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KPOW.92585

March 11, 2016

**VIA FEDEX:**

Herbert Hilliard, Chairman  
c/o Sharla Dillon, Dockets & Records Manager  
Tennessee Regulatory Authority  
502 Deaderick Street, 4th Floor  
Nashville, TN 37243

Re: Petition of Kingsport Power Company d/b/a AEP Appalachian Power General Rate Case  
TRA Docket No.: 16-00001


Dear Chairman Hilliard:

We submit herewith Petitioner's Response to Consumer Protection and Advocate Division's Motion to Compel for filing in the captioned docket. We are sending the original and four (4) copies via Federal Express for Monday delivery.

Should there be any questions, please contact the writer.

Very sincerely yours,

**HUNTER, SMITH & DAVIS, LLP**



William C. Bovender

Enclosures

Sharla Dillon, Docket Manager

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BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

IN RE:

PETITION OF KINGSFORT POWER COMPANY  
d/b/a AEP APPALACHIAN POWER GENERAL  
RATE CASE

DOCKET NO.: 16-00001

**RESPONSE TO MOTION TO COMPEL FILED BY**  
**CONSUMER PROTECTION AND ADVOCATE DIVISION**

Petitioner, Kingsport Power Company d/b/a AEP Appalachian Power (“Kingsport”) respectfully submits the following Response to the “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 “Motion”) filed by the Consumer Protection and Advocate Division (“Consumer Advocate” or “CPAD”). The Consumer Advocate’s Motion stems from the “First Discovery Request of the Consumer Protection and Advocate Division to Kingsport Power Co. d/b/a AEP Appalachian Power” (the Consumer Advocate’s “Discovery Requests”).

**I. Introduction And Background**

On February 2, 2016, the Consumer Advocate served its First Discovery Requests on Kingsport. Those Discovery Requests are 69 pages long and contain 207 individually numbered requests. Counting subparts, the Consumer Advocate’s Discovery Requests amount to *at least* three hundred and eighty-five (385) separate requests. The limit under the TRA’s Rules is forty (40) (Rule 1220-1-2-.11(5)).

Almost immediately after serving its 385 Discovery Requests, the Consumer Advocate began demanding Kingsport's responses on an expedited basis. The TRA's Rules do not allow discovery, much less require responses to discovery, until a discovery schedule is set [Rule 1220-1-2-.11(1)].

Kingsport has made herculean efforts to respond in an adequate manner and on an expedited basis to the Consumer Advocate's three hundred and eighty-five (385) Discovery Requests. To expedite Kingsport's responses, the Consumer Advocate requested that Kingsport respond on a "rolling basis." In spite of the Consumer Advocate's disregard for the TRA's rules, and in an effort to cooperate, Kingsport began preparing its responses and agreed to respond on a "rolling basis" at the Consumer Advocate's request. In keeping with its agreement, on February 17, 2016, Kingsport responded to fifty-four (54) of the numbered Discovery Requests (more than the 40 permitted by the rules). Five days later, on February 23, 2016, Kingsport responded to one hundred and nineteen (119) of the numbered Discovery Requests. Thus, Kingsport had responded to 173 of the 207 numbered Discovery Requests before it was required to do so under the TRA's Rules. Kingsport produced responses to the remaining Discovery Requests on February 25, 2016, just 23 days after the Discovery Requests were served. The Tennessee Rules of Civil Procedure allow thirty (30) days to respond to written discovery. *Tenn. R. Civ. P.* 33.01 and 34.02. Responding to 385 discovery requests within 23 days is not only objectively reasonable, it is commendable.

On February 18, 2016, the Hearing Officer held a status conference to address motions to intervene, Kingsport's Motion for a Procedural Schedule, and the Consumer Advocate's Motion For Leave to Issue More Than Forty Discovery requests. The afternoon of the day before the hearing -- *and long after the seven-day deadline for filing an opposition had passed (see Rule*

1220-1-2-.06(2)) -- the Consumer Advocate filed an opposition to Kingsport's Motion to Adopt a Procedural Schedule that had been filed thirteen days earlier.<sup>1</sup> During the status conference, the Hearing Officer granted the Consumer Advocate's Motion for Leave to Issue More Than Forty Discovery Requests with respect to the Consumer Advocate's first round of discovery and took the procedural schedule under advisement. (See Transcript of February 18, 2016 Status Conference at pages 29 and 58.)

On February 24, 2016 the Hearing Officer entered an Order Establishing Procedural Schedule. Under the Procedural Schedule, Kingsport's responses to the Consumer Advocate's Discovery Requests were due the day *before* the Procedural Schedule was entered. In other words, Kingsport was unaware of the deadline until the day after it expired. Although Kingsport was unaware of the deadline beforehand, because of Kingsport's rolling production, Kingsport had responded to 173 of the 207 requests in the Consumer Advocate's Discovery Requests by the February 23, 2016 deadline in the Procedural Schedule. On February 25, 2016, the day after the Procedural Schedule was entered, and only twenty-three (23) days after receiving 385 discovery requests, Kingsport completed and served its Responses to the remaining Discovery Requests.

On March 4, 2016, the Consumer Advocate filed the instant Motion to Compel. The Consumer Advocate's Motion claims that Kingsport's discovery responses are incomplete. But before filing its Motion to Compel, the Consumer Advocate made no attempt to confer with

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<sup>1</sup> Kingsport notes that the Consumer Advocate has demonstrated a pattern of filing materials immediately before a hearing in an apparent effort to prevent Kingsport from preparing a response for the Hearing Officer's consideration. In Case No. 15-0093, the Consumer Advocate filed the Affidavit of Ralph Smith on the morning of December 8, 2015, just hours before the status conference to consider the Consumer Advocate's Motion to Exceed 40 Discovery Requests. In this case, the Consumer Advocate filed its response to Kingsport's Motion To Adopt Procedural Schedule on the afternoon of February 17, 2016 (after the deadline for doing so) and the day before the status conference at 10:30 a.m. on February 18, 2016. Should the Consumer Advocate file any material immediately before the status conference scheduled for March 14, 2016, Kingsport respectfully requests that the Hearing Officer disregard the filing in its entirety.

Kingsport about the allegedly inadequate discovery responses -- no letter, no email, not even a phone call. The Consumer Advocate did not reach out to Kingsport in any way to discuss Kingsport's discovery responses and narrow the disputes before filing its 78-page Motion to Compel. As explained more fully below, many of the issues in the Consumer Advocate's Motion to Compel could have been resolved by a simple phone call or inquiry because the information the Consumer Advocate seeks to compel is already in its possession.

The Consumer Advocate's lack of reasonableness and cooperation is contrary to the Hearing Officer's stated desire and normal practice in discovery. *See* 20th Judicial District Local Rules of Practice (Davidson County), Local Rule 22.08 ("The court will refuse to rule on any motion related to discovery unless moving counsel files with the motion, a statement which certifies that the lawyer has conferred with opposing counsel in a good faith effort to resolve the discovery dispute and that the effort has not been successful"); *see also* Transcript of February 18, 2016 Status Conference at page 43 (Hearing Officer stated "can the parties work it out prior" and "you-all can . . . discuss it and try to work it out prior to" filing a motion to compel), at pages 44-45 (Consumer Advocate stated "Now, hopefully, the parties can work together").

On March 7, 2016, the Hearing Officer issued a Notice that "[p]rior to the Status Conference, the parties are directed to confer and attempt to reach agreement on the discovery issues." Within hours of receiving the Notice, Kingsport sent an email to the Consumer Advocate expressing Kingsport's willingness to confer with the Consumer Advocate and proposing a call on Wednesday March 9, 2016, at 3:00 p.m. Mr. Irvin, on behalf of the Consumer Advocate, rejected Kingsport's proposal because he was "traveling on business today through Thursday." The Consumer Advocate did not propose any alternative time. Kingsport responded by indicating its willingness to consider other times and asked the Consumer

Advocate to propose dates and times. The Consumer Advocate responded late that evening that "As of this evening, Friday afternoon is open to have a conference call on our motion to compel." Friday, March 11, 2016, is the day Kingsport's response to the Motion is due and the last business day before the Status Conference and would not give the parties a meaningful opportunity to narrow the issues before Kingsport's response to the Motion to Compel was due.

Unwilling to give up on the Hearing Officer's direction that the parties should meet and confer, counsel for Kingsport asked Vance Broemel, one of the three attorneys on the pleadings for the Consumer Advocate, if, in Mr. Irvin's absence, he would be available earlier in the week to discuss the Consumer Advocate's Motion. Mr. Broemel indicated his willingness to discuss the Motion but did not propose any particular time. Accordingly, Kingsport again proposed a conference call on Wednesday March 9, 2016 at 3:00 p.m., which Mr. Broemel accepted on behalf of the Consumer Advocate. During the parties' conference call, the parties discussed the Motion and discovery generally, but Mr. Broemel indicated that he was not empowered to make any concessions or limitations on the information the Consumer Advocate had demanded in its Motion. Rather, the Consumer Advocate indicated that he would need to receive Kingsport's responses in writing to evaluate them. Therefore the parties did not address each portion of the Motion individually and Kingsport has prepared this Response.

In sum, Kingsport notes that the Consumer Advocate's aggressive litigation and discovery tactics do not appear to advance the Consumer Advocate's legitimate role in this case, but rather appear to be designed solely to harass, oppress, and annoy Kingsport in this proceeding. It appears that the Consumer Advocate has decided to make this proceeding as difficult and expensive as possible for Kingsport. It would not be a stretch to say that the

Consumer Advocate's Motion is more harassment than discovery and its tactics should be rejected.

## **II. Kingsport Has Responded To The Consumer Advocate's Discovery Requests In Good Faith and In a Timely Manner**

The Consumer Advocate's aggressive litigation tactics are further demonstrated in the introduction to the CPAD's Motion, which makes a number of arguments that are unreasonable and appear interposed solely to harass Kingsport and generate disputes. Those arguments are addressed below followed by responses to the particular discovery requests.

### **1. Kingsport's Responses Were Filed Promptly And In A Timely Manner**

The Consumer Advocate's argument that Kingsport's Discovery Responses were untimely is petty, disingenuous, and simply wrong. The Consumer Advocate served its 385 discovery requests and demanded responses before the time permitted by the TRA's Rules and before the Hearing Officer ruled on the Consumer Advocate's motion to exceed the 40-request limit. But, in an effort to be cooperative and provide the information as quickly as possible, Kingsport began responding on a rolling basis. Kingsport served responses to 173 of 207 Discovery Requests on or before February 23, 2016, and completed its responses to all 207 (385 including subparts) Discovery Requests on February 25, 2016, within twenty-three (23) days of receiving them.

For the Consumer Advocate to now claim that Kingsport's discovery responses were untimely because just 32 of 207 responses were served after a February 23, 2016 deadline that was unknown until February 24, 2016, is absurd. Kingsport was unaware of the deadline until it had already passed. The Consumer Advocate is simply trying to take unfair advantage of a one-day scheduling issue.



The Consumer Advocate has not demonstrated any prejudice it has suffered as a result of a one or two day delay in receiving thirty-two (32) of Kingsport's discovery responses on February 25, 2016. This is especially true given that the Consumer Advocate has had Kingsport's responses to the Staff Data Requests since the beginning of the case and has had Kingsport's Responses to 173 of the 207 Discovery Requests since February 23, 2015 or before. Moreover, responding to 385 discovery requests (including subparts) in 23 days, when the Tennessee Rules of Civil Procedure allow 30 days to respond to 40 requests, is objectively reasonable and the difference between 21 days or 23 days is negligible.

The Consumer Advocate's untimeliness argument is unreasonable and should be disregarded by the Hearing Officer altogether.

2. Kingsport's Discovery Responses Were Not "Staggered" or "Unorganized"

The Consumer Advocate requested that Kingsport provide its responses on a "rolling basis" to expedite discovery and give the Consumer Advocate more time to review Kingsport's discovery responses. In keeping with its agreement, Kingsport produced its responses on a rolling basis as they were completed. But now, the Consumer Advocate complains about the very rolling production it requested. In its Motion, the Consumer Advocate calls Kingsport's discovery responses "staggered" and "unorganized."

The Hearing Officer should disregard the Consumer Advocate's unwarranted and unfounded aspersions that Kingsport's responses were "staggered" or "unorganized" when Kingsport produced its responses in the expedited fashion that the Consumer Advocate requested. The Consumer Advocate should not be heard to complain about Kingsport's reasonable and good faith efforts to respond to the Discovery Requests in an expedited manner.

3. Kingsport Has Provided Spreadsheets In Excel Format With Formulas Intact Where They Exist

The Consumer Advocate complains that not all of the spreadsheets that Kingsport has provided have been filed in Excel format with formulas intact. In footnote one of its Motion to Compel, the Consumer Advocate lists a number of attachments that it allèges do not have working formulas intact. Many of the spreadsheets noted in the footnote contain information that is taken from the Company's accounting systems. A report writing tool is used to get that information out of the accounting systems. The report writing tool performs calculations and presents the results of the calculation in the report. The report is saved in Excel for presentation purposes. Therefore some of the totals in the spreadsheets are presented without formulas in the spreadsheet. Many of those calculations are simple sums of a column of numbers.

4. The Consumer Advocate Is Engaged In Abusive Discovery

Although "[t]he scope of discovery is both broad and liberal, . . . a litigant is not entitled to conduct discovery that is intended to harass, annoy, embarrass, or oppress the opposing party." *Westport Ins. Corp. v. Wilkes & McHugh, P.A.*, 264 F.R.D. 368, 370 (W.D. Tenn. 2009). "It is clear from experience that pretrial discovery by depositions and interrogatories has a significant potential for abuse." *Seattle Times Co. v. Rhinehart*, 467 U.S. 20, 34, 104 S. Ct. 2199, 2208, 81 L. Ed. 2d 17 (1984). Discovery does have "ultimate and necessary boundaries." *Miller v. Fed. Express Corp.*, 186 F.R.D. 376, 383 (W.D. Tenn. 1999).

The Federal Rules Advisory Committee's comments to Fed. R. Civ. P. 26(f) recognized that "excessive discovery" can "pose significant problems." The Committee went on to state that "the spirit of the rules is violated when advocates attempt to use discovery tools as tactical weapons rather than to expose the facts and illuminate the issues by overuse of discovery . . . ."

Fed. R. Civ. P. 26(f) (Advisory Committee Notes, 1983 amendment) (citations omitted). In *Duncan v. Paragon Pub., Inc.*, 204 F.R.D. 127, 129 (S.D. Ind. 2001), the plaintiff sought permission to serve ninety-nine interrogatories. Defendants opposed the plaintiffs' request on the grounds that the interrogatories were "burdensome and oppressive" and that the number of interrogatories was really 178 when the sub-parts were counted. The Court found that the plaintiff's proposed requests were "over broad, unduly burdensome, and oppressive, and agree[d] with Defendants that they resemble a deposition outline rather than a set of interrogatories contemplated by Rule 33." *Id.*; see also *Burchfield v. Renfree*, No. E2012-01582-COA-R3CV, 2013 WL 5676268, at \*30 (Tenn. Ct. App. Oct. 18, 2013) (finding that plaintiff abused the discovery process and the trial court properly limited discovery where "the request that [the responding party] search years' worth of records and provide copies of every consent form signed by [defendant] regarding carpal tunnel surgery on any patient is unreasonable at best"); *Givens v. Mullikin*, 75 S.W.3d 383, 400-03 (Tenn. 2002) (plaintiff stated a claim for abuse of process in use of discovery where victim alleged an ulterior motive of harassing her, causing her to incur unnecessary expense, and weakening her resolve to pursue the tort suit, where attorney issued more than 230 interrogatories and other irrelevant discovery); *Alvion Properties, Inc. v. Weber*, No. 3:08-0866, 2012 WL 511994, at \*1 (M.D. Tenn. Feb. 15, 2012) ("both the number and the character of these written discovery requests are oppressive and unduly burdensome, and are on their face an abuse of the discovery process"); *Little v. Hogan*, No. 01A01-9707-CV-00291, 1998 WL 57535, at \*7 (Tenn. Ct. App. Feb. 13, 1998) (finding plaintiff's 21-page document request with 75 requests to be "extremely oppressive").

In this case, the Consumer Advocate's 385 Discovery Requests (345 more than the 40 permitted by the Rules, and more to come), combined with the Consumer Advocate's refusal to

cooperate or discuss the issues in a reasonable manner before filing a motion to compel, make the Consumer Advocate's Discovery Requests abusive and harassing. Under the circumstances, Kingsport's responses are not only adequate, they are commendable.

5. Kingsport Has Been Cooperative Despite the Consumer Advocate's Unreasonableness.

Kingsport has made legitimate, reasonable, and good faith objections to several of the Consumer Advocate's discovery requests that are overbroad, oppressive, and seek irrelevant information. For example, Request No. 1 of the Discovery Requests seeks "all" Company policies "that are currently being used or have been adopted by Kingsport or that are currently being used or have been adopted by Kingsport affiliates that also are currently applicable to Kingsport." Kingsport objected to this request on the grounds that the company has a great many policies in effect, a number of which have nothing to do with this base rate case. The request is overbroad on its face. While Kingsport objected to Request No. 1 and Request No. 54 of the Discovery Requests, which are substantially similar, it did provide a response to both of these requests indicating where the requested information could be found. Furthermore, Kingsport's response to Request Nos. 1 and 54 is comparable to responses provided by Kingsport affiliates to nearly identical requests that they have received in similar cases in other jurisdictions. Kingsport provided the same type of response to these requests that its affiliates have provided in other jurisdiction. No motions to compel regarding these types of responses were filed in those cases.

Additionally, in many instances, the Consumer Advocate has demanded that Kingsport produce documents that simply do not exist. Indeed, much of the Consumer Advocate's Motion

is directed to responses that would require Kingsport to create documents.<sup>2</sup> The Tennessee Rules of Civil Procedure, which govern this proceeding (*see* 1220-1-2-.11(1)), do not require a party to create documents or produce documents that do not exist. *See, e.g., In Re: Petition of Tennessee Am. Water Co. for A Gen. Rate Increase*, 10-00189, 2010 WL 10160623, at \*13 (Dec. 23, 2010) (“TAWC is not required to manipulate data to create a particular result beyond that which it has already undertaken . . . .”); *see also Watson Carpet & Floor Covering, Inc. v. Mohawk Indus., Inc.*, No. 3:09-0487, 2013 WL 5306444, at \*1 (M.D. Tenn. Sept. 20, 2013) (“a request for production cannot require the responding parties to ‘create’ documents that are not already in existence.”); 8A Charles A. Wright, Arthur R. Miller, & Richard L. Marcus, *Federal Practice and Procedure* § 2210 (2d ed. 1994) (“[A] party can not be required to permit inspection of documents or things that it does not have”).

Furthermore, Kingsport has provided information back to 2012 (or even further back) in response to many Discovery Requests. The Consumer Advocate asserts that Kingsport’s responses to these requests are inadequate because the information does not go back seven years to 2009, or even 26 years to 1990, or even further. At the same time the Consumer Advocate insists that it needs seven-year-old information, it says that it needs hundreds of discovery requests because “it is undeniable . . . that a great deal has changed in the electric utility industry and related regulation” (Motion p. 5) and this is a “changing industry” (Transcript of February 18, 2016 Status Conference, p. 25). The Consumer Advocate wants to have it both ways. It wants extraordinary amounts of discovery because the electric industry has “changed” since Kingsport’s last rate case, while it also wants information from years that are not relevant

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<sup>2</sup> As indicated in the responses to particular discovery requests below, Kingsport did provide information in the form and for the period available.

because of changes in the industry. The Consumer Advocate makes both arguments depending on which suits its purposes at the time.

