that the Consumer Advocate specifically time-limited the request to only requesting AEP minutes since January 1, 2014. It also is worth noting that AEP Board materials were provided by Appalachian Power Company ("APCo") in Virginia State Corporation Commission Case No. PUE-2014-00026 in response to SCC Staff data request SCC 1-4, which requested the following information: "Please provide AEP's Board of Directors' meeting minutes since January 1, 2012. Include all studies, reports, documents, presentations, and other materials referenced in the minutes. Also include all minutes of Board committee meetings." In Virginia SCC Case No. PUE-2014-00026, after making similar objections to those presented by Kingsport Power in the current Tennessee proceeding, Kingsport Power's affiliate, APCo, ultimately provided requested AEP Board materials in a series of confidential supplemental

responses to the Virginia Staff data request SCC 1-4, after being ordered to provide such relevant materials by a Hearing Officer for the Virginia Commission in the above-referenced proceeding. Similar AEP Board materials that were relevant to Kingsport Power's affiliate, Appalachian Power Company (which charges cost to Kingsport Power) are also relevant to the current Kingsport Power rate case. The Consumer Advocate therefore requests that the TRA Order Kingsport Power to provide the requested AEP Board materials from January 1, 2014 through the present. As noted above, this request is reasonable, and has been specifically time-limited to limit the burden on the Company (and its parent AEP) of complying. The requested AEP board materials are relevant to AEP decisions which affect all of the AEP utilities and which affect AEP subsidiaries including but not necessarily limited to subsidiaries such as AEP Service Company and Appalachian Power Company, which charge costs to Kingsport Power. This request is reasonable calculated to lead to the discovery of admissible evidence (just as the similar request by the Virginia SCC Staff for similar materials was in Virginia SCC Case No. PUE-2014-00026). The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 138:** Company Witness Wright testifies at page 6 of his testimony that the expenses for the TRS “during its first four years of implementation will be approximately \$4.3 million, while the average cost of the remaining six years will be approximately \$3.4 million.” To enable the Consumer Advocate to evaluate Company Witness Wright's testimony, please provide all studies, analyses, and/or reports on which the Company relies for this testimony and for the amounts of requested TRS costs.

CATEGORY: TRS.

**COMPANY RESPONSE:** Refer to TRA Informal 1-24\_PAW\_Attachment 5\_TRS Adjustments for the estimated costs associated with the first year of the TRS program including vegetation management. The expenses for the last three years of the vegetation management implementation cycle are expected to be similar to the first year's expense plus cost escalation due to changes in labor, equipment and material costs. The vegetation management O&M expenses associated with the four-year implementation cycle are expected to decrease closer to the going level of O&M expense proposed in this proceeding.

**MOTION TO COMPEL:** The Company's response fails to provide the requested support for the testimony of the Company's witness. The Consumer Advocate requested that the Company provide all studies, analyses, and/or reports on which the Company relies for this testimony and for the amounts of requested TRS costs. The Company is the only source for this data and information and it is not unreasonable to require that the Company provide all such support to enable the Consumer Advocate to evaluate the testimony of the Company's witness. If there is no such support, the Company's response should so state. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 151:** Please refer to Castle Testimony, page 4, and Buck Testimony, pages 5-7 and 23-28, where the Company proposes to gradually equalize class rates of return based on cost-of-service data by realigning base rates over the next six years. To enable the Consumer Advocate to evaluate this Rate Realignment Rider, identify and provide a copy of all studies, analysis, reports, and any other sources upon which Company Witness Buck relied for this statement: "Meeting this objective [of designing rates to reflect the actual

costs of serving the customer] requires that the rates of return for all classes be equalized.” (Buck Testimony, p. 23).

**CATEGORY:** Rate Realignment Rider.

**COMPANY RESPONSE:** The objective of ratemaking is to design rates such that they reflect as nearly as possible the actual costs of serving each customer. When the rates of return among each class are equal, subsidies between the classes are eliminated. Therefore, when rates of return are equalized among the classes, no subsidies exist and each class has rates that reflect the actual cost to serve that class.