Several of the Discovery Requests at issue in the Consumer Advocate's Motion asked Kingsport to produce "studies" or "analyses" and faults the Company for not saying that there are no "studies." In response to these requests, Kingsport described its analytic process and has already produced the "support" requested by the Consumer Advocate. Therefore, Kingsport's responses to these requests are complete. There are no studies prepared by third parties that Kingsport has withheld from production and no reason to compel either a further response to requests that have already been answered, or the production of documents that have either already been produced or do not exist.

Many of the Consumer Advocate's Discovery Requests seek "all" or "every" document, which in many cases would require the production of thousands or hundreds of thousands of pages of documents, many (or all) of which have marginal (or no) relevance to this case. If the Consumer Advocate were willing to identify and request a few items that it really needed for the case, Kingsport would be willing to work with the Consumer Advocate to produce that information. But when the Consumer Advocate issues sweeping, blanket requests for unknown thousands of pages of documents, Kingsport proposed the reasonable alternative of making the information available for inspection at its office in Columbus, Ohio. This is a reasonable proposal that is often used in electric rate cases. Indeed, the Consumer Advocate's consultant, Ralph Smith, or one of his associates, has traveled to Columbus to review information for rate cases of Kingsport's affiliates in other jurisdictions. Having its consultant do an onsite inspection of voluminous documents, which the Consumer Advocate refuses to narrow, is a reasonable compromise and a practice that is used frequently in rate cases in other jurisdictions.

Had the Consumer Advocate been willing to discuss these matters in good faith before filing a Motion to Compel, it is possible that the parties could have narrowed their disputes. But the Consumer Advocate was unwilling to have a meaningful conversation, either before or after its filing.

6. The Consumer Advocate Has Taken Unreasonable Positions In This Case Compared to Other Cases

As admitted by the Consumer Advocate, Kingsport's parent company, AEP and its affiliates, have extensive experience with rate cases in other jurisdictions. (Motion, p. 9, fn. 4.) The company has responded to discovery requests in many other cases, including cases in which at least one of the Consumer Advocate's consultant was involved. In fact, some of the Discovery Requests in this case are identical to discovery requests from rate cases in other jurisdictions. Kingsport has responded to those similar Discovery Requests (and the remaining Discovery Requests in this case) in a manner consistent with how the company has responded in other jurisdictions.<sup>3</sup> But the Company has never received a motion to compel like the one filed by the Consumer Advocate in this case. Despite providing comparable answers, the relevant AEP company received no motions to compel in the most recent base rate cases in Kentucky and West

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<sup>3</sup> A response provided by APCo, a Kingsport affiliate, in Virginia Case No. PUE-2011-00037, is illustrative of how discovery requests are routinely handled and resolved in other jurisdictions (See Exhibit 1, without attachment). The party for whom Ralph Smith was a consultant asked substantially the same question (OAG-2-64) as the Consumer Advocate asked in Request No. 54. APCo indicated that the requested documents are located in various offices, and would be voluminous to reproduce, even if all such documents could be assembled. The documents were offered for review in Columbus, Ohio at a mutually agreeable time. After being contacted by counsel for the party asking the request, the parties agreed that APCo would supplement its original response by providing a list of the requested documents with an eye towards allowing the requesting party an opportunity to decide which, if any, of the documents it wanted to review on-site. In its responses to Request Nos. 1 and 54 in this case, Kingsport followed a similar approach by providing alternatives where the requested information could be found.

Virginia. And in Virginia, the single motion to compel filed in the last base rate case addressed responses to only two questions.

Additionally, the Discovery Requests and Motion in this case are very different from the approach taken by the Consumer Advocate in rate cases for other utilities in Tennessee. The Consumer Advocate has taken an unreasonably aggressive position in this matter and appears to be treating Kingsport much differently than utilities in other cases.

Although the Consumer Advocate argues that there are fewer discovery requests in this case than in other AEP cases in which its consultant has been involved, this case is different from the cases cited by the Consumer Advocate because of the scope of the issues involved. In those other cases, the utility companies involved owned generation facilities that had a significant impact on the utilities' rate making. Kingsport is a much smaller company and does not own generation facilities. Kingsport purchases its power, and is billed for transmission service, under FERC-approved rates. Thus, there are no generation or transmission cost issues in this case on which discovery is necessary. The only germane issues in this case relate to distribution, which makes the case far simpler and removes many areas of legitimate discovery that were present in the cases cited by the Consumer Advocate.

### **III. Discussion**

The responses to the individual portions of the Motion to Compel follow. However, Kingsport respectfully requests that the Hearing Officer keep in mind the totality of the documents produced and the responses made when ruling on the individual requests/responses. A massive amount of information and data have been produced by Kingsport. The additional information which CPAD claims to need, as discussed in its Motion



to Compel, would dwarf what has already been produced and would require Kingsport to create numerous of documents which do not exist and are not used in its business. When viewed individually or in their totality, the Consumer Advocate's 60+ motions to compel must be seen for what they are—abusive and harassing. Contrary to the purpose of discovery, they are not designed to get to the truth or facts. Much of the controversy could have been resolved if the Consumer Advocate had only bothered to discuss any number of things with Kingsport before filing its motion. For all of the reasons advanced by Kingsport, each of the Consumer Advocate's motions to compel should be denied.

**CPAD REQUEST NO. 1-001:** Please provide all written accounting, tax, regulatory or other policies that are currently being used or have been adopted by Kingsport or that are currently being used or have been adopted by Kingsport affiliates that also are currently applicable to Kingsport. Please provide any such policies that have terminated in the most recent twenty four months.

CATEGORY: General.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and objection and also references the documents/attachments mentioned therein. In further response, Kingsport would point out that as to tax policies, it is required to comply with the Internal Revenue Code and regulations, Tennessee state statutes and regulations, and local tax ordinances and regulations. As to regulatory policies, Kingsport must comply with the application provisions of the Tennessee Code, Rules and Regulations of the Tennessee Regulatory Authority, applicable Federal statutes, and the rules and regulations of the Federal Energy

Regulatory Commission. Relative to accounting policies, Kingsport attaches as **MC EXHIBIT 1** a list of accounting policies, which are too numerous to reproduce and some of which may not apply to Kingsport. The accounting policies can be viewed at the AEP offices in Columbus, Ohio. If there are some select policies that the CPAD desires to review, Kingsport would be willing to produce some if not too numerous. Mr. Ralph Smith, who is a CPAD consultant in this case, has reviewed documents in Columbus in other rate cases in other jurisdictions. Kingsport would also point out it follows the FERC Uniform System of Accounts and Generally Accepted Accounting Principles and its financial statements are audited annually by an independent auditor.

**CPAD REQUEST NO. 1-005:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the 43 attachments mentioned therein. Kingsport does not have the monthly trial balances for months prior to June 2012 in Excel or any other format. Kingsport does not have a need for monthly trial balances in the ordinary course of business. It would be unreasonable to require Kingsport to create documents that do not exist. The test period amounts are annual numbers.

**CPAD REQUEST NO. 1-006:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The information requested is compiled and reported on an annual basis. To provide on a monthly basis would require the creation of documents which do not now exist. Monthly data would provide no additional relevant information. Kingsport has provided the information it has relative to Request No. 6.

**CPAD REQUEST NO. 1-007:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The information requested is compiled and

reported on an annual basis. To provide on a monthly basis would require the creation of documents which do not now exist. Monthly data would provide no additional relevant information. Kingsport has provided the information it has relative to Request No. 7.

**CPAD REQUEST NO. 1-008:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein, especially the attachment that provided the requested information for Kingsport, which came from its publically available FERC Form 1. Kingsport responded that the requested information is not available on a state jurisdictional basis. The Motion to Compel ignores the original Request No. 8 and seeks to compel information not requested in Request No. 8 (i.e. by subsidiary instead of by state jurisdiction). FERC Form 1s, or the AEP SEC FORM 10K's, both of which are publically available, would provide the information requested by the Consumer Advocate, to the extent that information is available.

Except for the information already provided for Kingsport, the requested information of other companies has nothing to do with this case.

**CPAD REQUEST NO. 1-009(c):** to the “Staff Informal 1-24 – DRB & TAC – Attachment 2 – Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response to CPAD 1-009 and also references the attachments mentioned therein. Kingsport asserts that the information requested in 9(c) is contained in the response to CPAD 1-009, testimony and exhibits submitted in this case, and attachments referenced, even though there are no “footnotes” on the referenced spreadsheets, as sought by the CPAD. Kingsport should not be required to create “footnotes” to supply information CPAD already has. Kingsport can assist CPAD in locating the discussed information, which it presented in the same format as in other cases filed by its affiliates.

**CPAD REQUEST NO. 1-010(c):** Refer to the “Staff Informal 1-24 – DRB & TAC – Attachment 2 – Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial responses to CPAD 1-009, CPAD 1-010 and also references the attachments thereto (or referenced). Kingsport asserts that the information requested in 10(c) is contained in testimony and exhibits submitted in this case, the responses to CPAD 1-009 and CPAD 1-010, and attachments thereto (or referenced), even though there are no “footnotes” on the referenced spreadsheets, as sought by the CPAD. Kingsport should not be required to create “footnotes” to supply information CPAD already has. Kingsport can assist CPAD in locating the discussed information, which it presented in the same format as in other cases filed by its affiliates.

**CPAD REQUEST NO. 1-011(c):** to the “Staff Informal 1-24 – DRB & TAC – Attachment 2 – Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial responses to CPAD 1-009 and CPAD 1-011 and also references the attachments thereto (or referenced). Kingsport asserts that the information requested in 11(c) is contained in testimony and exhibits submitted in this case, the responses to CPAD 1-009 and CPAD 1-011 and attachments thereto (or referenced), even though there are no "footnotes" on the referenced spreadsheets, as sought by the CPAD. Kingsport should not be required to create footnotes to supply information CPAD already has. Kingsport can assist CPAD in locating the discussed information, even though it is presented in the same format as in other cases filed by its affiliates.

**CPAD REQUEST NO. 1-012(c):** to the "Staff Informal 1-24 -- DRB & TAC -- Attachment 2 -- Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial responses to CPAD 1-009 and CPAD 1-012 and also references the attachments thereto (or referenced). Kingsport asserts that the information requested in 12(c) is contained in testimony and exhibits submitted in this case, the responses to CPAD 1-009 and CPAD 1-012, and attachments thereto (or referenced therein), even though there are no “footnotes” on the referenced spreadsheets, as sought by the CPAD. Kingsport should not be required to create footnotes to supply information CPAD already has. Kingsport can assist CPAD in locating the discussed information, which it presented in the same format as in other cases filed by its affiliates.

**CPAD REQUEST NO. 1-013(d) and (e):** Refer to the “Staff Informal 1-24 – DRB & TAC – Attachment 3 – Kingsport 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.

CATEGORY: Revenue.



**RESPONSE TO MOTION TO COMPEL:** The Motion to Compel targets Kingsport's responses to 13(d) and (d). Kingsport restates its initial response and objections to 1-013 in their entirety and also references the attachments mentioned therein. CPAD demands that Kingsport produce the load data research files it provided, with footnotes to source/destination files. Kingsport does not have the load data research in the format demanded, and to be required to create documents, which do not exist, is unreasonable and very burdensome. Kingsport would be willing to assist CPAD, by telephone, to explain the information which Kingsport provided in its response to 1-013.

**CPAD REQUEST NO. 1-014 (c) and (d):** Refer to the "Staff Informal 1-24 – DRB & TAC – Attachment 1 – Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** The Motion to Compel targets Kingsport's responses to 14(c) and (d). Kingsport restates its initial response and objections to 1-014 in their entirety and also references the attachments mentioned therein. CPAD demands that Kingsport produce the weather impact and billing determinants files that it provided, with footnotes to source/destination files. Kingsport does not have the files in the format demanded, and, to be

required to create documents which do not exist is unreasonable and very burdensome. Kingsport would be willing to assist CPAD, by telephone, to explain the information which Kingsport provided in its response to 1-014.

**CPAD REQUEST NO. 1-018:** Refer to the “Staff Informal 1-24 – DRB & TAC – Attachment 1 – Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** To prepare this rate case, Kingsport did not need to develop the billing demand data for the years requested in 1-018. The request references the “Unadj kWh by rate” tab of the attachment, which sets out Billed and Accrued Test Year kWh for each rate code. The billing demand data developed was only for the test year, because it was one step in the development of test year billing determinants (which reflect weather and growth adjustments) used for revenue development. The information requested does not exist, in Excel or any other format, and Kingsport should not be ordered to create documents. The Company did provide monthly Billed and Billed and Accrued Tariff Summaries in response to Request No. 20, for January, 2009 through December, 2015.

**CPAD REQUEST NO. 1-019:** Refer to the “Staff Informal 1-24 – DRB & TAC – Attachment 1 – Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** To prepare this rate case, Kingsport did not need to develop the number of customer bills data for the years requested in 1-019. The request references the “Unadj kWh by rate” tab of the attachment, which sets out Billed and Accrued Test Year kWh for each rate code. The customer bills data developed was only for the test year, because it was one step in the development of test year billing determinants (which reflect weather and growth adjustments) used for revenue development. The information requested does not exist, in Excel or any other format, and Kingsport should not be ordered to create documents. The Company did provide monthly Billed and Billed and Accrued Tariff Summaries in response to Request No. 20, for January, 2009 through December, 2015.

**CPAD REQUEST NO. 1-020:** Provide a copy of the Company’s monthly tariff summaries (Billed and Billed & Accrued) from January 2009 through September 2015.

CATEGORY: Revenue.

**RESPONSE TO MOTION TO COMPEL:** CPAD is requesting that the monthly Tariff Summaries provided in CPAD 1-020 in pdf format be provided in Excel format. Kingsport does

not maintain those monthly Tariff Summaries in Excel format. The same information in pdf format has been accepted in other AEP jurisdictions when requested through data requests.

**CPAD REQUEST NO. 1-023:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport's rate case does not reflect any street lighting costs or revenues, nor does it include tariffs related to street lighting and, as such, street lighting is not part of this proceeding. Kingsport continues to object to this request. Notwithstanding, provided herewith is **MC EXHIBIT 2**, the currently existing 1995 street lighting contract with the City of Kingsport.

**CPAD REQUEST NO. 1-025:** 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.

**RESPONSE TO MOTION TO COMPEL:** The names of the Company's 25 largest customers, as well as their total annual kWh consumption for the 12 months ended September 2015, and for calendar years 2013-2015, the only years available from the Company's billing system, have been provided confidentially to the Consumer Advocate in Kingsport's response to Staff Informal 1-27, and in Kingsport's response to this request. Many of these customers would have multiple metering points. Much of the information sought by the Consumer Advocate in Request No. 1-025 belongs to the Company's customers, not to Kingsport, and may be competitively sensitive. Several of those customers are represented by counsel (Mr. Quinan) in this case and such data requests should be directed to that party. Given the number of customers, the number of metering points, and the number of years for which monthly information or bills are requested, it would be unduly burdensome to require Kingsport to produce such information, including two years of bills, in both unredacted and redacted versions. Kingsport will provide the contact information requested, subject to the Protective Order, but requires an Order from the Hearing Officer which directs Kingsport to contact the customers, inform them of the CPAD request, and permit them to file objections to its request.

**CPAD REQUEST NO. 1-026:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport continues to object to this request on the basis that the information sought is a matter of public record and can be obtained by CPAD without Kingsport having to do CPAD's work for it.

**CPAD REQUEST NO. 1-027:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response to CPAD Request 1-027, which requested monthly information by customer class, by tariff, and by rate block going back to January 2009 related to number of customers, bills kWh, billing demand, and all other billing determinants. To prepare this rate case, Kingsport did not develop the demanded information for the years sought in Request No. 27. See the response to the motion to compel regarding Request Nos. 18 and 19. The requested data was only developed for the test year, which is common practice in rate cases in other jurisdictions. Kingsport should not be required to create documents for the CPAD.

**CPAD REQUEST NO. 1-032:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The information requested is compiled and reported on an annual basis. To provide on a monthly basis would require the creation of documents which do not now exist. Monthly data would provide no additional relevant information. Kingsport has provided the information it has relative to 1-032.

**CPAD REQUEST NO. 1-042:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response to 1-042, including the references to attachments. The monthly data does not exist as requested and

documents would have to be created. Kingsport is researching whether it could provide some additional information.

**CPAD REQUEST NO. 1-044:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response to 1-044, including the references to attachments. Annual information for 2012-2015 has been provided. For the monthly data, which is voluminous, the only source is the Power Plan Tax Provision System located in Columbus, Ohio. Kingsport will allow CPAD's consultant to review, with knowledgeable Company tax personnel, information available through that system during an on-site visit. Mr. Ralph Smith, CPAD's expert, or one of his associates, reviewed such information in Columbus, Ohio, in at least one other case involving Kingsport's affiliates in other jurisdictions. The Company would note that nothing from that review was ever used in testimony or at the hearing of that case.

**CPAD REQUEST NO. 1-045:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response to 1-045, including the references to attachments. Annual information for 2012-2015 has been provided. For the monthly data, which is voluminous, the only source is the Power Plan Tax Provision System located in Columbus, Ohio. Kingsport will allow CPAD's consultant to review, with knowledgeable Company tax personnel, information available through that system during an on-site visit. Mr. Ralph Smith, CPAD's expert, or one of his associates, reviewed such information in Columbus, Ohio, in at least one other case involving Kingsport's affiliates in other jurisdictions. The Company would note that nothing from that review was ever used in testimony or at the hearing of that case.

**CPAD REQUEST NO. 1-054:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its objections to this request. Without waiving said objections, relative to accounting policies, CPAD is referred to **MC EXHIBIT 1** discussed in the Motion to Compel response to CPAD 1-001. These accounting policies are too numerous to produce and some may not apply to Kingsport. They

can be viewed at the AEP offices in Columbus, Ohio. If there are some select policies that the CPAD desires to review, Kingsport would produce some if not too numerous. Mr. Ralph Smith, who is a CPAD consultant in this case, has reviewed documents in Columbus in other rate cases in other jurisdictions. Kingsport would also point out that it follows the FERC Uniform System of Accounts and Generally Accepted Accounting Principles and its financial statements are audited annually by an independent auditor.

**CPAD REQUEST NO. 1-057:** Please provide a copy of all jurisdictional operating budget variance reports for 2012, 2013, 2014, 2015 and 2016 to date.

CATEGORY: Operating Expenses.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response to 1-057, including reference to attachments. The budgets for January 2012 and 2013 were not developed in time to produce a budget variance report for those months. All monthly reports for those two years, and the other years requested, have been produced. The documents for the two months demanded in the motion to compel do not exist, although the information for those months can be deduced from the February budget variance reports.

**CPAD REQUEST NO. 1-060:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The Company's response to this request provided the information requested. It appears that the Consumer Advocate's Motion seeks only to compel the Company to clarify what has already been provided. Attached hereto as **MC EXHIBIT 4** is a revised CPAD 1-060 Attachment 1, which clarifies what has been provided.

Kingsport would have been willing to provide this additional clarification of the data already provided had the Consumer Advocate contacted the Company before filing a Motion to Compel. Because the information has been provided to the Consumer Advocate and this matter could have been resolved by contacting the Company before filing a Motion to Compel, Kingsport respectfully requests that Consumer Advocate's Motion to Compel on this request be denied.

**CPAD REQUEST NO. 1-061: Employee Levels.**

- (a) Please provide the number of Kingsport 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 Kingsport affiliate that charges or allocates cost to Kingsport for 2012, 2013, 2014, 2015 and 2016 to date.

CATEGORY: Operating Expenses.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein.

The Consumer Advocate's Motion to Compel seeks information that was not requested in the Consumer Advocate's discovery requests. Specifically, CPAD Request 1-061(c) asks that Kingsport "provide the *number of employees for each Kingsport affiliate*" that charged costs to Kingsport from 2012 to date. (emphasis added.) In contrast, the Consumer Advocate's Motion to Compel asks that the "Hearing Officer order the Company to *identify the other Service Corp affiliates* that charge costs or allocate time to Kingsport and to explain how the costs and employee time for those other non-Service Corp affiliate employees is charged to Kingsport." (emphasis added.) In this regard, Consumer Advocate's Motion to Compel is not geared toward obtaining a response to its initial discovery request, but asks a new question.

Additionally, Kingsport does not, in the regular course of its business, maintain records as to "the number of employees *for each Kingsport affiliate*" that charge or allocate costs to Kingsport. The actual number of employees who charge time is not material to any issue in this case. The Consumer Advocate has not provided any explanation for why the "number of employees" of Kingsport affiliates who charge or allocate costs to Kingsport has any bearing on this case. Thus, this request would require Kingsport to create new records that do not currently

exist and spend countless hours doing so while the information to be obtained is of minimal, if any, value.

**CPAD REQUEST NO. 1-068:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial objection and response and also references the attachments mentioned therein. The Company has responded fully and completely to this Request and satisfied its discovery obligations under the Tennessee Rules of Civil Procedure. Specifically, the Company identified test year compensation studies (CPAD 1-068, Attachment 1) and attrition year compensation studies (CPAD 1-068, Attachment 2), just as the Consumer Advocate requested. Additionally, the Company agreed to make the voluminous and proprietary studies available for review by the Consumer Advocate or the Consumer Advocate's consultant, in Columbus, Ohio. However, producing "all" of them without regard to their relevance or materiality to this case is not reasonable.

Given the voluminous and proprietary nature of the documents requested, making the documents available for review in Columbus, Ohio, where the records are maintained, is a reasonable compromise and in full compliance with Kingsport's discovery obligations. It is not uncommon in electric rate cases for a Consumer Advocate's consultant to review documents at the Company's location where the records are maintained. In fact, the Consumer Advocate's consultant, Ralph Smith, or one of his associates, has traveled to Columbus, Ohio, to review

records in connection with electric rate cases filed in other jurisdictions. The Consumer Advocate's claim that reviewing the documents in Columbus, Ohio, would be "unduly burdensome" is ironic given the Consumer Advocate's position with respect Kingsport's legitimate objections.

Because Kingsport has provided the Consumer Advocate with lists and agreed to make the requested documents available for review, Kingsport has complied with its discovery obligations and the Consumer Advocate's Motion to Compel should be denied.

**CPAD REQUEST NO. 1-069:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response. This request is similar to and duplicative of CPAD Request 1-068. The Company's response to CPAD 1-068 applies with equal force to the Consumer Advocates Motion to Compel a response to CPAD 1-069 and Kingsport incorporates its response herein.

**CPAD REQUEST NO. 1-076:** 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 TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The Consumer Advocate's Motion to Compel acknowledges that it has the data that it requested. Kingsport provided the requested data in the format that it maintains the information in the regular course of business. The Consumer Advocate's Motion to Compel seeks the same data, only in annual format. However, Kingsport has already provided the annual benefit costs in its initial response as the "Current Ur Balance" column for each December file included in the referenced attachments contains annual costs. Because the Consumer Advocate has the data it has requested, the Motion to Compel should be denied. Notably, the Consumer Advocate's Motion to Compel stands in stark contrast to those requests where Kingsport provided annual data and the Consumer Advocate demanded monthly data.

**CPAD REQUEST NO. 1-079:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial objection and response. The Consumer Advocate has requested 26 years of information back to 1990. The Consumer Advocate's request is over broad and unreasonable on its face. The Consumer Advocate has noted that much has changed in the electric industry in recent years and has not provided any explanation for why information from 10, 15, or 20 plus years ago is relevant to any issue in this case. The Company has provided 6 years of information, which is sufficient.

The fact that another AEP witness for a separate utility subsidiary provided testimony in a case 2 years ago in another jurisdiction with approximately 10 years of contribution information, does not suggest that Kingsport has 26 years of information.

Furthermore, Kingsport's pension funding decisions have not been reviewed or decided by AEP's Board of Directors. AEP's Board of Directors does not make such decisions. Although the Consumer Advocate claims that it does not believe the Company's representation, the Consumer Advocate provides no factual support for its contention. In contrast, APCo, a Kingsport affiliate, has provided sworn testimony in a Virginia rate proceeding that AEP's Board of Directors does not make such decisions. See Rebuttal Testimony of Hugh McCoy, pp. 4-5, attached as **MC EXHIBIT 7**.



**CPAD REQUEST NO. 1-084:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The Consumer Advocate admits that the Company identified by name the entities who received contributions and the amount of the contribution to each entity. A copy of the Company's response to Staff Informal 1-48, which the Consumer Advocate did not include with its Motion, is attached hereto as **EXHIBIT MC 5**. The Consumer Advocate's Motion to Compel is directed solely towards forcing Kingsport to provide a "description and the purpose" for each of the 250 entities. The "description and purpose" of practically all of these entities is self-explanatory. For example, the Consumer Advocate's Motion seeks to compel Kingsport to provide the "description and the purpose" for The United Way of Greater Kingsport, East Tennessee State University, The Rotary Club, and other organizations whose "description and purpose" are evident.

The Consumer Advocate has not explained, for example, why it needs Kingsport to explain every single one of the 250 entities. If there are particular entities about which the Consumer Advocate has questions, the Company would be willing to discuss those with the Consumer Advocate. However, prior to filing its Motion to Compel, the Consumer Advocate made no attempt to contact Kingsport with respect to any entities about which it had a question.

Furthermore, the Consumer Advocate's Motion to Compel does not claim that the "description and the purpose" of the entities listed is unclear. Rather, the Consumer Advocate

seeks to compel an answer for every single one, whether necessary or not. Providing a description and the purpose for all 250 is unduly burdensome and appears solely intended to harass and oppress Kingsport in discovery in this case.

Accordingly, the Consumer Advocate's Motion with respect to this request should be denied.

**CPAD REQUEST NO. 1-086:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the information mentioned therein. The Consumer Advocate admits that the Company identified by name the entities to whom the Company paid dues and the amount of such dues. The Consumer Advocate's Motion to Compel is directed solely towards forcing Kingsport to provide a "description and the purpose" for each the five entities listed, which includes the Kingsport Chamber of Commerce, the Tennessee Chamber of Commerce, and Downtown Kingsport Rotary. The "description and the purpose" of these entities is self-explanatory. It is absurd that the Consumer Advocate would move to compel Kingsport to provide a "description and the purpose" of the Tennessee Chamber of Commerce. Furthermore, if there are particular entities about which the Consumer Advocate had (or has) questions, the Company would have been willing to discuss those with the Consumer Advocate. However, prior to filing its Motion to Compel, the Consumer Advocate made no attempt to contact

Kingsport with respect to any entities about which it had a question. Its motion with respect to this request should be denied.

**CPAD REQUEST NO. 1-087:** 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 Expenses.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the information mentioned therein. The Consumer Advocate admits that the Company identified by name the organizations to whom the Company made payments other than membership dues and the amount of those payments. There are only three such organizations listed. The Consumer Advocate's Motion to Compel is directed solely towards forcing Kingsport to provide the "description and the purpose" for each the three entities listed. If the Consumer Advocate has questions, the Company would be willing to discuss those with the Consumer Advocate. However, prior to filing its Motion to Compel, the Consumer Advocate made no attempt to contact Kingsport with respect to any entities about which it had a question.

Subject to its objections, Kingsport states that the payment to Networks Sullivan Partnership represents the annual dues to the Northeast Tennessee Regional Industrial Development Authority (NETVRIDA). This is an economic development organization which is comprised of the power distributors in Northeast Tennessee. The Kingsport Chamber of Commerce needs no description. The payment of \$10,000 to FunFest is the payment to co-sponsor a community concert during the Kingsport Chamber of Commerce's ten-day long celebration in Mid-July.

Because the Company has provided this information, and because the Consumer Advocate failed to contact the Company before filing a Motion to Compel, the Consumer Advocate's Motion with respect to this request should be denied.

**CPAD REQUEST NO. 1-100:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the information mentioned therein. Kingsport has provided a complete response to CPAD Request 1-100. The Consumer Advocate admits that the Company has provided information in response to this request. Consumer Advocate's Motion to Compel is based solely on the fact that Kingsport did not provide monthly data for one single month -- January 2016. The Consumer Advocate's Motion to Compel for one month of data is unreasonable and should be denied. Furthermore, this is a matter could have been resolved between the parties had the Consumer Advocate contacted Kingsport prior to filing a Motion to Compel.

**CPAD REQUEST NO. 1-105:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The Consumer Advocate's Motion to Compel relates to CPAD Request 1-105(a), which deals with \$630 of AEPSC employee membership dues, and \$7,372 of AEPSC trade and industrial organization dues that were allocated to Kingsport. The Consumer Advocate's Motion to Compel seeks to force Kingsport to identify the professional and technical organizations to which AEPSC employees belong, and the trade and industrial organizations to which AEPSC belongs. Kingsport is able to provide the trade or industrial organization names associated with the \$7,372 of Company Memberships (*See* MC Exhibit 6), but the names of the professional or trade organizations associated with the \$630 in Employee memberships is only available from employee expense reports, which would require the Company to go into each expense report and pull the support to see what organization

the employee paid. The effort involved in searching for such information for 5,600 employees (the approximate number of AEPSC employees), for the professional and technical organizations to which they paid membership dues, would be unduly burdensome and far disproportionate to the cost allocated to Kingsport, which was only \$630.00.

**CPAD REQUEST NO. 1-121: 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. Kingsport has responded fully and accurately to CPAD Request 1-121. There were no direct SERP expenses booked by Kingsport. The only SERP expense Kingsport booked in 2014 was from the Service Corp. Therefore, Kingsport's response providing those booked expenses is a complete answer. Again, this is a request that could have been resolved by conversations between the parties before the Consumer Advocate filed a Motion to Compel. Because the Company's response provided the requested information and the Consumer Advocate made no effort to resolve the dispute before filing a Motion to Compel, the Consumer Advocate's unnecessary Motion on this request should be denied.

**CPAD REQUEST NO. 1-130:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial objection and response. The Company has provided a complete and accurate response to this request. The Company's Board of Directors meeting minutes for the past 2 years including all "studies, documents, presentations, and other materials referenced in the minutes," are highly confidential and contain very sensitive information. For the reasons explained in the Company's response, no Kingsport affiliate has ever been required to provide more than the minutes themselves. Kingsport also affirmatively represented to the Consumer Advocate that the Board of Director minutes do not contain any information related to Kingsport. In an effort to compromise, the Company is willing to make the Board of Directors meeting minutes, redacted to remove Company privileged information, available for review in Columbus, Ohio. If the Consumer Advocate identifies particular pages or information within the voluminous records reviewed that it desires, the Company is willing to provide copies of those pages confidentially. Accordingly, the Consumer Advocate's Motion to Compel on this request should be denied.

**CPAD REQUEST NO. 1-138:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. The Company has provided a complete and accurate response to CPAD Request 1-138. Kingsport’s response described its analytic process and the Company has already produced the support requested by the Consumer Advocate. Such thought processes constitute a “study” or “analyses” whether or not they are reduced to writing. There is ample support for the Company’s position; simply not in the written format of studies, reports, or other documents that the Consumer Advocate is demanding. Therefore, Kingsport’s response to this request is complete. There are no studies prepared by third parties that Kingsport has withheld from production and no reason to compel either a further response to requests that have already been answered, or the production of documents that have either already been produced or do not exist. The Consumer Advocate’s Motion to Compel is entirely without merit and should be denied. Additionally, this matter could have been resolved between the parties had the Consumer Advocate contacted the Company before filing its Motion to Compel.

**CPAD REQUEST NO. 1-151:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response. The Company has provided a complete and accurate response to CPAD Request 1-151. Kingsport's response described its analytic process and the Company has already produced the support requested by the Consumer Advocate. Such thought processes constitute a "study" or "analyses" whether or not they are reduced to writing. There is ample support for the Company's position; simply not in the written format of studies, reports, or other documents that the Consumer Advocate is demanding. Therefore, Kingsport's response to this request is complete. There are no studies prepared by third parties that Kingsport has withheld from production and no reason to compel either a further response to requests that have already been answered, or the production of documents that have either already been produced or do not exist. The Consumer Advocate's Motion to Compel is entirely without merit and should be denied. Additionally, this matter could have been resolved between the parties had the Consumer Advocate contacted the Company before filing its Motion to Compel.

**CPAD REQUEST NO. 1-154:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response. The Company has provided a complete and accurate response to CPAD Request 1-154. Kingsport’s response described its analytic process and the Company has already produced the support requested by the Consumer Advocate. The Company’s response was an attempt to clarify that 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 goal of cost-based regulation and rate design is to collect costs from the cost causers. This is a common concept that does not require special studies, analyses, and/or reports. Such thought processes constitute a “study” or “analyses” whether or not they are reduced to writing. There is ample support for the Company’s position; simply not in the written format of studies, reports, or other documents that the Consumer Advocate is demanding. Therefore, Kingsport’s response to this request is complete. There are no studies prepared by third parties that Kingsport has withheld from production and no reason to compel either a further response to requests that have already been answered, or the production of documents that have either already been produced or do not exist. The Consumer Advocate’s Motion to Compel is entirely without merit and should be denied. Additionally, this matter could have been resolved between the parties had the Consumer Advocate contacted the Company before filing its Motion to Compel.

**CPAD REQUEST NO. 1-155:** 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 Kingsport admit that increased demand charges will result in the following (if Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response. The Company has provided a complete and accurate response to the Consumer Advocate’s request. The Consumer Advocate’s request is based on the inaccurate premise that the Company is proposing a “demand charge” for standard residential customers. In other words, this request asks the Company to disprove a hypothetical and unfounded assertion made by the Consumer Advocate. Consumer Advocate may not like the substance of the Company’s response, but the Company’s response does respond to the Consumer Advocate’s request. The Company has done its best to respond to a request that is based on an unsupported premise. The Consumer Advocate should not be permitted to argue the merits of the case under the guise of a motion to compel. Accordingly, the Consumer Advocate’s Motion to Compel should be denied.

**CPAD REQUEST NO. 1-159:** With reference to the Castle testimony referred to in Discovery Request No. 158 and for the reasons stated in that request, for each of Kingsport's NMS customers, provide the following:

- (a) A copy of the bills rendered to each Net Metering customer of Kingsport 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial objection and response. The Consumer Advocate's request is overly broad in that it is not necessary for the Company to produce a copy of "the bills rendered to each net metering customer of Kingsport from January 2013 through December 2015" (over 300 bills) for the Consumer Advocate "to evaluate the Company's proposed rate design for these customers." Producing voluminous information is burdensome and the materiality is minimal. As in the case of Request No. 25, Kingsport should not be required to provide individual customer information without those customer's permission.

**CPAD REQUEST NO. 1-172:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response and also references the attachments mentioned therein. There are two letters and one brochure that the Company is able to provide in response to CPAD Request 1-172, which information is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. See MC EXHIBIT 3.

**CPAD REQUEST NO. 1-179:** 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 Kingsport customers that meet these criteria.

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

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response. The Company does not make a determination of who is a "low income customer." In its response, it merely stated its understanding that the eligibility guidelines were based upon federal poverty guidelines. The determination of who satisfies the criteria for "low income customer" is made by the Upper East Tennessee Human Development Agency, Inc. (UETHDA). Because the Company does not make the determination of who is a "low income customer," it does not know what factors go into that decision. The Company receives a list of low income customers from said agency. Because the Company does not make the determination, it does not have the information requested. For this reason, and because the Consumer Advocate made no effort to contact the Company before filing a Motion to Compel, the Motion should be denied with respect to this request.

**CPAD REQUEST NO. 1-183:** 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 the 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response. The Company has provided a complete and accurate response to CPAD Request 1-183. Kingsport's response described its analytic process and the Company has already produced the basis for the estimated number of participants requested by the Consumer Advocate. Such thought processes constitute a "study" or "analyses" whether or not they are reduced to writing. There is ample support for the Company's position; simply not in the written format of studies, reports, or other documents that the Consumer Advocate is demanding. Therefore, Kingsport's response to this request is complete. There are no studies prepared by third parties that Kingsport has withheld from production and no reason to compel either a further response to requests that have already been answered, or the production of documents that have either already been produced or do not exist. The Consumer Advocate's Motion to Compel is entirely without merit and should be denied. Additionally, this matter could have been resolved between the parties had the Consumer Advocate contacted the Company before filing its Motion to Compel.

**CPAD REQUEST NO. 1-184:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its initial response. The Company has provided a complete and accurate response to CPAD Request 1-184. Kingsport's response described its analytic process and the Company has already produced the support requested by the Consumer Advocate. Such thought processes constitute a "study" or "analyses" whether or not they are reduced to writing. There is ample support for the Company's position; simply not in the written format of studies, reports, or other documents that the Consumer Advocate is demanding. Therefore, Kingsport's responses to these requests are complete. There are no studies prepared by third parties that Kingsport has withheld from production and no reason to compel either a further response to a request that has already been answered, or the production of documents that do not exist. The Consumer Advocate's Motion to Compel is entirely without merit and should be denied.

**CPAD REQUEST NO. 1-200:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its objections to this request. Subject to said objection, Kingsport notes that various AEPSC employees (which number approximately 5600), including accountants, tax personnel, engineers, economists, regulatory personnel, HR personnel and administrative assistants, participated in researching, responding to and/or reviewing, or otherwise assisted in the preparation of the Company's

responses to the Consumer Advocate's far-reaching discovery, in addition, various in-house counsel worked on objections; and, outside counsel worked on objections. It would be unduly burdensome to list each such person that assisted on each individual request.

**CPAD REQUEST NO. 1-201:** 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;
- (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.



**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its objections to this request. Subject to objections, the CPAD is well aware that Dr. Phillip L. Daves of the University of Tennessee is a witness. CPAD has his testimony and resume. Relative to others, there are none at this time. Kingsport recognizes its obligations to update.

**CPAD REQUEST NO. 1-202:** Please identify all persons having knowledge of discoverable matters in this case.

CATEGORY: Legal.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its objections to this request. Subject to objections, CPAD is referred to the pre-filed testimony, and Kingsport's responses to CPAD 1-200 and 1-201.

**CPAD REQUEST NO. 1-203:** Please produce copies of all documents referred to or relied upon in responding to these discovery requests.

CATEGORY: Legal.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its objections to this request. Subject to objections, thousands of pages of documents have been produced by Kingsport or referenced in its responses. It would be impossible to provide CPAD with copies of all of same, as CPAD is well aware.