**MOTION TO COMPEL:** The Company’s response fails to provide the requested support for the testimony of the Company’s witness. The Consumer Advocate requested that the Company provide all studies, analyses, and/or reports on which the Company relies for this testimony. The Company is the only source for this data and information and it is not unreasonable to require that the Company provide all such support to enable the Consumer Advocate to evaluate the testimony of the Company’s witness. If there is no such support, the Company’s response should so state. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 154:** Refer to Caudill Testimony, pages 6-7, in which the Company proposes increased monthly demand charges for residential, small general service, church service, and M.G.S. tariffs. To enable the Consumer Advocate to evaluate this, identify and provide copies of all studies, analyses, reports, and other sources upon which Company Witness Caudill relied for her statements that “fixed costs are generally recovered

through demand charges” (p. 6) and “it is appropriate to collect fixed costs through a demand charge, whenever possible” (p. 7).

CATEGORY: Rate Design.

**COMPANY RESPONSE:** The Company is not seeking to impose a demand charge on customers who take service under residential, small general service, or church service tariffs. The Company is proposing to increase the monthly basic service charge for these customers so that it is closer to the actual cost of service.

Collecting fixed costs through fixed charges such as the monthly basic service charge or a kW demand charge more closely aligns cost recovery with cost causation principles.

The Company is proposing to introduce demand charges for customers who take service under Tariff M.G.S.

**MOTION TO COMPEL:** The Company’s response fails to provide the requested support for the testimony of the Company’s witness. The Consumer Advocate requested that the Company provide all studies, analyses, and/or reports on which the Company relies for this testimony. The Company is the only source for this data and information and it is not unreasonable to require that the Company provide all such support to enable the Consumer Advocate to evaluate the testimony of the Company’s witness. If there is no such support, the Company’s response should so state. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 155:** With reference to the Caudill testimony referred to in Discovery Request No. 154 and for the reasons stated in that request, note that Company Witness Caudill states that as a result of increased demand charges “the average

customer will see less volatility in bills from low to high usage months” (p. 6). In light of this statement, does KgPCo admit that increased demand charges will result in the following (if KgPCo denies the following, please explain and provide pro forma calculations based on the average residential customer’s bill to support your position):

- (a) A lesser portion of the average customer’s bill will be based on her usage, therefore she will have less control over her monthly electric bill (as compared to the situation where the demand charge does not increase);
- (b) Reduced consumption will have a less significant effect on the average customer’s bill, therefore she will be less incentivized to engage in electricity conservation (as compared to the situation where the demand charge does not increase)?

CATEGORY: Rate Design.

**COMPANY RESPONSE:** The Company is not proposing a demand charge for standard residential customers. The Company however is proposing an increase to the monthly basic service charge. (a&b) The Company’s proposed changes to its residential rate design will provide customers with more accurate pricing signals that better reflect the cost to serve customers. While an inappropriately high volumetric charge might be viewed by some as encouraging conservation, it is in fact providing an inaccurate price signal in the aggregate. When a customer conserves energy, she saves only the marginal cost of providing that energy. To the extent that the volumetric portion of her retail rate includes more than the marginal cost of providing her electric service, her conservation will result in a shift of her fixed cost burden to other residential customers, resulting in higher rates for all customers. Under the

Company's proposal, residential customers will see the volumetric portion of their bill increase from the current 8.3 cents/kWh to 9.3 cents/kWh.

**MOTION TO COMPEL:** The Company's answer is not responsive to the Consumer Advocate's request. KgPCo has provided its justification for using a fixed charge, but the request calls for an affirmation or denial that certain practical outcomes will *flow from* this fixed charge. And if KgPCo denies that these practical outcomes will follow, it must justify that denial, not justify the overall implementation of the policy in question. Moreover, the Caudill testimony at page 6 confused the distinction between fixed charges and demand charges by discussing the recovery of fixed costs through demand charges. The Company must clarify the distinction between fixed costs and demand charges on which the Company relies, and answer this request in terms of costs that do not vary by billing cycle. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 159:** With reference to the Castle testimony referred to in Discovery Request No. 158 and for the reasons stated in that request, for each of KgPCo's NMS customers, provide the following:

- (a) A copy of the bills rendered to each Net Metering customer of KgPCo from January 2013 through December 2015;
- (b) Pro forma calculations showing the hypothetical monthly bill amounts under NMS-2 for the same months.