**CPAD REQUEST NO. 1-204:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its response, including objections, to 1-204. Obviously, the witnesses who provide pre-filed exhibits would be included. No final determination of exhibits has been completed. Kingsport acknowledges its obligations to update this response, recognizing that plans to introduce, use or reference materials at hearing are sometimes not made until the hearing is in process.

**CPAD REQUEST NO. 1-205:** 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.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its response, including objections, to 1-205. Producing the requested information would involve providing everything ever read by anyone involved in responding to the Consumer Advocate's 385 data requests. That is not even physically possible.

**CPAD REQUEST NO. 1-206:** 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 Kingsport 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 Kingsport produced in this docket and Kingsport contends is not admissible as evidence describe in specific detail any objection(s) Kingsport claims as to admissibility into the evidentiary record in this docket.

CATEGORY: Legal.

**RESPONSE TO MOTION TO COMPEL:** Kingsport restates its response, including objections, to 1-206. Kingsport moves to strike this Discovery Request as same is a thinly-veiled attempt to circumvent the Tennessee Rules of Evidence. This request, as well as requests 1-201, 1-202, 1-203, 1-204 and 1-205, is blatantly burdensome and harassing.

PREMISES CONSIDERED, Kingsport Power Company d/b/a AEP Appalachian Power requests that the Consumer Advocate's Motion be denied in its entirety.

Respectfully submitted,

**KINGSPORT POWER COMPANY d/b/a AEP  
APPALACHIAN POWER**

By:   
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STATE OF Virginia )  
CITY OF Richmond )

WILLIAM K. CASTLE, being first duly sworn upon oath, deposes and says that he is the Director, Regulatory Services VA/TN for Kingsport Power Company d/b/a AEP Appalachian Power, the Petitioner in the above-entitled action, and that he is authorized to make this Affidavit on its behalf; that he has read the foregoing additions to Responses to the Discovery Requests of the Consumer Advocate and Protective Division, by him subscribed and knows the contents thereof; that there is no single person employed by or otherwise connected with Kingsport Power Company d/b/a AEP Appalachian Power, who has personal knowledge of all the facts and information requested herein; that said additions to Responses to the Discovery Requests of the Consumer Advocate and Protective Division were prepared with the assistance and advice of counsel and the assistance of various employees and representatives of the corporation upon which he has relied; that the additions to Responses to the Discovery Requests of the Consumer Advocate and Protective Division, set forth herein, subject to inadvertent or undiscovered errors, are based on, and therefore necessarily limited by, the records and information still in existence, presently recollected and thus far discovered in the course of the preparation of these Responses; that the foregoing additions to Responses to the Discovery Requests of the Consumer Advocate and Protective Division are thus based upon corporate knowledge and are true and correct to the best of his knowledge and belief; that consequently, Kingsport Power Company d/b/a AEP Appalachian Power reserves the right to make any changes in the Responses if it appears at any time that omissions or errors have been made therein or that more accurate information is available; and that subject to the limitations set forth herein, the said Responses are true to the best of his knowledge, information and belief.

W K Castle

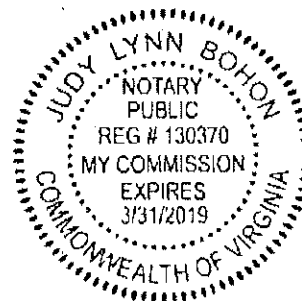
WILLIAM K. CASTLE

Sworn to and subscribed before me, this the 11<sup>th</sup> of March, 2016.

Judy Lynn Bohon  
Notary Public

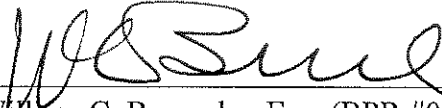
My Commission Expires:

March 31, 2019



As to Objections:

**KINGSPORT POWER COMPANY d/b/a AEP  
APPALACHIAN POWER**

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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and exact copy of the foregoing **RESPONSE TO CONSUMER ADVOCATE'S MOTION TO COMPEL** has been served upon the following by emailing a true and accurate copy on this the 11th day of March, 2016:

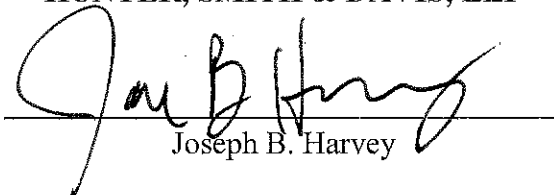
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**HUNTER, SMITH & DAVIS, LLP**

  
Joseph B. Harvey

## **Policies / Procedures**

### **Account Review - Reconciliation**

Appendix B\_Reconciliation Guidelines

Balance Sheet Account Reconciliation (Sep 2015)

Balance Sheet Review (Aug 2011)

Income Statement Review - Regulated Operating Companies & AEP Parent (Aug 2011)

Non-Utility Income Statement Review (Nov 2012)

Template - Acct Rec - Cumulated Activity with no Target Balance

Template - Acct Rec - Sub Ledger

Template - Acct Rec - Target Balance

### **Accounts Payable**

AP Process Controls Policy

Supplier Notification

### **AEP Accounting Bulletins**

Accounting Bulletin 01 Accounting for AFUDC and Capitalized Interest (Jul 2013)

Accounting Bulletin 04 Accounting for Coal Costs (Jan 2014)

Accounting Bulletin 07 Accounting for Temporary Facilities Installed to Furnish or Maintain Service (Nov 2012)

Accounting Bulletin 09 Accounting for Pre-Operating Costs (Mar 2011)

Accounting Bulletin 14 Accounting for Spare Parts and Spare Equipment (May 2012)

Accounting Bulletin 16 Accounting for Ash Disposal Costs (Sep 2010)

Accounting Bulletin 21 Accounting for Sales of Material and Equipment (Sept 2014)



[Sale/Loan of Equipment Form \(Dec 2011\)](#)

[Affiliated Transactions Agreements for Sharing Capitalized Spare Parts \(January 1, 2014\)](#)

[Affiliated Transactions Agreement for Sharing Materials and Supplies \(January 1, 2014\)](#)

[Affiliated Transaction Agreement \(December 31, 1996\)](#)

[Accounting Bulletin 22A Accounting for Station and Plant Power Transformer Rebuilds \(Dec 2013\)](#)

[Bulletin 22A Attachment A](#)

[Bulletin 22A Table 1](#)

### **[AEP Service Corporation](#)**

[AEPSC Policy \(Oct 2004\)](#)

[AEPSC Procedure Design Document Revisions \(Mar 2004\)](#)

### **[Affiliate Pricing Procedures](#)**

**[AEP Ohio Telecommunications - Services and Billing to AEP Generation Resources](#)**

**[AEP River Operations/River Transportation Division Pricing Methodology](#)**

**[Affiliate Sales of Non-power Services](#)**

**[Cook Coal Terminal Asymmetrical Pricing Methodology](#)**

**[Lakin Urea Terminal Asymmetrical Pricing Methodology](#)**

**[Sales of Materials and Supplies](#)**

**[Sales of Materials and Supplies Flow Diagram](#)**

### **[Change Control](#)**

[Chartfield Policy \(Nov 05\)](#)

[Combo Edit Maintenance Policy \(Mar 2004\)](#)

Finance Change Control Policy - *new version pending*

GL Security Review Policy (Feb 2004)

nVision Change Control Procedure (2015)

### **Coding - Classification**

Accounting Code Flowchart for Contributions and Memberships (Jan 2013)

Convenience Payments Policy (Aug 2004)

Overall Payment Policy (Aug 2004)

G Work Order Training Convenience Payments (Jul 2004)

### **Financial Spreadsheets & Database Controls**

Current Owners of Financial Spreadsheets with FAQ's

Financial Spreadsheet and Database Controls Policy (Oct 2014)

Spreadsheet and DB Control Best Practices (Jun 2009)

Procedure Standards for Financial Spreadsheets (Jun 2009)

Procedure Standards for Financial Databases (May 2010)

AEP User Guide for Financial Spreadsheet Controls with SharePoint 2010 (Aug 2012)

Excel - sample Templates referenced in Policies

Financial Spreadsheet Controls - SharePoint Website

### **Journal Entry**

JE Control Final - External Sources (Mar 2006)

Late JE Policy (Sep 2013)

Late Journal Entry Template (Oct 2015)

Journal Entry Preparation, Review, and Approval (Dec 2015)

Non-Recurring Journal Entry Approval (Aug 2011)

[SAB 108 - Passed Journal Entries \(Jan 2016\)](#)

[Statement Force Loading \(Dec 2004\)](#)

[Standardized Journal Coding of Adjusting Entries \(Feb 2003\)](#)

[InterUnit Entries \(May 2003\)](#)

[Unvouchered Liabilities, JE Reclass and Work Order Cancel](#)

#### [Policies & Procedures](#)

[How-To-Instructional Guide 122215](#)

[JE Classification Correction Policy \(April 2015\)](#)

[Unvouchered Liability Accruals Policy \(UVL\) \(April 2015\)](#)

[Work Order Cancellations Policy \(April 2015\)](#)

[Upload Spreadsheet](#) (To download the AJE\_Load.zip file, see the "AJE\_Load.zip Download Instructions".)

[AJE\\_Load.zip \(Nov 2015\)](#)

[AJE\\_Load.zip Download Instructions](#)

#### [Miscellaneous](#)

##### [Policies](#)

[Business Unit Tree Alignment \(Sep 2005\)](#)

[Consolidations - Treasury Sheet and Consolidation \(Jun 2005\)](#)

[Disclosure Support Policy \(Dec 2004\)](#)

[Earnings Offset Policy and Procedures](#) (*Corporate Planning and Budgeting link for these documents.*)

[Financial Data Archive \(May 2009\)](#)

[IAB Project Scorecard Policy \(Jun 2005\)](#)

Joint License Billing Procedure

Provision for Uncollectible Receivables (Aug 2015)

Recording Receivables (Mar 2009)

Write-Off of Uncollectible Miscellaneous Receivables (Aug 2015)

Reserve for Bad Debt Policy - Texas REPs (Apr 2012)

Retention Policy Statement (Nov 2004)

Significant Policies and Procedures Manual (January 2013)

SOX Retention Policy Statement (Feb 2005)

Transmission and Distribution Pertual (Blanket) Work Order Limits (July 2015)

Procedures

Financial Approval Procedure (Sep 2010)

**Miscellaneous Payments to AEP**

Miscellaneous Payments/Receivables (Oct 2010)

**Property Accounting**

Forms

In\_Service\_Detail Form Distribution rev 041310 .doc

In\_Service\_Detail Form for Transmission rev 041310 .doc

In\_Service\_Detail Form Generation rev 041310 .doc

JE Classification Correction REV 05 2008.xls

Property Transfer Report Form.xls

Restated (Blended) Cost & Vintage Calc 042013.xls

Sale Between OPCOs - NBV Request Form 042013.xls

Sale-Loan of Equip Between AEP Syst Cos Form.doc

Work Order Suspension Form Rev 112009.doc

Policies and Procedures

Capitalization Policy (Oct 2012)

CCD Non Oper Plnt Proc (Jul 2005)

Distribution Perpetual Work Order Review Process-Field Review (Apr 2010)

DWMS Allocation WO Policy (Feb 2009)

Inactive Work Order Review (May 2011)

Retirement Review Procedure (Jun 2005)

Storm Work Order Procedure (Feb 2011)

Work Order Charge Review Procedure (Dec 2004)

Work Order In Service Procedure (Dec 2008)

Work Order Suspension Policy Rev (Aug 2015)

AGREEMENT

THIS AGREEMENT entered into this the 21st day of March, 1995, by and between KINGSPORT POWER COMPANY, hereinafter referred to as "Company," and CITY OF KINGSPORT, a municipal corporation of the State of Tennessee, herein-after referred to as "City."

WITNESSETH

Whereas, Company and City presently are parties of a street lighting contract, and

Whereas, the parties desire to provide for street lighting service pursuant to a new contract which will phase in new rates to properly reflect the cost of providing such service, provide a mechanism to adjust such rates and provide for the amendment of the contract to reflect changing available technology.

For and in consideration of the mutual covenants and agreements herein contained, the parties hereto agree with each other as follows:

1. The Company agrees to provide and maintain a street lighting system for the City, within the Company's service territory, consisting of the type of lamps as herein provided for in accordance with Schedule A, which is attached hereto and incorporated herein by reference, and to which reference is hereby expressly made, together with electric energy through a general overhead distribution system providing both overhead and underground service to street lights, sufficient to operate said lamps continuously from approximately one-half (1/2) hour after sunset until one-half (1/2) hour before sunrise, every night during the term of this Contract. Said lamps shall be so maintained and operated so that they will give the maximum amount of illumination obtainable under commercial conditions. The City agrees to accept the service herein specified during the term hereof and to pay in accordance with the provisions of Paragraph 3.

2. The Company agrees to install additional new lamps and facilities as the City may, from time to time, require upon receipt of written notice from a duly authorized representative of the City. When new facilities other than those specified in Schedule A are to be installed by the Company, Schedule A will be revised effective upon installation of the new facilities to reflect the lamp rate of the new facilities.

The rates established in this contract are premised on there not being a large increase in facilities in any one year. The Company reserves the right to recalculate the lamp rates specified on Schedule A at the end of the current calendar year at any time the City requests a two hundred thousand dollar (\$200,000) total increase in street light facilities in any one year.

The parties acknowledge that the City may desire to use its own available financing to alter the rates established herein. The City may, therefore, at its discretion, make a contribution of capital to the Company for construction of any new facilities, at which time the parties agree to negotiate the amount of such contribution necessary to lower the rate to one of the other rates on Schedule A. Kingsport Power Company will retain ownership of the facilities installed.

3. Street lighting rates shall be based on the Company's cost-of-service study, utilizing the current Kingsport Power Company cost-of-service methodology and as filed with the Tennessee Public Service Commission in support of the Company's other retail rates. The study will include direct assignment of facilities and costs where possible. The cost of capital used to determine the street lighting revenue requirement will be that allowed by the Tennessee Public Service Commission in its latest rate order to the Company.

All lights installed on or after January 1, 1995 shall be billed at the rates reflected on Schedule A, which are based on a rate of return on equity which is 2.5% less than the Company's

current rate of return allowed by the Tennessee Public Service Commission. Lights that were installed prior to January 1, 1995 are billed at rates less than the Commission allowed rate of return. Therefore, the rates on Schedule A for lights installed prior to January 1, 1995 shall be increased by ten percent (10%) annually effective July 1, 1996 and on each July 1 thereafter until the end of the contract period or until the actual rates of return increase to the Commission allowed rate of return on equity less 2.5%. To determine the actual rate of return, a cost of service study will be conducted every two years starting with the study for calendar year ending December 31, 1995, and with revised rates being placed into effect on July 1, 1996 and every two (2) years thereafter through the term, including any extensions, of this Agreement.

At any time the rates are adjusted, pursuant to Section 2 or 3, a new Schedule A will be attached to this Agreement.

4. All bills shall be rendered monthly by the Company and shall be due and payable by the City within a period of twenty (20) days of the mailing date. If payment is received late, one and one half percent (1 1/2%) of total amount is added to the bill each month.
5. Title to all materials furnished by the Company for this street lighting service shall remain in the Company and may be removed at the termination of this Agreement, if the Company desires.
6. The Company shall use reasonable diligence in keeping each and every lamp herein specified in operation during the time provided. The Company shall be allowed one (1) working day after notice of an outage in which to again light such lamp or lamps except in case of extreme emergency (such as damage to facilities by weather or automobile accident, equipment failure or inaccessible facilities, etc.) where relighting shall be done as soon as possible.



The Company will provide personnel to monitor the street light system, noting those facilities that are not functioning properly and are in need of repair, maintenance or replacement.

7. The Company will furnish the City, annually, a set of up-to-date maps showing the location and type of each street light in service.
8. If the City shall default in the payment of any bills as herein-after provided, the Company may, at its option, after having given ten (10) days' written notice of its intention to do so, discontinue the street lighting service and continue to withhold the supply of electric energy for street lighting until such time as the City has made payment for all bills in which it is in arrears. Any such suspension of service by the Company shall not terminate this Agreement unless the Company so elects. Otherwise, upon payment by the City of the amount it is in arrears, this Agreement shall remain in full force and effect for the period herein specified. The Company will use reasonable diligence in furnishing a regular and uninterrupted supply of energy, but does not guarantee uninterrupted service. The Company shall not be liable for damages in case such supply should be interrupted or fail by reason of an act of God, the public enemy, accidents, labor disputes, orders or acts of civil or military authority, breakdowns or injury to the machinery, transmission lines, distribution lines or other facilities of the Company, extraordinary repairs, any act of the Company to interrupt service to City whenever in the sole judgment of the Company such interruption is indicated in order to prevent or limit any instability or disturbance on the electric system of the Company or any electric system interconnected with the Company, or ordinary negligence or breach of contract on the part of the Company, its agents or employees.

9. The City, as further consideration for the promises and agreements made by the Company herein set forth, hereby grants to the Company the privilege of the use of the streets, alleys and public places of the City for the purpose of placing its poles and equipment for providing this service; provided, however, that nothing contained herein shall be construed to alter the terms of the exclusive franchise agreement between Company and City.
10. The City agrees that during the life of this Agreement it will provide in its annual budgets, estimates and level of taxes funds sufficient to pay the Company any amounts due for service under said Agreement.
11. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and/or assigns.
12. This Agreement cancels and supersedes all previous Agreements relating solely to street lighting service and rates.
13. Subject to the termination provision set forth below, this Agreement shall extend for a period of ten (10) years from the date thereof, and thereafter in successive periods of not less than one (1) year each, until either party shall give the other not less than one (1) year's notice in writing of its election to cancel this Agreement at the expiration of any of said periods. Portions of this agreement anticipate the continuation of the present regulatory environment. There are potential changes under consideration at the Federal and State levels, e.g., the abolition of the Public Service Commission. In the event there are major changes in the regulatory environment, Company and/or the City reserves the right to terminate this agreement upon one (1) year's notice.
14. This Agreement contains the entire agreement and understanding between the Company and the City pertaining to street lighting service and rates, and there are no oral representations, stipulations, warranties, or understandings relating thereto which

are not fully set forth herein. No amendment, addition to, alteration, modification, or waiver of any provision of this Agreement shall be of any force or effect unless in writing and signed by the parties hereto, each by an authorized representative of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this document in triplicate original form, each by their duly authorized officers, this the day and year first above written.

KINGSPORT POWER COMPANY

ATTEST:

C. S. Bacon

ASSISTANT SECRETARY

BY

Allen R. Glassburn

Allen R. Glassburn, PRESIDENT

CITY OF KINGSPORT, TENNESSEE

ATTEST:

Hunter W. Wright

CITY RECORDER

BY

Hunter W. Wright

Hunter W. Wright, MAYOR

Kingsport Power Company  
City of Kingsport Street Lighting Rate Design

SCHEDULE A  
Page 1 of 1  
Revised 3-13-95

Lamp Type & Size	Rate per Lamp per Month				
	Existing Pole	Dedicated Wood Pole	Steel Pole	Aluminum Pole	Fiberglass Pole
(1)	(2)	(3)	(4)	(5)	(6)

For lamps installed prior to January 1, 1995.

<b>Mercury Vapor:</b>					
7,000 Lumens (175W)	\$ 7.21	\$12.00	\$ --	--	--
20,000 Lumens (400W)	12.15	16.94	21.74	--	--
30,000 Lumens (700W)	17.05	--	--	--	--
<b>High Pressure Sodium:</b>					
9,500 Lumens (100W)	5.34	10.13	14.93	30.29	--
16,000 Lumens (150W)	6.24	11.03	15.83	--	22.17
22,000 Lumens (200W)	7.97	12.76	17.56	32.92	--
28,000 Lumens (250W)	8.82	13.61	18.41	33.77	24.75
50,000 Lumens (400W)	12.04	16.83	21.63	36.99	--
140,000 Lumens (1,000W)	--	--	86.79	--	--

<b>High Pressure Sodium Post Top:</b>					
9,500 Lumens (100W)	4.94	--	--	12.02	--
16,000 Lumens (150W)	10.90	--	--	--	--
28,000 Lumens (250W)	--	--	--	--	--

<b>High Pressure Sodium (Energy/Maintenance):</b>					
22,000 Lumens (200W)	6.39	--	--	--	--
140,000 Lumens (1,000W)	23.17*1	--	--	--	--

For all lamps installed on or after January 1, 1995.

<b>High Pressure Sodium</b>					
9,500 Lumens (100W)	7.34	13.93	20.53	41.64	30.44
16,000 Lumens (150W)	8.58	15.17	21.77	42.88	31.68
22,000 Lumens (200W)	10.96	17.55	24.15	45.26	34.06
28,000 Lumens (250W)	12.12	18.71	25.31	46.42	35.22
50,000 Lumens (400W)	16.55	23.14	29.74	50.85	39.65
140,000 Lumens (1,000W)	--	--	--	--	--

<b>High Pressure Sodium Post Top:</b>					
9,500 Lumens (100W)	6.79	--	--	16.54	16.54
16,000 Lumens (150W)	13.58*2	--	--	24.73	24.73
28,000 Lumens (250W)	16.06	--	--	25.81	25.81

<b>High Pressure Sodium (Energy/Maintenance)</b>					
22,000 Lumens (200W)	6.39	--	--	--	--
140,000 Lumens (1,000W)	24.46	--	--	--	--

\*1 Energy only - excludes maintenance.

\*2 Subdivision developer to pay for pole and portion of fixture.

MC EXHIBIT 3



Appalachian Power  
P O Box 2021  
Roanoke, VA 24022-2121  
AppalachianPower.com

Re: Electric Account [REDACTED]-927-1

Dear [REDACTED]

I received your letter regarding our inability to rollover solar kilowatt hours on your net metered electric account [REDACTED] 927-1 and I escalated your concerns over that process to my management. After a review of your electric account as well as the Net Metering and Interconnection Agreement ("Agreement") you signed on November 12, 2010, we have determined the following:

The Agreement stipulates the rules governing your electric account while interconnected. In Section 1, it is specifically stated that net metering service is "intended primarily to offset all or part of the Customer's own electricity requirements". For the Net Metering Period of July 18, 2013 to July 18, 2014, your production exceeded your energy needs by 1156 kilowatt hours (kWhs).

The Agreement is clear regarding this situation. In Section 10 of the Agreement it states "any negative net energy at the end of a net metering period shall be carried forward to the next net metering period only to the extent that the negative net energy does not exceed the positive net consumption for the current net metering period". In accordance with the Agreement, the 1156 kWhs were not rolled over. This mechanism ensures you receive credit for the renewable energy you generate for your own energy needs during the Net Metering Period.

As you are aware, rollover of 1102 kWhs of excess generation from the Net Metering Period of July 18, 2012 to July 18, 2013 was previously allowed to the Net Metering Period of July 18, 2013 to July 18, 2014. However, at the July 2014 review, those were still unused and while the Agreement has no provision for the carryover of those kWhs, they have been rolled over to the current Net Metering Period beginning July 18, 2014 in a gesture of good will. This was a one-time allowance that was not required by the Agreement. Going forward, we will need to fully adhere to the terms and conditions of the Agreement.

In conclusion, after a review of your net metering account, the energy credited to your account is in compliance with the requirements of the Agreement. Our record of your net metered account with us is enclosed.

As always, I'm glad to discuss this or any other net metering issue you might have. You can reach me directly at (540) 985-2630.

Regards,

Carol R. Huffman C.E.M.



**APPALACHIAN  
POWER**

A unit of American Electric Power

Appalachian Power  
P.O. Box 2021  
Roanoke, VA 24022-2021  
AppalachianPower.com

July 12, 2013

[REDACTED]

Re: Net Metering Interconnection -- Account # [REDACTED] 09-0

Dear Mark:

Enclosed is a signed copy of the Interconnection Notification (Form NMIN-T) you submitted for your solar and wind generating facilities located at the above address. Please retain this for your records.

Appalachian Power Company agrees to the operation of the above referenced electric power production facilities, consisting of a 3.5 kW combined solar and wind generating system, in parallel with Appalachian Power Company's system pursuant to Schedule Net Metering Service Rider (NMS), a copy of which is enclosed. Please review this document as it specifies the conditions of your Net Metering service.

Your electric meter was changed on June 27, 2013 to one that records energy delivered and received.

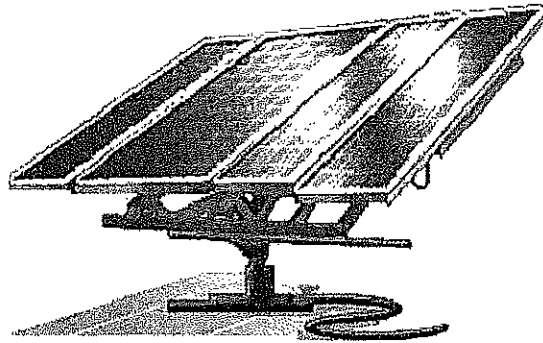
If I can be of further help, please contact me at (540) 427-3653.

Sincerely,

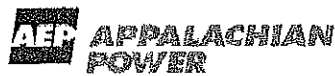
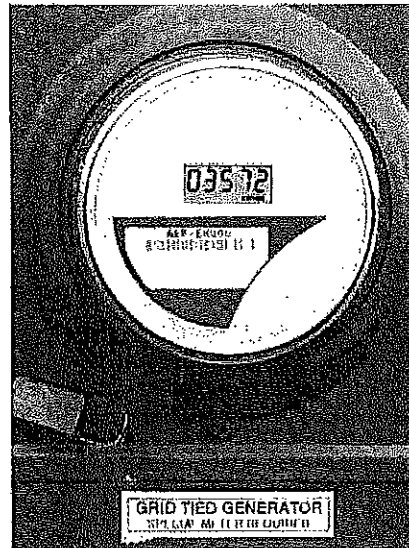
A handwritten signature in black ink, appearing to read 'Carol R. Huffman'.

Carol R. Huffman, C.E.M.  
Customer Services

# Tennessee Net Metering Service



## Customer Information Package



*A unit of American Electric Power*

August 2, 2011





Net Metering is designed to foster private investment in renewable energy. This service is available for eligible Kingsport Power customers desiring to install and grid-tie eligible renewable fuel generators sized to offset all or part of their own energy needs. It is not applicable for those desiring to generate power for resale. Through special metering, any excess energy fed back to the grid is measured and then used to offset billable consumption. This program is available only to customers billed on the following tariffs: Residential Service (RS), Small General Service (SGS), Medium General Service-Secondary (MGS-Sec) or Public Schools (PS).

Enclosed are documents for the more commonly installed photovoltaic and wind turbine generating systems 10 kW AC or less in size. To obtain documents for larger systems or non-inverter based systems, or for questions on eligibility, please contact Carol Huffman at [crhuffman@aep.com](mailto:crhuffman@aep.com) or (540) 985-2630.

This package includes our Net Metering Service Rider for Tennessee. Please read this document carefully as it specifies the conditions of your electric service after you have interconnected with us. Of particular importance, please note that the maximum allowed generator size for a residential account is 10 kW AC. Inverters must be UL1741 compliant. A labeled, lockable, load breaking disconnect is required outside near our electric meter so that the renewable fuel generator can be isolated, if necessary. Wind turbines should be located 1.5 times their height away from any overhead power lines. An inspection fee of \$50 is required with all applications. Other requirements are specified in the tariff.

The 2 page notification form (NMIN-T) is also included in the package. This form must include a licensed electrician's signature to certify that the system has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electric Code. The vendor of the inverter must also sign to certify that the inverter is UL1741 compliant.

Form NMIN-T along with the inspection fee, evidence of liability insurance that meets requirements for net metering as referenced in the Net Metering Service Rider, and a one line diagram and/or sketch layout should be sent to:

Appalachian Power  
Attn: Carol Huffman – 4<sup>th</sup> Floor  
P.O. Box 2021  
Roanoke, VA 24022  
[crhuffman@aep.com](mailto:crhuffman@aep.com)

Please leave your generator off until we have inspected for the above requirements and your meter has been replaced with one that can measure energy flow in both directions.



**TARIFF N.M.S.  
(Net Metering Service Rider)**

**AVAILABILITY OF SERVICE**

Available for new or existing Customers who operate an eligible renewable fuel generator designed to operate in parallel with the Company's system and who request Net Metering Service (NMS) from the Company. NMS Customers must take service under Tariff R.S., Tariff S.G.S., Tariff M.G.S.-Secondary, or Tariff P.S. NMS is limited to those customers who do not utilize time-of-day energy charge provisions.

The total capacity of all NMS Customers shall be limited to 1% of the Company's Tennessee peak load forecast ("Renewable Generator Limit"), and shall be available to customers with eligible renewable fuel generators on a first come, first serve basis. Customer's may not take service under this tariff and simultaneously take service under any alternative co-generation agreement.

**DEFINITIONS**

The following terms shall solely be used to define the applicability of Schedule N.M.S.

"Billing Period Credit" means the quantity of electricity generated and fed back into the electric grid by the customer's renewable fuel generator in excess of the electricity supplied to the customer over the billing period.

"Excess Generation" means the amount of electricity generated by the renewable fuel generator in excess of the electricity consumed by the customer over the course of the net metering period.

"Net Metering Customer (Customer)" means a customer owning and operating, or contracting with other persons to own or operate, or both, a renewable fuel generator under a net metering service arrangement.

"Net Metering Service" means providing retail electric service to a customer operating a renewable fuel generator and measuring the difference, over the net metering period between electricity supplied to the customer from the electric grid and the electricity generated and fed back to the electric grid.

"Person" means any individual, corporation, partnership, association, company, business, trust, joint venture, or other private legal entity and the State or any municipality.

"RF Generator" is an electrical generating facility which complies with all of the following requirements:

- (a) has an alternating current capacity less than or equal to 10 KW for customers taking service under Schedule R.S.;
- (b) uses solar, wind or hydro energy as its total fuel source;
- (c) the Net Metering Customer's facility is located on the customer's premises and is connected to the customer's wiring on the customer's side of it's interconnection with the distributor;
- (d) is designed and installed to operate in parallel with the Company's system without adversely affecting the operation of equipment and service of the Company and its customers and without presenting safety hazards to the Company and Customer personnel; and
- (e) is intended primarily to offset all or part of the customer's own electricity requirements.

**TARIFF N.M.S.**  
**(Net Metering Service Rider)**

**CONDITIONS OF SERVICE**

**A. Notification**

1. For a renewable fuel generator with an alternating current capacity of 25 KW or less, the customer shall submit the required Company Interconnection Notification Form to the Company at least thirty (30) days prior to the date the customer intends to interconnect the renewable fuel generator to the Company's facilities. For a renewable fuel generator with an alternating current capacity greater than 25 KW, the customer shall submit the required Interconnection Notification Form to the Company at least sixty (60) days prior to the date the customer intends to interconnect the renewable fuel generator to the Company's facilities. The submission may either be directly to the Company or by registered mail with return receipt. All sections, including appropriate signatures, of the Interconnection Notification Form must be completed for the notification to be valid. The customer shall have all equipment necessary to complete the interconnection prior to such notification. For renewable fuel generators with capacities greater than 25 KW, the customer should contact the Company prior to making financial commitments. If mailed, the date of notification shall be the third day following the mailing of the Interconnection Form. The Company shall provide a copy of the Interconnection Notification Form to the customer upon request.
2. The Company shall, within thirty (30) days of the date of notification for RF Generators with a rated capacity of 25 KW or less, and within sixty (60) days of the date of notification for RF Generators with a rated capacity greater than 25 KW, either return to the customer a copy of the valid Interconnection Notification Form or return any incomplete form. If the Company determines that the Interconnection Notification Form is incomplete or that any of the other requirements for interconnection are not satisfied, the customer shall submit another completed Interconnection Notification Form and notify the Company once the customer has completed all work necessary to satisfy the deficiencies prior to interconnection. This notification requirement shall not replace or supersede any other applicable waiting period, or required interconnection authorization when other applicable law, rule, regulation or code would permit authorization to be withheld or delayed.
3. The Net Metering Customer shall immediately notify the electric distribution company of any changes in the ownership of, operational responsibility for, or contact information for the generator. The Net Metering Customer shall not assign this tariff or any part hereof without the prior written consent of the Company, and such authorized assignment may result in the termination of availability of tariff to Customer.

**B. Conditions of Interconnection**

1. RF Generator equipment shall be installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code. Renewable fuel generator equipment and installations shall comply with all applicable safety and performance standards of the National Electrical Code, the Institute of Electrical and Electronic Engineers and accredited testing laboratories in accordance with IEEE Standard 1547, Standard for Interconnecting Distributed Resources with Electric Power Systems, July 2003, and safety and performance standards established by local and national electrical codes including, the Institute of Electrical and Electronics Engineers, the National Electrical Safety Code, and Underwriters Laboratories. Customer's renewable fuel generator equipment and installations shall also comply with the Company's Interconnection Guidelines. The Company shall provide a copy of its Interconnection Guidelines to the customer upon request.
2. The Customer shall obtain any governmental authorizations and permits required for the construction and operation of the RF Generator facility and interconnection facilities.

TARIFF N.M.S.  
(Net Metering Service Rider)

CONDITIONS OF SERVICE (Cont'd)

3. In the case of renewable fuel generators with an alternating current capacity greater than 25 KW, the following requirements shall be met before interconnection may occur:
- a. Electric Distribution Facilities and Customer Impact Limitations. A renewable fuel generator shall not be permitted to interconnect to the Company's distribution facilities if the interconnection would reasonably lead to damage of any of the Company's facilities or would reasonably lead to voltage regulation or power quality problems at other customer revenue meters due to the incremental effect of the Company's electric distribution system, unless the customer reimburses the Company for its cost to modify any facilities needed to accommodate the interconnection.
  - b. Secondary, Service and Service Entrance Limitations. The capacity of the RF Generator shall be less than the capacity of the Company-owned secondary, service, and service entrance cable connected to the point of interconnection, unless the customer reimburses the Company for its cost to modify any facilities needed to accommodate the interconnection.
  - c. Transformer Loading Limitations. The RF Generator shall not have the ability to overload the Company's transformer, or any transformer winding, beyond manufacturer or nameplate ratings, unless the customer reimburses the Company for its costs to modify any facilities needed to accommodate the interconnection.
  - d. Integration With Company Facilities Grounding. The grounding scheme of the renewable fuel generator shall comply with IEEE 1547, Standard for Interconnecting Distributed Resources With Electric Power Systems, July 2003, and shall be consistent with the grounding scheme used by the Company. If requested by a prospective net metering customer, the Company shall assist the customer in selecting a grounding scheme the coordinates with the Company's distribution system.
  - e. Balance Limitation. The RF Generator shall not create a voltage imbalance of more than 3.0% at any other customer's revenue meter if the Company's transformer, with the secondary connected to the point of interconnection, is a three-phase transformer, unless the customer reimburses the Company for its cost to modify any facilities needed to accommodate the interconnection.
4. The customer shall provide a copy of its insurance policy to the Company. If the customer's renewable fuel generator does not exceed 10 KW, then such coverage shall be an amount of at least \$100,000 per claim. If the customer's renewable fuel generator exceeds 10 KW, then such coverage shall be an amount of at least \$300,000 per claim. The customer must submit evidence of such insurance to the Company with the Interconnection Notification Form.
- The Company's receipt of evidence of liability insurance does not imply an endorsement of the terms and conditions of the coverage.
- Neither party assumes any responsibility of any kind with respect to the construction, maintenance, or operation of the system or other property owned or used by the other party. The Customer agrees that the Company shall not be liable for any claims, costs, losses, suits or judgments for damages to any Person or property in any way resulting from, growing out of, or arising in or in connection with the use of, or contact with, energy delivered after it is delivered to Customer and while it is flowing through the lines of Customer, or is being distributed by Customer, or is being used by retail load.
5. Following Notification by the Customer, the Company shall have the right to inspect and test the RF Generator equipment and installation prior to interconnection. The nature and extent of these tests shall be determined solely by the Company. The Company reserves the right to conduct additional tests and inspections and to install additional equipment or meters at any time following interconnection of the RF Generator. The Customer shall not commence parallel operation of the RF Generator until the facility has been approved by the Company. Notwithstanding the foregoing, the Company's approval to operate the facility in parallel with the Company's system should not be construed as an endorsement, confirmation, warranty, guarantee, or representation concerning the safety, operating characteristics, durability of reliability of the RF Generator.

**TARIFF N.M.S.**  
**(Net Metering Service Rider)**

6. The RF Generator installation must have a visibly open, lockable, manual disconnect switch which is accessible by the Company at all hours and clearly labeled. A licensed certified technician must certify via the Interconnection Notification Form that the disconnection switch has been installed properly. The Company reserves the right to install any additional equipment, including controls and meters, at the facility.
7. The Customer shall periodically maintain and test the RF Generator in accordance with the manufacturer's specifications and all applicable safety and performance standards. The Customer shall notify the Company at least fourteen (14) days prior to making any material changes to the renewable fuel generator facility or installation, including, but not necessarily limited to, any modification to the equipment or protective equipment settings or disconnection of the RF Generator from the Company's system, excluding temporary disconnects for routine maintenance. Modifications or changes made to the RF Generator shall be evaluated by the Company prior to being made. The Customer shall provide detailed information describing the modifications of changes to the Company in writing prior to making the modification the RF Generator. The Company shall review the proposed changes to the RF Generator and provide the results of its evaluation to the Customer within sixty (60) days of receipt of the Customer's proposal. Any items that would prevent parallel operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy violations. Following a notification of disconnection of the renewable fuel generator, the customer must again complete the Notification process specified above prior to any subsequent reconnection.  
  
In addition, the customer shall notify the Company immediately regarding either any damage to the RF Generator facility or safety-related emergency disconnections.
8. The Company may enter the Customer's premises to inspect the Customer's protective devices and read or test the meter. The Company may disconnect the interconnection facilities without notice if the Company reasonably believes a hazardous condition exists and such immediate action is necessary to protect persons, or the Company's facilities, or property of others from damage or interference caused by the Customer's facilities.
9. Interconnection authorization is not transferable or assignable to other persons or service locations.