CATEGORY: Net Metering.

**COMPANY RESPONSE:**

(a) The Company objects to this subsection to the extent this request seeks our customers' personal and confidential information that is not reasonably calculated to lead to the discovery of admissible evidence. Copies of individual monthly bills contain our customers' confidential information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

(b) ~~The Company is not proposing to migrate customers currently taking service under Tariff N.M.S. to Tariff N.M.S-2, and has not performed those calculations.~~

**MOTION TO COMPEL:** The Company objects to providing a copy of the bills rendered to its Net Metering customers. A copy of these Net Metering bills is necessary to evaluate the Company's proposed rate design for these customers. The confidentiality of these materials is preserved by means of the Protective Order. Therefore, the Company should be required to provide a copy of these Net Metering bills as requested. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 172:** With reference to the Castle testimony referred to in Discovery Request No. 158 and for the reasons stated in that request, provide a copy of all documents directly or indirectly related to or concerning Net Metering that the Company has distributed in any form or manner or by any means to its customers in Tennessee.

CATEGORY: Net Metering.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is ambiguous, unduly burdensome, and overbroad. The Company further objects to the extent the request purports to require production of documents provided to specific customers. Without



waiving these objections, the Company states that Tariff N.M.S. is the reference source for communication with its Tennessee customers concerning Net Metering.

**MOTION TO COMPEL:** The Company objects to providing a copy of the information that it has already provided to its Net Metering customers and instead states that “Tariff NMS is the reference source for communication with its Tennessee customers concerning Net Metering.” The Company should state affirmatively that no other data or information has been provided to its Tennessee Net Metering customers. To the extent that the Company has provided data or information to its Tennessee Net Metering customers, such data or information should be provided as a response. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 179:** With reference to the Castle testimony referred to in Discovery Request No. 176 and for the reasons stated in that request, state the criteria for determining who qualifies as a high-usage, low-income residential customer, and state the number of KgPCo customers that meet these criteria.

CATEGORY: Residential Direct Load Control Program; Residential Low Income Program.

**COMPANY RESPONSE:** Low income customers are defined as those customers who meet eligibility guidelines based on established Federal poverty guidelines. High use, low-income customers are the sub-set of low income customers who consume more electricity than the average low-income customer. There are currently approximately 633 customers who meet this criteria.

**MOTION TO COMPEL:** The response is insufficient because it is overly vague. There are myriad aspects of federal poverty guidelines that may be considered in determining whether

someone is low-income. So the response does not sufficiently describe what socio-economic aspects will be considered when determining if a KgPCo customer qualifies as low-income. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 183:** With reference to the Castle testimony referred to in Discovery Request No. 176 and for the reasons stated in that request, explain fully the bases for the estimated number of participants in each DSM program for years 1, 2, and 3, and, in addition, provide copies of all studies, analyses, and/or reports underlying such bases.

CATEGORY: Residential Direct Load Control Program; Residential Low Income Program.

**COMPANY RESPONSE:** The programs were designed to be comparable to the programs in the Appalachian Power Company's Virginia service territory. The estimated number of participants are proportional to the estimated number of participants in Virginia, based on an approximate residential customer count.

**MOTION TO COMPEL:** The Company's response fails to provide the requested support for the testimony of the Company's witness. The Consumer Advocate requested that the Company provide all studies, analyses, and/or reports on which the Company relies for this testimony. The Company is the only source for this data and information and it is not unreasonable to require that the Company provide all such support to enable the Consumer Advocate to evaluate the testimony of the Company's witness. If there is no such support, the Company's response should so state. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 184:** With reference to the Castle testimony referred to in Discovery Request No. 176 and for the reasons stated in that request, explain fully the bases for the estimated DSM program costs for each program over years 1, 2, and 3, and, in addition, provide copies of all studies, analyses, and/or reports underlying such bases.

CATEGORY: Residential Direct Load Control Program; Residential Low Income Program.

**COMPANY RESPONSE:** The programs were designed to be comparable to the programs in the Appalachian Power Company's Virginia service territory. The DSM program costs are proportional to the DSM program costs in Virginia, based on an approximate residential customer count.