**C. Other**

1. The Company shall not be obligated to accept energy from the Customer and may require Customer to interrupt or reduce delivery of energy, when necessary, in order to construct, install, repair, replace, remove, investigate, or inspect any of the Company's equipment or part of its system; or if it reasonably determines that curtailment, interruption, or reduction is necessary because of emergencies, forced outage, force majeure, or compliance with prudent electrical practices. Whenever possible, the Company shall give the Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required. Notwithstanding any other provision of this tariff, if at any time the Company reasonably determines that either the Renewable fuel generator facility may endanger the Company's personnel or other persons or property, or the continued operation of the RF Generator may endanger the integrity of safety of the Company's system, the Company shall reserve the right to disconnect and lock out the RF Generator from the Company's system. The RF Generator shall remain disconnected until such time as the Company is reasonably satisfied that the conditions referenced in this section have been satisfied.
2. To the fullest extent permitted by law, neither customer nor company, nor their respective officers, directors, agents, and employees members parents or affiliates, successors or assigns, or their respective officers directors, agents, nor employees successors or assigns shall be liable to the other party or their respective members, parents, subsidiaries, affiliates, officers, directors, agents employees successors or assigns, for claims ,suits, actions or causes of action for incidental, indirect, special, punitive ,multiple, or consequential damages connected with or resulting from performance or non-performance of such agreement , or any actions undertaken in connection with or related to this agreement, including without limitation, any such damages which are based upon causes of action for breach of contract, tort (including negligence and misrepresentation), breach of warranty, strict liability, statute, operation of law under any indemnity provision or any other theory of recovery. The obligor's liability shall be limited to direct damages only, and such direct damages shall be the sole and exclusive measure of damages and all other judicial remedies or damages are waived. The provisions of this section shall apply regardless of fault and shall survive termination, cancellation, suspension, completion or expiration of this agreement. Notwithstanding anything in this section to the contrary, any provisions of this section will not apply to the extent it is finally determined by a court of competent jurisdiction, including appellate review if pursued, to violate the laws of the Constitution of the State of Tennessee.

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**FACILITIES CHARGES**

The customer is responsible for all equipment and installation costs of the renewable fuel generator facility.

The Company shall inspect the inverter settings of a static inverter-connected renewable fuel generator prior to interconnection. The customer shall pay \$50 to the Company for each inspection.

The Company shall inspect the protective equipment settings of a non-static inverter-connected renewable fuel generator prior to interconnection. The customer shall pay \$50 to the Company for each inspection.

The customer shall pay to the Company any additional charges, as determined by the Company, for equipment, labor, metering, testing or inspections requested by the customer.

**METERING**

Net metered energy shall be measured in accordance with standard metering practices by metering equipment capable of measuring (but not necessarily displaying) power flow in both directions.

In instances where a Net Metering Customer has requested, and where the electric distribution company would not have otherwise installed, metering equipment, the Company may charge the Net Metering Customer its actual cost of installing any additional equipment necessary to implement Net Metering Service.

**MONTHLY CHARGES**

All monthly charges shall be in accordance with the Schedule under which the customer takes service. Such charges shall be based on the customer's net energy for the billing period, to the extent that the net energy exceeds zero. To the extent that a customer's net energy is zero or negative during the billing period, the customer shall pay only the non-usage sensitive charges of the Schedule. The customer shall receive no compensation from the Company for Excess Generation during the billing period. The Excess Generation during the billing period shall be carried forward and credited against positive energy usage in subsequent billing periods.

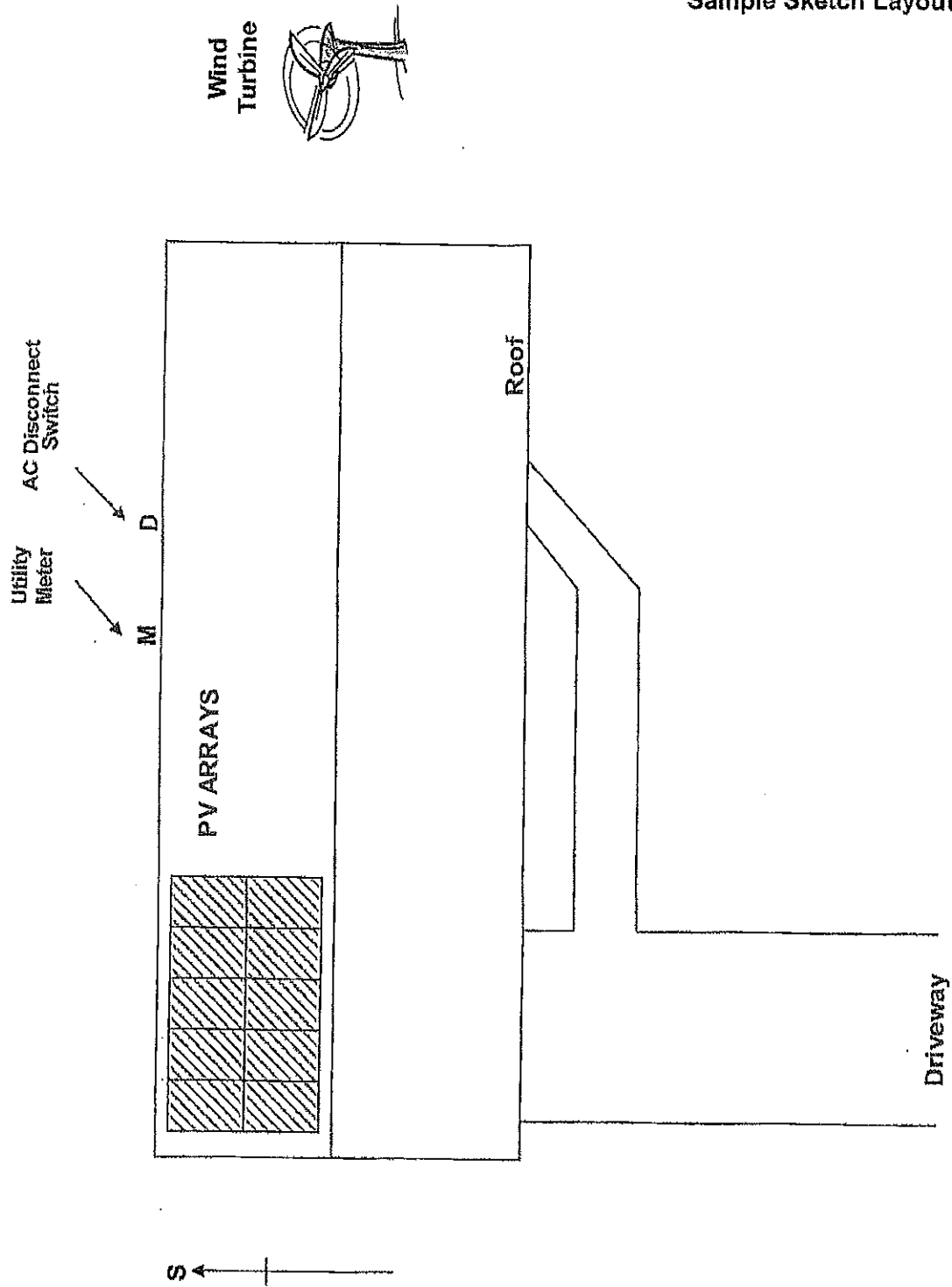
The Net Metering Period shall be defined as each successive 12-month period beginning with the first meter reading date following the date of interconnection of the RF Generator with the Company's facilities. Any Excess Generation at the end of a Net Metering Period shall be carried forward to the next Net Metering Period only to the extent that the Excess Generation does not exceed the customer's billed consumption for the current net metering period.

Excess generation is not transferable, and the Customer, shall receive no compensation from the Company for any Excess generation upon termination of service from the Company.



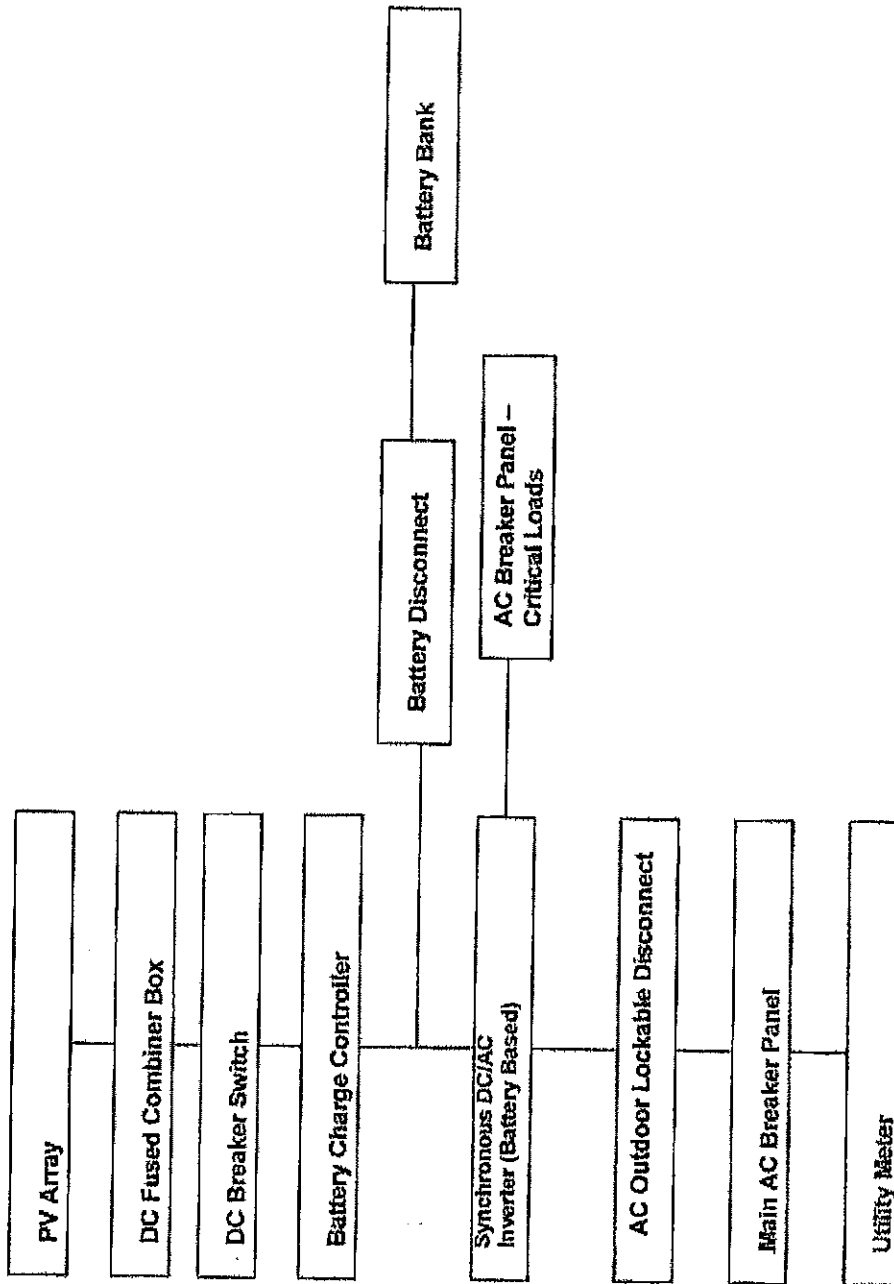


### Sample Sketch Layout





### Sample Electrical One-Line







APPALACHIAN  
POWER®

CPAD 1-11-14  
Attachment 3  
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Form NM/N-T

A unit of American Electric Power

### NET METERING INTERCONNECTION NOTIFICATION

PURSUANT TO TARIFF N.M.S. (NET METERING SERVICE RIDER) DETAILING THE COMPANY'S NOTIFICATION PROCESS FOR NET METERING, APPLICANT HEREBY GIVES NOTICE OF INTENT TO OPERATE A GENERATING FACILITY.

#### Section 1. Applicant Information

Name: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Phone Number(s): \_\_\_\_\_  
Fax Number: \_\_\_\_\_ Email Address: \_\_\_\_\_  
Facility Location (if different from above): \_\_\_\_\_  
Distribution Utility: **Appalachian Power Company**  
Distribution Utility Account Number: \_\_\_\_\_  
Energy Service Provider (ESP) (if different than electric distribution company): \_\_\_\_\_  
ESP Account Number (if applicable): \_\_\_\_\_  
Proposed Interconnection Date: \_\_\_\_\_

#### Section 2. Generating Facility Information

Facility Owner and/or Operator name (if different from Applicant): \_\_\_\_\_  
Business relationship to Applicant: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Phone Number(s): \_\_\_\_\_  
Fax Number: \_\_\_\_\_ Email Address: \_\_\_\_\_  
Fuel Type: \_\_\_\_\_  
Generator Manufacturer and Model: \_\_\_\_\_  
Rated Capacity in kilowatts: AC \_\_\_\_\_ DC \_\_\_\_\_  
Inverter Manufacturer and Model: \_\_\_\_\_  
Battery Backup (circle one): Yes No

### Section 3. Information for Generators with an AC capacity in excess of 25 kilowatts

Generator Type (circle one): Inverter Induction Synchronous  
Frequency: \_\_\_\_\_ Hz Number of phases (circle one) One Three  
Rated Capacity: DC \_\_\_\_\_ kW AC apparent \_\_\_\_\_ kVA AC real \_\_\_\_\_ kW  
Power factor \_\_\_\_\_ % AC voltage \_\_\_\_\_ AC amperage \_\_\_\_\_

Facility schematic and equipment layout must be attached to this form.

A prospective net metering customer considering installing a renewable fuel generator with a capacity in excess of 25 kW is strongly encouraged to contact the electric distribution company prior to making financial commitments to the project.

### Section 4. Vendor Certification

The system hardware is listed by Underwriters Laboratories to be in compliance with UL1741.

Signed (Vendor): \_\_\_\_\_ Date: \_\_\_\_\_  
Name (printed): \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Company: \_\_\_\_\_

### Section 5. Electrician Certification

The system has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.

Signed (Licensed Electrician): \_\_\_\_\_ Date: \_\_\_\_\_  
Name (printed): \_\_\_\_\_  
License Number: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

I hereby certify that, to the best of my knowledge, all of the information provided in this Notice is true and correct.

Signature of Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

Utility signature signifies only receipt of this form, in compliance with Tariff N.M.S. (Net Metering Service Rider)

Signed (Utility Representative): \_\_\_\_\_ Date: \_\_\_\_\_

Please send this completed form, \$50, and proof of liability insurance to:

Appalachian Power  
Attn: Carol Huffman – Customer Services – 4<sup>th</sup> Floor  
PO Box 2021  
Roanoke, VA 24022

Year	Month	Salaried	Hourly	Empid	Count
2012	1	50	0	50	
2012	2	51	0	51	
2012	3	51	0	51	
2012	4	51	0	51	
2012	5	50	0	50	
2012	6	50	0	50	
2012	7	50	0	50	
2012	8	50	0	50	
2012	9	51	0	51	
2012	10	53	0	53	
2012	11	53	0	53	
2012	12	54	0	54	
2013	1	54	0	54	
2013	2	54	0	54	
2013	3	54	0	54	
2013	4	55	0	55	
2013	5	55	0	55	
2013	6	55	0	55	
2013	7	62	0	62	
2013	8	63	0	63	
2013	9	63	0	63	
2013	10	63	0	63	
2013	11	65	0	65	
2013	12	57	0	57	
2014	1	57	0	57	
2014	2	57	0	57	
2014	3	57	0	57	
2014	4	57	0	57	
2014	5	56	0	56	
2014	6	56	0	56	
2014	7	55	0	55	
2014	8	56	0	56	
2014	9	56	0	56	
2014	10	56	0	56	
2014	11	54	0	54	
2014	12	49	0	49	
2015	1	49	0	49	
2015	2	49	0	49	
2015	3	51	0	51	
2015	4	51	0	51	
2015	5	51	0	51	
2015	6	52	0	52	
2015	7	51	0	51	
2015	8	51	0	51	
2015	9	51	0	51	
2015	10	52	0	52	
2015	11	52	0	52	
2015	12	52	0	52	

Year	Month	Salaried	Hourly	Empid	Count
2012	1	50	0	50	
2012	2	51	0	51	
2012	3	51	0	51	
2012	4	51	0	51	
2012	5	50	0	50	
2012	6	50	0	50	
2012	7	50	0	50	
2012	8	50	0	50	
2012	9	51	0	51	
2012	10	53	0	53	
2012	11	53	0	53	
2012	12	54	0	54	
2013	1	54	0	54	
2013	2	54	0	54	
2013	3	54	0	54	
2013	4	55	0	55	
2013	5	55	0	55	
2013	6	55	0	55	
2013	7	62	0	62	
2013	8	63	0	63	
2013	9	63	0	63	
2013	10	63	0	63	
2013	11	65	0	65	
2013	12	57	0	57	
2014	1	57	0	57	
2014	2	57	0	57	
2014	3	57	0	57	
2014	4	57	0	57	
2014	5	56	0	56	
2014	6	56	0	56	
2014	7	55	0	55	
2014	8	56	0	56	
2014	9	56	0	56	
2014	10	56	0	56	
2014	11	54	0	54	
2014	12	49	0	49	
2015	1	49	0	49	
2015	2	49	0	49	
2015	3	51	0	51	
2015	4	51	0	51	
2015	5	51	0	51	
2015	6	52	0	52	
2015	7	51	0	51	
2015	8	51	0	51	
2015	9	51	0	51	
2015	10	52	0	52	
2015	11	52	0	52	
2015	12	52	0	52	

Year	Month	Salaried	Hourly	Empid	Count
2012	1	23	27	50	
2012	2	24	27	51	
2012	3	24	27	51	
2012	4	24	27	51	
2012	5	23	27	50	
2012	6	23	27	50	
2012	7	23	27	50	
2012	8	23	27	50	
2012	9	22	29	51	
2012	10	23	30	53	
2012	11	23	30	53	
2012	12	24	30	54	
2013	1	24	30	54	
2013	2	24	30	54	
2013	3	24	30	54	
2013	4	24	31	55	
2013	5	24	31	55	
2013	6	24	31	55	
2013	7	23	39	62	
2013	8	23	40	63	
2013	9	23	40	63	
2013	10	23	40	63	
2013	11	25	40	65	
2013	12	24	33	57	
2014	1	24	33	57	
2014	2	24	33	57	
2014	3	24	33	57	
2014	4	24	33	57	
2014	5	23	33	56	
2014	6	23	33	56	
2014	7	22	33	55	
2014	8	22	33	55	
2014	9	23	33	56	
2014	10	23	33	56	
2014	11	22	32	54	
2014	12	19	30	49	
2015	1	19	30	49	
2015	2	19	30	49	
2015	3	19	32	51	
2015	4	20	31	51	
2015	5	20	31	51	
2015	6	20	32	52	
2015	7	20	31	51	
2015	8	20	31	51	
2015	9	20	31	51	
2015	10	20	32	52	
2015	11	20	32	52	
2015	12	20	32	52	

Year	Month	Salaried	Hourly	Empid	Count
2012	1	11	39	50	
2012	2	11	40	51	
2012	3	11	40	51	
2012	4	11	40	51	
2012	5	11	39	50	
2012	6	11	39	50	
2012	7	11	39	50	
2012	8	12	38	50	
2012	9	12	39	51	
2012	10	12	41	53	
2012	11	12	41	53	
2012	12	12	42	54	
2013	1	12	42	54	
2013	2	12	42	54	
2013	3	12	42	54	
2013	4	12	43	55	
2013	5	12	43	55	
2013	6	12	43	55	
2013	7	12	50	62	
2013	8	12	51	63	
2013	9	12	51	63	
2013	10	12	51	63	
2013	11	12	53	65	
2013	12	8	49	57	
2014	1	8	49	57	
2014	2	8	49	57	
2014	3	8	49	57	
2014	4	11	46	57	
2014	5	11	45	56	
2014	6	11	45	56	
2014	7	11	44	55	
2014	8	11	44	55	
2014	9	11	45	56	
2014	10	11	45	56	
2014	11	11	43	54	
2014	12	11	38	49	
2015	1	11	38	49	
2015	2	11	38	49	
2015	3	11	40	51	
2015	4	11	40	51	
2015	5	11	40	51	
2015	6	11	41	52	
2015	7	11	40	51	
2015	8	11	40	51	
2015	9	11	40	51	
2015	10	11	41	52	
2015	11	11	41	52	
2015	12	12	40	52	