**MOTION TO COMPEL:** The Company's response fails to provide the requested support for the testimony of the Company's witness. The Consumer Advocate requested that the Company provide all studies, analyses, and/or reports on which the Company relies for this testimony. The Company is the only source for this data and information and it is not unreasonable to require that the Company provide all such support to enable the Consumer Advocate to evaluate the testimony of the Company's witness. If there is no such support, the Company's response should so state. The Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 200:** Identify, for each response, all persons assisting in the answering of each of these requests. Please state the request(s) on which each such person(s) assisted.

CATEGORY: General.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overly broad and unduly burdensome. The CPAD has propounded over 200 written discovery requests, not including multiple subparts, the subjects of which cover the Company's entire operations. Identifying separately and individually the individuals who assisted with each particular request would be unduly burdensome. The Company further objects to this request to the extent it purports to require the disclosure of information or communications protected by the attorney-client and/or work product privileges. Subject to and without waiving the foregoing objections, the Company refers the CPAD to the individuals who provided pre-filed testimony on behalf of the Company in this matter.

**MOTION TO COMPEL:** The Consumer Advocate incorporates by reference into this Motion to Compel the section above entitled "KINGSPORT POWER'S OBJECTIONS FAIL TO REFLECT THE PROPER APPLICATION OF TENNESSEE LAW, LACK FOUNDATION, AND CONTRADICT THE LETTER AND PURPOSE OF DISCOVERY." Based on the application of the rules and case law in that section, the Company's objections based on the breadth of the request and the burden on the Company should be overruled. Further, the Company's objections as to attorney-client privilege and/or work-product privilege are unfounded. In this request, the Consumer Advocate simply asks for each person who assisted in answering each request, and the request by the Consumer Advocate on which that person assisted. On their face, Kingsport Power's conclusory, vague, and ambiguous assertions of privilege do not result in any protection under an attorney-client privilege and/or claimed work-

product privilege.<sup>5</sup> Thus, the Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 201:** Please identify each person who you expect to call as an expert witness at the hearing on the merits in this docket, and for each such expert witness:

- (a) Identify the field in which the witness is to be offered as an expert;
- (b) Provide complete background information, including the witness's current employer, as well as his or her educational, professional and employment history, and qualifications within the field in which the witness is expected to testify;
- (c) Identify all publications written or presentations presented in whole or in part by the witness, including either a copy of all such publications and presentations or a reference to where such publications and presentations may be publicly obtained;
- (d) Provide the grounds for the opinions to which the witness is expected to testify, and provide a summary of the grounds for each such opinion;
- (e) Identify any matter in which the expert has testified (through deposition or otherwise) by specifying the name, docket number and forum of each case, the dates of the prior testimony and the subject of the prior testimony, and identify the transcripts of any such testimony;

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<sup>5</sup> Notwithstanding the confusion about privileges that Kingsport may be seeking to create by its use of the phrase "work-product privilege," the work product doctrine is not actually a privilege. *State ex rel. Flowers v. Tenn. Trucking Ass'n Self Ins. Group Trust*, 209 S.W.3d 602, 616 (Tenn. Ct. App. 2006). And, in any event, because Tennessee law favors open discovery, mere conclusory statements, without more, are inadequate to justify a protective order restricting the discovery of work product. *See Flowers*, 209 S.W.3d at 618 (vacating a trial court's protective order that was justified only by a party's conclusory statements that work product was among the materials requested and would be unduly burdensome to produce). Further, it is worth noting that in keeping with the equitable principles underlying the work product rule, a party cannot use the protections afforded by the doctrine as both "a sword and a shield." *Arnold v. City of Chattanooga*, 19 S.W.3d 779, at 787-88. Accordingly, a party asserting the doctrine to preclude discovery of work product cannot later reveal the protected materials to its advantage in the litigation. *Id.*

- (f) Identify the terms of the retention or engagement of each expert including but not limited to the terms of any retention or engagement letters or agreements relating to his/her engagement, testimony, and opinions as well as the compensation to be paid for the testimony and opinions;
- (g) Identify any exhibits to be used as a summary of or support for the testimony or opinions provided by the expert; and
- (h) Please produce copies of all documents, summaries, charts, trade articles, journals, treatises, publications, workpapers, file notes, chart notes, tests, test results, interview notes, and consultation notes provided to, reviewed by, utilized by, relied upon, created by, or produced by any proposed expert witness in evaluating, reaching conclusions or formulating an opinion in this matter.