Straight Time Payroll (CPAD 1-60 c.)					
Yr.	Mo.	Capital	Expense	Oth	
2012	Jan	92,712	97,731	23,488	
	Feb	111,868	116,323	28,241	
	Mar	88,778	121,742	28,214	
	Apr	92,372	115,167	27,041	
	May	117,410	103,267	29,112	
	Jun	188,182	150,122	37,847	
	Jul	90,956	97,053	22,885	
	Aug	119,434	118,308	30,781	
	Sep	123,223	117,618	24,053	
	Oct	134,891	113,429	26,670	
	Nov	164,852	152,120	36,008	
	Dec	133,422	117,229	30,099	
2012 Total		1,458,100	1,420,109	344,439	
2013	Jan	94,047	115,396	22,921	
	Feb	133,223	133,751	30,209	
	Mar	144,184	132,323	37,288	
	Apr	116,536	115,177	26,969	
	May	221,712	166,641	40,716	
	Jun	124,538	104,969	26,505	
	Jul	129,048	115,530	27,138	
	Aug	147,093	138,141	30,234	
	Sep	148,298	128,749	26,650	
	Oct	157,375	147,399	30,782	
	Nov	216,965	233,332	46,647	
	Dec	112,219	167,888	23,390	
2013 Total		1,745,238	1,699,286	369,449	
2014	Jan	95,431	115,290	23,841	
	Feb	120,712	170,758	32,482	
	Mar	132,337	142,826	27,059	
	Apr	131,277	137,358	31,036	
	May	164,916	209,827	43,225	
	Jun	106,531	139,578	27,452	
	Jul	108,147	127,889	29,173	
	Aug	107,936	156,989	32,383	
	Sep	115,666	138,303	24,119	
	Oct	178,912	234,407	44,731	
	Nov	111,782	151,701	27,239	
	Dec	93,201	108,565	24,617	
2014 Total		1,466,848	1,833,491	367,357	
2015	Jan	86,282	98,835	23,271	
	Feb	127,622	127,723	29,784	
	Mar	109,802	132,462	27,839	
	Apr	121,992	123,003	25,335	
	May	199,616	188,837	44,161	
	Jun	123,278	104,925	28,377	
	Jul	102,290	119,620	21,622	
	Aug	114,519	115,656	31,331	
	Sep	125,300	109,138	24,588	
	Oct	181,506	192,925	44,576	
	Nov	121,846	126,061	30,910	
	Dec	98,395	114,024	27,225	
2015 Total		1,512,448	1,553,209	359,019	

Over-Time Payroll (CPAD 1-60 d.)					
Yr.	Mo.	Capital	Expense	Oth	
2012	Jan	4,594	17,906	262	
	Feb	2,667	7,427	286	
	Mar	14,429	45,037	3,106	
	Apr	6,920	14,542	907	
	May	10,283	10,661	745	
	Jun	12,540	17,888	1,617	
	Jul	40,456	151,171	10,543	
	Aug	10,917	29,127	1,750	
	Sep	7,866	15,966	19,963	
	Oct	12,612	19,834	409	
	Nov	20,991	59,402	90,778	
	Dec	10,543	6,615	1,613	
2012 Total		154,818	395,576	131,979	
2013	Jan	6,669	19,513	1,237	
	Feb	16,627	77,340	9,579	
	Mar	7,438	10,960	3,262	
	Apr	2,376	13,102	983	
	May	18,204	35,426	1,771	
	Jun	10,744	39,407	1,932	
	Jul	6,189	37,810	1,179	
	Aug	9,964	44,099	1,300	
	Sep	10,069	18,450	953	
	Oct	16,618	21,839	556	
	Nov	20,591	30,563	2,854	
	Dec	6,640	44,390	1,411	
2013 Total		132,139	392,889	27,017	
2014	Jan	7,083	31,399	1,265	
	Feb	7,081	20,357	1,898	
	Mar	9,664	22,136	1,495	
	Apr	8,798	21,526	864	
	May	10,648	36,897	1,495	
	Jun	7,720	41,485	986	
	Jul	8,998	48,007	7,918	
	Aug	8,514	37,124	1,523	
	Sep	6,402	27,402	590	
	Oct	17,123	30,898	901	
	Nov	19,671	22,248	698	
	Dec	17,592	22,038	660	
2014 Total		129,294	361,517	20,283	
2015	Jan	5,158	16,824	1,033	
	Feb	3,784	8,211	712	
	Mar	9,523	42,221	500	
	Apr	3,680	17,367	314	
	May	8,411	24,464	53	
	Jun	6,471	31,416	919	
	Jul	10,982	70,420	14,222	
	Aug	6,734	24,195	754	
	Sep	4,715	23,398	543	
	Oct	11,284	26,188	269	
	Nov	28,387	21,236	1,165	
	Dec	21,333	22,598	679	
2015 Total		120,462	328,538	21,163	

Incentive Payroll (CPAD 1-60 f.)					
Yr.	Mo.	Capital	Expense	Oth	
2012	Jan	(4,300)	8,912	(4,613)	
	Feb	40	(40)	-	
	Mar	97	1,709	(705)	
	Apr	119	(124)	5	
	May	14,980	14,109	2,969	
	Jun	5,688	4,631	962	
	Jul	7,693	11,997	1,645	
	Aug	4,732	5,267	982	
	Sep	15,344	24,230	1,856	
	Oct	18,983	2,264	4,641	
	Nov	20,324	16,853	19,495	
	Dec	85,492	77,507	16,407	
2012 Total		169,192	167,315	43,644	
2013	Jan	-	-	-	
	Feb	456	710	26	
	Mar	(18,149)	(20,630)	3,942	
	Apr	6,922	11,063	168	
	May	12,874	11,937	2,109	
	Jun	17,981	25,535	2,421	
	Jul	14,139	9,980	3,410	
	Aug	11,575	13,622	2,331	
	Sep	13,183	12,065	2,280	
	Oct	33,501	34,012	5,395	
	Nov	32,706	34,972	5,869	
	Dec	17,473	27,738	6,396	
2013 Total		142,661	161,004	34,347	
2014	Jan	8,234	12,608	2,032	
	Feb	10,198	16,180	2,067	
	Mar	32,370	40,970	5,931	
	Apr	17,637	15,911	4,735	
	May	20,568	29,162	4,575	
	Jun	16,123	26,127	3,633	
	Jul	16,275	25,212	5,217	
	Aug	12,282	21,467	3,297	
	Sep	693	2,804	185	
	Oct	(4,348)	(8,537)	3,338	
	Nov	136	(3,719)	4,620	
	Dec	60,221	65,695	6,493	
2014 Total		190,389	243,880	46,123	
2015	Jan	(11,385)	(12,640)	(595)	
	Feb	9,224	9,591	1,821	
	Mar	15,400	21,996	2,115	
	Apr	10,108	11,487	1,987	
	May	10,428	11,094	2,060	
	Jun	25,464	28,261	5,212	
	Jul	11,101	19,575	4,294	
	Aug	14,522	17,244	3,203	
	Sep	41,481	47,429	10,097	
	Oct	23,440	27,093	5,783	
	Nov	25,874	25,201	5,242	
	Dec	31,505	35,894	6,479	
2015 Total		207,162	242,225	47,698	



Other Lump Sum Payroll (CPAD 1-60 f.)				
Yr.	Mo.	Capital	Expense	Oth
2012	Jan	301	874	26
	Feb	226	359	-
	Mar	202	994	91
	Apr	349	522	-
	May	126	563	-
	Jun	561	687	13
	Jul	648	2,882	208
	Aug	363	986	39
	Sep	161	392	-
	Oct	308	960	13
	Nov	550	1,803	169
	Dec	179	2,797	13
2012 Total		3,974	13,819	572
2013	Jan	205	471	26
	Feb	399	1,603	195
	Mar	257	(1,894)	26
	Apr	131	539	-
	May	286	1,105	13
	Jun	291	1,191	28
	Jul	259	1,352	13
	Aug	324	1,717	-
	Sep	363	1,041	13
	Oct	257	1,342	-
	Nov	476	1,546	78
	Dec	103	989	13
2013 Total		3,351	11,002	403
2014	Jan	280	1,254	13
	Feb	255	798	13
	Mar	266	969	-
	Apr	419	949	-
	May	459	1,555	13
	Jun	272	1,509	13
	Jul	209	1,780	65
	Aug	168	1,301	(52)
	Sep	151	1,214	-
	Oct	352	1,182	-
	Nov	238	581	-
	Dec	354	998	-
2014 Total		3,423	14,090	65
2015	Jan	164	616	13
	Feb	38	365	-
	Mar	327	1,584	39
	Apr	110	566	-
	May	323	575	36
	Jun	212	1,269	39
	Jul	328	2,311	-
	Aug	196	909	13
	Sep	290	880	(1)
	Oct	359	1,019	-
	Nov	458	647	26
	Dec	336	561	13
2015 Total		3,141	11,302	178

Capitalization Transfer Payroll (AG CPAD 1-60 f.)				
Yr.	Mo.	Capital	Expense	Oth
2012	Jan	15,433	(15,433)	-
	Feb	26,811	(26,811)	-
	Mar	27,113	(27,113)	-
	Apr	36,155	(35,155)	-
	May	40,131	(40,131)	-
	Jun	25,494	(25,494)	-
	Jul	41,690	(41,690)	-
	Aug	45,441	(45,441)	-
	Sep	25,574	(25,574)	-
	Oct	37,652	(37,652)	-
	Nov	31,208	(31,208)	-
	Dec	13,670	(13,670)	-
2012 Total		365,372	(365,372)	-
2013	Jan	24,244	(24,244)	-
	Feb	24,520	(24,520)	-
	Mar	50,425	(50,425)	-
	Apr	44,968	(44,968)	-
	May	37,435	(37,435)	-
	Jun	46,787	(46,787)	-
	Jul	42,729	(42,729)	-
	Aug	43,972	(43,972)	-
	Sep	30,896	(30,896)	-
	Oct	37,629	(37,629)	-
	Nov	32,166	(32,166)	-
	Dec	26,323	(26,323)	-
2013 Total		442,094	(442,094)	-
2014	Jan	29,901	(29,901)	-
	Feb	34,028	(34,028)	-
	Mar	31,424	(31,424)	-
	Apr	37,881	(37,881)	-
	May	29,825	(29,520)	(305)
	Jun	40,809	(40,809)	-
	Jul	44,897	(44,897)	-
	Aug	42,899	(42,899)	-
	Sep	35,448	(35,448)	-
	Oct	28,598	(28,598)	-
	Nov	34,970	(34,970)	-
	Dec	64,317	(64,317)	-
2014 Total		454,997	(454,692)	(305)
2015	Jan	44,084	(44,084)	-
	Feb	20,435	(20,435)	-
	Mar	36,604	(36,604)	-
	Apr	27,972	(27,972)	-
	May	22,016	(22,016)	-
	Jun	39,174	(39,174)	-
	Jul	60,067	(60,067)	-
	Aug	54,966	(54,966)	-
	Sep	44,946	(44,946)	-
	Oct	47,844	(47,844)	-
	Nov	22,271	(22,271)	-
	Dec	30,944	(30,944)	-
2015 Total		451,323	(451,323)	-

Engage to Gain Payroll (CPAD 1-60 f.)				
Yr.	Mo.	Capital	Expense	Oth
2013	Jul	1,928	4,136	-
	Aug	2,434	5,219	-
	Sept	5,004	(128)	1,984
	Oct	4,437	4,877	974
	Nov	4,012	5,296	980
	Dec	9,023	15,901	2,480
2013 Total		26,838	35,301	6,418
2014	Jan	(92)	(69)	161
	Feb	(1,103)	(1,389)	(528)
	Mar	(4)	(12)	-
	Apr	(44)	(4)	1
	May	(7)	11	-
	Jun	(12)	-	-
	Jul	(28)	(1)	-
	Aug	(5)	-	-
2014 Total		(1,295)	(1,464)	(356)

Severance Payroll (CPAD 1-60 f.)				
Yr.	Mo.	Capital	Expense	Oth
2012	Dec	-	77,755	-
2013	Mar	-	(77,755)	-

## MC EXHIBIT 5

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BU	Journal ID	Yr	Mo	CC	Amount	Vendor	Invoice & Date / Description	
230	APACC07154	2014	5	955	500.00	SECOND HARVEST FOOD BANK	70467	2014-05-06
230	APACC08231	2014	12	955	6,798.00	UNITED WAY OF GREATER KINGSPORT	72625	2014-11-21
230	INTCOM2757	2014	12	955	(6,498.00)	Billed to Associated Companies	72625	
230	APACC23556	2014	6	955	500.00	SYMPHONY OF THE MOUNTAINS	70900	2014-06-11
230	APACC79675	2014	3	955	250.00	RICH VALLEY ELEMENTARY SCHOOL	69422	2014-01-21
230	APACC82083	2014	3	955	500.00	UNITED WAY OF GREATER KINGSPORT	69566	2014-02-24
230	APACC88354	2014	10	955	1,000.00	EAST TENNESSEE STATE UNIVERSITY	72098	2014-10-21
230	APACC91910	2014	4	955	3,973.00	UNITED WAY OF GREATER KINGSPORT	69939	2014-04-08
230	APACC92536	2014	4	955	100.00	SERTOMA CLUB OF KINGSPORT	69998	2014-04-09
230	APACC97698	2014	11	955	500.00	INDIAN PATH MEDICAL CENTER FOUNDATION	72311	2014-11-05
260	INTCOM1300	2014	2	955	0.75	YMCA (Intercompany Billing from APCo)	Voucher	00075309
230	APAJE0114	2014	1	955	330.15	Edison Electric Inst	Voucher	103-01673720
230	AEPFOUND2	2014	1	9AB	(6,080.60)	Reverse the allocation established in 2013	AEP Foundation	
230	AEPFOUND2	2014	1	955	5,653.32	Manually bill AEP Foundation	AEP Foundation	
260	AEPFOUND2	2014	1	9AB	(997.49)	Reverse the allocation established in 2013	AEP Foundation	
260	AEPFOUND2	2014	1	955	918.93	Manually bill AEP Foundation	AEP Foundation	
230	AJERECL01	2014	8	955	0.73	JE RECLASS ENTRY - AUGUST 2014	DEPT ID CORRECTION	
230	SCBBIL5297	2014	1	955	0.72	ROTARY CLUB	Voucher	01671451
230	SCBBIL5297	2014	1	955	1.32	DOUGLASS FUND	Voucher	01672851
230	SCBBIL5297	2014	1	955	0.57	COMMUNITY HOSPICE	Voucher	01672255
230	SCBBIL5297	2014	1	955	0.72	LEHIGH UNIVERSITY	Voucher	01669853
230	SCBBIL5297	2014	1	955	0.72	HOFSTRA UNIVERSITY	Voucher	01669484
230	SCBBIL5297	2014	1	955	0.72	UNIVERSITY OF FLORIDA	Voucher	01673453
230	SCBBIL5297	2014	1	955	2.87	JOHN HOPKINS UNIVERSITY	Voucher	01672852
230	SCBBIL5297	2014	1	955	2.87	NORTHWESTERN UNIVERSITY	Voucher	01669481
230	SCBBIL5297	2014	1	955	2.87	TRUSTEES OF PRINCETON UNIVERSITY	Voucher	01669482
230	SCBBIL5297	2014	1	955	0.72	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher	01669480
230	SCBBIL5297	2014	1	955	2.87	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher	01669483
230	SCBBIL5297	2014	1	955	0.86	EASTERN ILLINOIS UNIVERSITY FOUNDATION	Voucher	01674435
230	SCBBIL5297	2014	1	955	(229.42)	CENTER FOR ENERGY WORKFORCE DEVELOPMENT	Voucher	01667216
230	SCBBIL0954	2014	2	955	2.87	RIPON COLLEGE	Voucher	01678473
230	SCBBIL0954	2014	2	955	0.86	ENGINEERS CLUB	Voucher	01675236
230	SCBBIL0954	2014	2	955	1.43	DAVIDSON COLLEGE	Voucher	01675238
230	SCBBIL0954	2014	2	955	1.43	DAVIDSON COLLEGE	Voucher	01675535
230	SCBBIL0954	2014	2	955	0.79	BETHANY LUTHERAN COLLEGE	Voucher	01678475
230	SCBBIL0954	2014	2	955	0.72	EASTERN WASHINGTON UNIVERSITY	Voucher	01678474
230	SCBBIL7138	2014	3	955	2.87	GENEVA COLLEGE	Voucher	01682245
230	SCBBIL7138	2014	3	955	0.72	WASHINGTON UNIVERSITY	Voucher	01684683
230	SCBBIL7138	2014	3	955	2.29	FLAG CITY BALLOON FEST	Voucher	01682193
230	SCBBIL7138	2014	3	955	1.58	UNIVERSITY OF PITTSBURGH	Voucher	01684684
230	SCBBIL7138	2014	3	955	2.87	STAR SPANGLED SPECTACULAR	Voucher	01682192
230	SCBBIL1576	2014	4	955	1.43	HERITAGE OHIO	Voucher	01695482
230	SCBBIL1576	2014	4	955	1.43	NYACK COLLEGE	Voucher	01691959
230	SCBBIL1576	2014	4	955	0.72	DUKE UNIVERSITY	Voucher	01691958
230	SCBBIL1576	2014	4	955	1.43	DRURY UNIVERSITY	Voucher	01691957
230	SCBBIL1576	2014	4	955	0.14	LIBERTY LEADERS 5K	Voucher	01697132
230	SCBBIL1576	2014	4	955	1.43	WASHINGTON UNIVERSITY	Voucher	01694294
230	SCBBIL1576	2014	4	955	2.87	JOHN MARSHALL HIGH SCHOOL	Voucher	01693874
230	SCBBIL1576	2014	4	955	1.92	UNIVERSITY OF SOUTH CAROLINA	Voucher	01694384
230	SCBBIL1576	2014	4	955	0.72	ST JOSEPH COLLEGE ALUMNI FUND	Voucher	01698538
230	SCBBIL1576	2014	4	955	0.86	RENSSELAER POLYTECHNIC INSTITUTE	Voucher	01697828
230	SCBBIL1576	2014	4	955	0.86	WAKE FOREST UNIVERSITY HEALTH SCIENCES	Voucher	01696257
230	SCBBIL6523	2014	5	955	28.68		Voucher	
230	SCBBIL6523	2014	5	955	14.34	FIRST TEE	Voucher	01705482
230	SCBBIL6523	2014	5	955	1.43	EMMANUAL COLLEGE	Voucher	01705202
230	SCBBIL6523	2014	5	955	0.72	WILLIAM PATERSON	Voucher	01705297
230	SCBBIL6523	2014	5	955	14.34	FUND FOR AMERICAN STUDIES	Voucher	01705483
230	SCBBIL6523	2014	5	955	1.43	STEVENS INSTITUTE OF TECHNOLOGY	Voucher	01701152
230	SCBBIL6523	2014	5	955	71.69	NATIONAL MULTIPLE SCLEROSIS SOCIETY	Voucher	01705485
230	SCBBIL6523	2014	5	955	43.02	FOUNDATION TO ERADICATE DUCHENNE INC	Voucher	01705484
230	SCBBIL1798	2014	6	955	1.15	BOWDOIN COLLEGE	Voucher	01709216
230	SCBBIL1798	2014	6	955	2.87	DREXEL UNIVERSITY	Voucher	01709214
230	SCBBIL1798	2014	6	955	0.72	CORNELL UNIVERSITY	Voucher	01709215