CATEGORY: Legal.

**COMPANY RESPONSE:** The Company objects to this request to the extent it attempts to impose on the Company any obligations greater than or in addition to those required by the Tennessee Rules of Civil Procedure and any Scheduling Order issued by the Hearing Officer in this matter. The Company further objects to this request on the grounds that it is overbroad, unduly burdensome. The Company also objects on the grounds that several phrases used in the request are vague, ambiguous, and undefined, such as “complete background information,” “work papers,” and “file notes”. The Company further objects to this request to the extent it seeks communications that are protected by the attorney-client and/or work product privileges. Subject to and without waiving the foregoing objection, the Company refers the CAPD to its pre-filed testimony and states that it has not yet determined whether it will call an expert or

experts to testify in this matter other than the witnesses who have already submitted pre-filed testimony.

**MOTION TO COMPEL:** The Consumer Advocate incorporates by reference into this Motion to Compel the section above entitled “KINGSPORT POWER’S OBJECTIONS FAIL TO REFLECT THE PROPER APPLICATION OF TENNESSEE LAW, LACK FOUNDATION, AND CONTRADICT THE LETTER AND PURPOSE OF DISCOVERY.” Based on the application of the rules and case law in that section, the Company’s objections based on the breadth of the request and the burden on the Company should be overruled. The Company’s objection that that terms such as “complete background information,” “work papers,” and “file notes” are vague, ambiguous, and undefined should similarly be overruled, as such terms should be readily understood by the Company’s experts. Further, the Company’s objections as to attorney-client privilege and/or work-product privilege are unfounded. On their face, Kingsport Power’s conclusory, vague, and ambiguous assertions of privilege do not result in any protection under an attorney-client privilege and/or claimed work-product privilege.<sup>6</sup> Further, the Company’s objection on the basis that the Consumer Advocate’s requests impose obligations other than those required by the Tennessee Rules of Civil Procedure and any Scheduling Order issued by the Hearing Officer in this matter are too vague and ambiguous to be given effect and, further, may itself violate the Tennessee Rules of Civil Procedure’s requirement that objections be specific. Thus, the Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

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<sup>6</sup> See footnote 5, which is incorporated by reference herein.

**CPAD DISCOVERY REQUEST No. 202:** Please identify all persons having knowledge of discoverable matters in this case.

CATEGORY: Legal.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overbroad and unduly burdensome for a Company the size of Kingsport Power Company or AEPSC to list the hundreds or thousands of individuals who “hav[e] knowledge of discoverable matters.” The Company further objects to this request on the grounds that the phrase “having knowledge of discoverable matters” is vague and ambiguous. No particular “discoverable matters” are identified or defined in the CPAD’s request.

**MOTION TO COMPEL:** The Consumer Advocate incorporates by reference into this Motion to Compel the section above entitled “KINGSPORT POWER’S OBJECTIONS FAIL TO REFLECT THE PROPER APPLICATION OF TENNESSEE LAW, LACK FOUNDATION, AND CONTRADICT THE LETTER AND PURPOSE OF DISCOVERY.” Based on the application of the rules and case law in that section, the Company’s objections based on the breadth of the request and the burden on the Company should be overruled. The Company’s objection that that the term “having knowledge of discoverable matters” is vague and ambiguous should similarly be overruled, as such term should be readily understood by the Company as discoverable matters related to this TRA Docket 16-00001. Thus, the Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 203:** Please produce copies of all documents referred to or relied upon in responding to these discovery requests.



CATEGORY: Legal.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overbroad and ambiguous as to the documents and information it seeks. The Company further objects to this request to the extent it seeks documents relied upon by the Company in responding to the CPAD's discovery requests that are protected by the attorney-client and or work-product privilege. Subject to and without waiving its objections, the Company refers the CPAD to the documents referenced in the Company's responses and produced herewith.

**MOTION TO COMPEL:** The Consumer Advocate incorporates by reference into this Motion to Compel the section above entitled "KINGSPORT POWER'S OBJECTIONS FAIL TO REFLECT THE PROPER APPLICATION OF TENNESSEE LAW, LACK FOUNDATION, AND CONTRADICT THE LETTER AND PURPOSE OF DISCOVERY." Based on the application of the rules and case law in that section, the Company's objections based on the breadth of the request and the burden on the Company should be overruled. Further, the Company's objections as to attorney-client privilege and/or work-product privilege are unfounded. On their face, Kingsport Power's conclusory, vague, and ambiguous assertions of privilege do not result in any protection under an attorney-client privilege and/or claimed work-product privilege.<sup>7</sup> Thus, the Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 204:** Please produce copies of all hearing exhibits that you plan to introduce, use, or reference at the hearing on the merits in this docket.

CATEGORY: Legal.

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<sup>7</sup> See footnote 5, which is incorporated by reference herein.

**COMPANY RESPONSE:** The Company objects to this request to the extent it seeks to impose upon the Company obligations other than those required by the Tennessee Rules of Civil Procedure and any Scheduling Order issued by the Hearing Officer in this matter. Subject to and without waiving its objections, the Company states that it has not determined at this time which exhibits it intends to introduce as evidence at the hearing of this matter. Further answering, the Company refers the CPAD to documents submitted with its pre-filed testimony, produced in response to staff data requests, or produced herewith.

**MOTION TO COMPEL:** The Consumer Advocate incorporates by reference into this Motion to Compel the section above entitled “KINGSPORT POWER’S OBJECTIONS FAIL TO REFLECT THE PROPER APPLICATION OF TENNESSEE LAW, LACK FOUNDATION, AND CONTRADICT THE LETTER AND PURPOSE OF DISCOVERY.” Further, the Company’s objection on the basis that the Consumer Advocate’s requests impose obligations other than those required by the Tennessee Rules of Civil Procedure and any Scheduling Order issued by the Hearing Officer in this matter are too vague and ambiguous to be given effect and, further, may itself violate the Tennessee Rules of Civil Procedure’s requirement that objections be specific. Thus, the Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

**CPAD DISCOVERY REQUEST No. 205:** Please produce copies of all documents -- including, without limitation, work papers, spreadsheets, summaries, charts, notes, exhibits, articles, journals, treatises, periodicals, publications, reports, records, statements, Internet web pages, or financial information -- relied upon by any of your witnesses in evaluating, reaching conclusions, or formulating an opinion in this matter.

CATEGORY: Legal.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overbroad and ambiguous as to the documents and information it seeks. The Company further objects to this request to the extent it seeks documents relied upon by the Company witnesses that are protected by the attorney-client and or work-product privilege. Subject to and without waiving its objections, the Company refers the CPAD to the documents submitted with its pre-filed testimony, produced in response to staff data requests, or produced herewith.

**MOTION TO COMPEL:** The Consumer Advocate incorporates by reference into this Motion to Compel the section above entitled “KINGSPORT POWER’S OBJECTIONS FAIL TO REFLECT THE PROPER APPLICATION OF TENNESSEE LAW, LACK FOUNDATION, AND CONTRADICT THE LETTER AND PURPOSE OF DISCOVERY.” Based on the application of the rules and case law in that section, the Company’s objections based on the breadth of the request and its clarity should be overruled. The Company’s objection with respect to “documents relied upon by the Company witnesses” should similarly be overruled, as such documents should be readily available from the Company’s witnesses and such documents being the documents on which the Company’s witnesses relied. Further, the Company’s objections as to attorney-client privilege and/or work-product privilege are unfounded. On their face, Kingsport Power’s conclusory, vague, and ambiguous assertions of privilege do not result in any protection under an attorney-client privilege and/or claimed work-product privilege.<sup>8</sup> Thus, the Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

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<sup>8</sup> See footnote 5, which is incorporated by reference herein.

**CPAD DISCOVERY REQUEST No. 206:** Identify all information, documents and things filed in the present docket record, including all responses to discovery of the parties and data request from the TRA Staff, which KgPCo produced in this docket and does not agree to stipulate to the authenticity of such information, documents and things in this proceeding. For each separate piece of information, documents and things which KgPCo produced in this docket and KgPCo contends is not admissible as evidence describe in specific detail any objection(s) KgPCo claims as to admissibility into the evidentiary record in this docket.

CATEGORY: Legal.

**COMPANY RESPONSE:** The Company objects to this request on the grounds that it is overly broad, unduly burdensome, and seeks to impose on the Company obligations greater than or in addition to those imposed by the applicable rules of civil procedure. The Company further objects to this request on the grounds that the Company cannot possibly respond to this request because the other parties in this matter have not yet served nor responded to discovery. Therefore, it is impossible for the Company to state whether “each separate piece of information, documents and things” is “admissible as evidence”. The Company further objects to this request as an improper use of written discovery to circumvent the rules of evidence applicable to the hearing in this matter. The Company reserves its right to object to the authenticity and/or admissibility of any evidence presented by any party at the hearing of this matter.

**MOTION TO COMPEL:** The Consumer Advocate incorporates by reference into this Motion to Compel the section above entitled “KINGSPORT POWER’S OBJECTIONS FAIL TO REFLECT THE PROPER APPLICATION OF TENNESSEE LAW, LACK FOUNDATION,

AND CONTRADICT THE LETTER AND PURPOSE OF DISCOVERY.” Based on the application of the rules and case law in that section, the Company’s objections based on the breadth of the request and its clarity should be overruled. Further, the Company’s objection on the basis that the Consumer Advocate’s requests impose obligations other than those required by the Tennessee Rules of Civil Procedure and any Scheduling Order issued by the Hearing Officer in this matter are too vague and ambiguous to be given effect and, further, may itself violate the Tennessee Rules of Civil Procedure’s requirement that objections be specific. Thus, the Consumer Advocate respectfully requests that the Hearing Officer order the Company to provide the information requested.

#### **CONCLUSION**

For the reasons stated, the *Consumer Advocate’s Motion to Compel Kingsport Power Company d/b/a AEP Appalachian Power to Answer Consumer Protection and Advocate Division’s First Round Discovery Request* should be granted.

RESPECTFULLY SUBMITTED,



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WAYNE M. IRVIN (BPR #30946)  
Assistant Attorney General  
Office of the Tennessee Attorney General  
Consumer Protection and Advocate Division  
P.O. Box 20207  
Nashville, Tennessee 37202-0207  
(615) 532-5512  
wayne.irvin@ag.tn.gov

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

William K. Castle  
Appalachian Power Company  
Director, Regulatory Services  
VA/TN  
Three James Center  
1051 E. Cary Street, Suite 1100  
Richmond, VA 23219-4029  
wkcastle@aep.com

James R. Bacha, Esq.  
Hector Garcia, Esq.  
American Electric Power Service  
Corporation  
One Riverside Plaza  
P.O. Box 16637  
Columbus, OH 43216  
jrbacha@aep.com  
hgarcia1@aep.com

William C. Bovender, Esq.  
Joseph B. Harvey, Esq.  
Hunter, Smith & Davis, LLP  
1212 N. Eastman Road  
P.O. Box 3740  
Kingsport, TN 37664  
bovender@hsdlaw.com  
jharvey@hsdlaw.com

Michael J. Quinan, Esq.  
Christian & Barton, LLP  
909 East Main St., Suite 1200  
Richmond, Virginia 23219  
mquinan@cblaw.com


Henry Walker, Esq.  
Bradley Arant Boult Cummings LLP  
1600 Division Street, Suite 700  
Nashville, TN 37203  
hwalker@babco.com

Charles B. Welch, Jr., Esq.  
Farris Bobango, PLC  
Bank of America Plaza  
414 Union Street, Suite 1105  
Nashville, TN 37219  
cwelch@farris-law.com

James M. Van Nostrand  
275 Orchard Dr.  
Pittsburgh, PA 15228  
jvannostrand@eq-research.com

Beren Argetsinger  
401 Harrison Oaks Blvd., Suite 100  
Cary, NC 27513  
bargetsinger@kfwlaw.com

This the 4<sup>th</sup> day of March, 2016.

  
Wayne M. Irvin