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230	SCBBIL1798	2014	6	955	2.87	CONCORDIA UNIVERSITY	Voucher 01712058
230	SCBBIL1798	2014	6	955	1.43	VALLEY FORGE MILITARY COLLEGE	Voucher 01713815
230	SCBBIL1798	2014	6	955	1.65	MARYVILLE UNIVERSITY OF ST LOUIS	Voucher 01708817
230	SCBBIL1798	2014	6	955	2.87	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Voucher 01709213
230	SCBBIL8565	2014	7	955	1.43	COOPER UNION	Voucher 01719551
230	SCBBIL8565	2014	7	955	2.87	BROWN UNIVERSITY	Voucher 01721351
230	SCBBIL8565	2014	7	955	0.72	MORGAN SHRINE CLUB	Voucher 01721469
230	SCBBIL8565	2014	7	955	2.87	UNIVERSITY OF ST THOMAS	Voucher 01720840
230	SCBBIL8565	2014	7	955	1.43	TRUSTEES OF TUFTS COLLEGE	Voucher 01720187
230	SCBBIL8565	2014	7	955	0.72	DUBLIN COFFMAN HIGH SCHOOL	Voucher 01720589
230	SCBBIL8565	2014	7	955	1.22	JP MORGAN CHASE CORPORATE CARD ACTIVITY	Voucher 01721507
230	SCBBIL3052	2014	8	955	7.17	HORTONS KIDS INC	Voucher 01730488
230	SCBBIL3052	2014	8	955	28.68	ART INSTITUTE OF CHICAGO	Voucher 01727401
230	SCBBIL3052	2014	8	955	2.87	TRUSTEES OF DARMOUTH COLLEGE	Voucher 01730487
230	SCBBIL3052	2014	8	955	0.86	TRUSTEES OF COLUMBIA UNIVERSITY	Voucher 01730486
230	SCBBIL3052	2014	8	955	28.68	UNIVERSITY OF WYOMING FOUNDATION	Voucher 01727402
230	SCBBIL3052	2014	8	955	39.58	NATIONAL MERIT SCHOLARSHIP CORPORATION	Voucher 01731378
230	SCBBIL7835	2014	9	955	0.29	LICKING COUNTY	Voucher 01740323
230	SCBBIL7835	2014	9	955	0.72	STEPHEN COLLEGE	Voucher 01734883
230	SCBBIL7835	2014	9	955	43.02	CLEAN ENERGY TRUST	Voucher 01734884
230	SCBBIL7835	2014	9	955	2.87	RENSSELAER POLYTECHNIC INSTITUTE	Voucher 01736676
230	SCBBIL7835	2014	9	955	2.87	RENSSELAER POLYTECHNIC INSTITUTE	Voucher 01736677
230	SCBBIL3684	2014	10	955	143.39	HARVARD UNIVERSITY	Voucher 01751879
230	SCBBIL3684	2014	10	955	14.34	GREEN BERET FOUNDATION	Voucher 01746737
230	SCBBIL3684	2014	10	955	2.87	CARNEGIE MELLON UNIVERSITY	Voucher 01752291
230	SCBBIL3684	2014	10	955	43.02	NATIONAL CONFERENCE OF STATE	Voucher 01751880
230	SCBBIL3684	2014	10	955	2.87	PENNSYLVANIA STATE UNIVERSITY	Voucher 01746736
230	SCBBIL3684	2014	10	955	0.79	LIMA/ALLEN CHAMBER OF COMMERCE	Voucher 01751281
230	SCBBIL7337	2014	11	955	0.29	SALVATION ARMY	Voucher 01757123
230	SCBBIL7337	2014	11	955	430.16	NATIONAL URBAN LEAGUE	Voucher 01759644
230	SCBBIL7337	2014	11	955	1.43	HOLMES COUNTY SHARE A CHRISTMAS	Voucher 01756690
230	SCBBIL7337	2014	11	955	1.15	STEVENS INSTITUTE OF TECHNOLOGY	Voucher 01755046
230	SCBBIL2598	2014	12	955	1.08	UNITED WAY	Voucher 01763697
230	SCBBIL2598	2014	12	955	1.08	UNITED WAY	Voucher 01763698
230	SCBBIL2598	2014	12	955	1.29	WKTN RADIO	Voucher 01769081
230	SCBBIL2598	2014	12	955	0.86	COOPER UNION	Voucher 01767014
230	SCBBIL2598	2014	12	955	143.39	ASPEN INSTITUTE	Voucher 01763416
230	SCBBIL2598	2014	12	955	2.87	DUCKS UNLIMITED	Voucher 01769078
230	SCBBIL2598	2014	12	955	0.57	COSHOCTON COUNTY	Voucher 01770098
230	SCBBIL2598	2014	12	955	215.09	BETTER WORLD FUND	Voucher 01768390
230	SCBBIL2598	2014	12	955	0.72	LEHIGH UNIVERSITY	Voucher 01771472
230	SCBBIL2598	2014	12	955	1.43	JUNIOR ACHIEVEMENT	Voucher 01769080
230	SCBBIL2598	2014	12	955	0.86	NEW YORK UNIVERSITY	Voucher 01767013
230	SCBBIL2598	2014	12	955	0.86	SYRACUSE UNIVERSITY	Voucher 01771468
230	SCBBIL2598	2014	12	955	2.87	ELIZABETHTOWN COLLEGE	Voucher 01761947
230	SCBBIL2598	2014	12	955	1.72	GEORGETOWN UNIVERSITY	Voucher 01771803
230	SCBBIL2598	2014	12	955	2.87	JOHN HOPKINS UNIVERSITY	Voucher 01771804
230	SCBBIL2598	2014	12	955	57.36	NATIONAL SAFETY COUNCIL	Voucher 01763418
230	SCBBIL2598	2014	12	955	2.87	UNION HOSPITAL AUXILARY	Voucher 01773270
230	SCBBIL2598	2014	12	955	2.87	UNIVERSITY OF WISCONSIN	Voucher 01761948
230	SCBBIL2598	2014	12	955	2.87	UNIVERSITY OF WISCONSIN	Voucher 01761950
230	SCBBIL2598	2014	12	955	0.72	ARIZONA STATE UNIVERSITY	Voucher 01767011
230	SCBBIL2598	2014	12	955	0.72	ATHENS ROTARY FOUNDATION	Voucher 01770097
230	SCBBIL2598	2014	12	955	114.72	NATIONAL ENERGY EDUCATION	Voucher 01764602
230	SCBBIL2598	2014	12	955	10.04	NATIONAL PRESS FOUNDATION	Voucher 01773271
230	SCBBIL2598	2014	12	955	57.36	AMERICAN FOREST FOUNDATION	Voucher 01768643
230	SCBBIL2598	2014	12	955	1.43	UNIVERSITY OF NORTH CAROLINA	Voucher 01773269
230	SCBBIL2598	2014	12	955	0.72	PENNSYLVANIA STATE UNIVERSITY	Voucher 01761945
230	SCBBIL2598	2014	12	955	57.36	FOUNDATION FOR NUCLEAR STUDIES	Voucher 01763417
230	SCBBIL2598	2014	12	955	2.15	NOBLE COUNTY CHAMBER OF COMMERCE	Voucher 01769079
230	SCBBIL2598	2014	12	955	2.87	TRUSTEES OF PRINCETON UNIVERSITY	Voucher 01771470
230	SCBBIL2598	2014	12	955	2.87	TRUSTEES OF PRINCETON UNIVERSITY	Voucher 01771471
230	SCBBIL2598	2014	12	955	1.43	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher 01761946

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BU	Journal ID	Yr	Mo	CC	Amount	Vendor	Invoice & Date / Description
230	SCBBIL2598	2014	12	955	0.86	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher 01771469
230	SCBBIL2598	2014	12	955	57.36	AMERICAN LEGISLATIVE EXCHANGE COUNCIL	Voucher 01763415
230	SCBBIL2598	2014	12	955	0.72	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Voucher 01761949
230	SCBBIL2598	2014	12	955	2.87	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Voucher 01767012
230	SCBBIL2598	2014	12	955	0.86	EASTERN ILLINOIS UNIVERSITY FOUNDATION	Voucher 01771473
230	SCBBIL2598	2014	12	955	200.75	AMERICAN ASSOCIATION OF BLACKS IN ENERGY	Voucher 01767820
260	SCBBIL5300	2014	1	955	0.24	ROTARY CLUB	Voucher 01671451
260	SCBBIL5300	2014	1	955	0.44	DOUGLASS FUND	Voucher 01672851
260	SCBBIL5300	2014	1	955	0.19	COMMUNITY HOSPICE	Voucher 01672255
260	SCBBIL5300	2014	1	955	0.24	LEHIGH UNIVERSITY	Voucher 01669853
260	SCBBIL5300	2014	1	955	0.24	HOFSTRA UNIVERSITY	Voucher 01669484
260	SCBBIL5300	2014	1	955	0.24	UNIVERSITY OF FLORIDA	Voucher 01673453
260	SCBBIL5300	2014	1	955	0.96	JOHN HOPKINS UNIVERSITY	Voucher 01672852
260	SCBBIL5300	2014	1	955	0.96	NORTHWESTERN UNIVERSITY	Voucher 01669481
260	SCBBIL5300	2014	1	955	0.96	TRUSTEES OF PRINCETON UNIVERSITY	Voucher 01669482
260	SCBBIL5300	2014	1	955	0.24	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher 01669480
260	SCBBIL5300	2014	1	955	0.96	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher 01669483
260	SCBBIL5300	2014	1	955	0.29	EASTERN ILLINOIS UNIVERSITY FOUNDATION	Voucher 01674435
260	SCBBIL5300	2014	1	955	(76.59)	CENTER FOR ENERGY WORKFORCE DEVELOPMENT	Voucher 01667216
260	SCBBIL0957	2014	2	955	0.96	RIPON COLLEGE	Voucher 01678473
260	SCBBIL0957	2014	2	955	0.29	ENGINEERS CLUB	Voucher 01675236
260	SCBBIL0957	2014	2	955	0.48	DAVIDSON COLLEGE	Voucher 01675238
260	SCBBIL0957	2014	2	955	0.48	DAVIDSON COLLEGE	Voucher 01675535
260	SCBBIL0957	2014	2	955	0.26	BETHANY LUTHERAN COLLEGE	Voucher 01678475
260	SCBBIL0957	2014	2	955	0.24	EASTERN WASHINGTON UNIVERSITY	Voucher 01678474
260	SCBBIL7141	2014	3	955	0.96	GENEVA COLLEGE	Voucher 01682245
260	SCBBIL7141	2014	3	955	0.24	WASHINGTON UNIVERSITY	Voucher 01684683
260	SCBBIL7141	2014	3	955	0.77	FLAG CITY BALLOON FEST	Voucher 01682193
260	SCBBIL7141	2014	3	955	0.53	UNIVERSITY OF PITTSBURGH	Voucher 01684684
260	SCBBIL7141	2014	3	955	0.96	STAR SPANGLED SPECTACULAR	Voucher 01682192
260	SCBBIL1579	2014	4	955	0.48	HERITAGE OHIO	Voucher 01695482
260	SCBBIL1579	2014	4	955	0.48	NYACK COLLEGE	Voucher 01691959
260	SCBBIL1579	2014	4	955	0.24	DUKE UNIVERSITY	Voucher 01691958
260	SCBBIL1579	2014	4	955	0.48	DRURY UNIVERSITY	Voucher 01691957
260	SCBBIL1579	2014	4	955	0.05	LIBERTY LEADERS 5K	Voucher 01697132
260	SCBBIL1579	2014	4	955	0.48	WASHINGTON UNIVERSITY	Voucher 01694294
260	SCBBIL1579	2014	4	955	0.96	JOHN MARSHALL HIGH SCHOOL	Voucher 01693874
260	SCBBIL1579	2014	4	955	0.64	UNIVERSITY OF SOUTH CAROLINA	Voucher 01694384
260	SCBBIL1579	2014	4	955	0.24	ST JOSEPH COLLEGE ALUMNI FUND	Voucher 01698538
260	SCBBIL1579	2014	4	955	0.29	RENSSELAER POLYTECHNIC INSTITUTE	Voucher 01697828
260	SCBBIL1579	2014	4	955	0.29	WAKE FOREST UNIVERSITY HEALTH SCIENCES	Voucher 01698257
260	SCBBIL6526	2014	5	955	9.57		Voucher
260	SCBBIL6526	2014	5	955	4.79	FIRST TEE	Voucher 01705482
260	SCBBIL6526	2014	5	955	0.48	EMMANUEL COLLEGE	Voucher 01705202
260	SCBBIL6526	2014	5	955	0.24	WILLIAM PATERSON	Voucher 01705297
260	SCBBIL6526	2014	5	955	4.79	FUND FOR AMERICAN STUDIES	Voucher 01705483
260	SCBBIL6526	2014	5	955	0.48	STEVENS INSTITUTE OF TECHNOLOGY	Voucher 01701152
260	SCBBIL6526	2014	5	955	23.93	NATIONAL MULTIPLE SCLEROSIS SOCIETY	Voucher 01705485
260	SCBBIL6526	2014	5	955	14.36	FOUNDATION TO ERADICATE DUCHENNE INC	Voucher 01705484
260	SCBBIL1801	2014	6	955	0.38	BOWDOIN COLLEGE	Voucher 01709216
260	SCBBIL1801	2014	6	955	0.96	DREXEL UNIVERSITY	Voucher 01709214
260	SCBBIL1801	2014	6	955	0.24	CORNELL UNIVERSITY	Voucher 01709215
260	SCBBIL1801	2014	6	955	0.96	CONCORDIA UNIVERSITY	Voucher 01712058
260	SCBBIL1801	2014	6	955	0.48	VALLEY FORGE MILITARY COLLEGE	Voucher 01713815
260	SCBBIL1801	2014	6	955	0.55	MARYVILLE UNIVERSITY OF ST LOUIS	Voucher 01708817
260	SCBBIL1801	2014	6	955	0.96	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Voucher 01709213
260	SCBBIL8568	2014	7	955	0.48	COOPER UNION	Voucher 01719551
260	SCBBIL8568	2014	7	955	0.96	BROWN UNIVERSITY	Voucher 01721351
260	SCBBIL8568	2014	7	955	0.24	MORGAN SHRINE CLUB	Voucher 01721469
260	SCBBIL8568	2014	7	955	0.96	UNIVERSITY OF ST THOMAS	Voucher 01720840
260	SCBBIL8568	2014	7	955	0.48	TRUSTEES OF TUFTS COLLEGE	Voucher 01720187
260	SCBBIL8568	2014	7	955	0.24	DUBLIN COFFMAN HIGH SCHOOL	Voucher 01720589
260	SCBBIL8568	2014	7	955	0.41	JP MORGAN CHASE CORPORATE CARD ACTIVITY	Voucher 01721507

Kingsport Power Company  
Charitable Contributions in Account 426.1  
For the Year Ending December 2014

TRA Staff Informal 1- 48  
Attachment 1, Page 4 of 4  
Witness: AWA

BU	Journal ID	Yr	Mo	CC	Amount	Vendor	Invoice & Date / Description
260	SCBBIL3071	2014	8	955	2.39	HORTONS KIDS INC	Voucher 01730488
260	SCBBIL3071	2014	8	955	9.57	ART INSTITUTE OF CHICAGO	Voucher 01727401
260	SCBBIL3071	2014	8	955	0.96	TRUSTEES OF DARMOUTH COLLEGE	Voucher 01730487
260	SCBBIL3071	2014	8	955	0.29	TRUSTEES OF COLUMBIA UNIVERSITY	Voucher 01730486
260	SCBBIL3071	2014	8	955	9.57	UNIVERSITY OF WYOMING FOUNDATION	Voucher 01727402
260	SCBBIL3071	2014	8	955	13.21	NATIONAL MERIT SCHOLARSHIP CORPORATION	Voucher 01731378
260	SCBBIL7838	2014	9	955	0.10	LICKING COUNTY	Voucher 01740323
260	SCBBIL7838	2014	9	955	0.24	STEPHEN COLLEGE	Voucher 01734883
260	SCBBIL7838	2014	9	955	14.36	CLEAN ENERGY TRUST	Voucher 01734884
260	SCBBIL7838	2014	9	955	0.96	RENSSELAER POLYTECHNIC INSTITUTE	Voucher 01736676
260	SCBBIL7838	2014	9	955	0.96	RENSSELAER POLYTECHNIC INSTITUTE	Voucher 01736677
260	SCBBIL3687	2014	10	955	47.87	HARVARD UNIVERSITY	Voucher 01751879
260	SCBBIL3687	2014	10	955	4.79	GREEN BERET FOUNDATION	Voucher 01746737
260	SCBBIL3687	2014	10	955	0.96	CARNEGIE MELLON UNIVERSITY	Voucher 01752291
260	SCBBIL3687	2014	10	955	14.36	NATIONAL CONFERENCE OF STATE	Voucher 01751880
260	SCBBIL3687	2014	10	955	0.96	PENNSYLVANIA STATE UNIVERSITY	Voucher 01746736
260	SCBBIL3687	2014	10	955	0.26	LIMA/ALLEN CHAMBER OF COMMERCE	Voucher 01751281
260	SCBBIL7340	2014	11	955	0.10	SALVATION ARMY	Voucher 01757123
260	SCBBIL7340	2014	11	955	143.60	NATIONAL URBAN LEAGUE	Voucher 01759644
260	SCBBIL7340	2014	11	955	0.48	HOLMES COUNTY SHARE A CHRISTMAS	Voucher 01756690
260	SCBBIL7340	2014	11	955	0.38	STEVENS INSTITUTE OF TECHNOLOGY	Voucher 01755046
260	SCBBIL2601	2014	12	955	0.36	UNITED WAY	Voucher 01763697
260	SCBBIL2601	2014	12	955	0.36	UNITED WAY	Voucher 01763698
260	SCBBIL2601	2014	12	955	0.43	WKTN RADIO	Voucher 01769081
260	SCBBIL2601	2014	12	955	0.29	COOPER UNION	Voucher 01767014
260	SCBBIL2601	2014	12	955	47.87	ASPEN INSTITUTE	Voucher 01763416
260	SCBBIL2601	2014	12	955	0.96	DUCKS UNLIMITED	Voucher 01769078
260	SCBBIL2601	2014	12	955	0.19	COSHOCTON COUNTY	Voucher 01770098
260	SCBBIL2601	2014	12	955	71.81	BETTER WORLD FUND	Voucher 01768390
260	SCBBIL2601	2014	12	955	0.24	LEHIGH UNIVERSITY	Voucher 01771472
260	SCBBIL2601	2014	12	955	0.48	JUNIOR ACHIEVEMENT	Voucher 01769080
260	SCBBIL2601	2014	12	955	0.29	NEW YORK UNIVERSITY	Voucher 01767013
260	SCBBIL2601	2014	12	955	0.29	SYRACUSE UNIVERSITY	Voucher 01771468
260	SCBBIL2601	2014	12	955	0.96	ELIZABETHTOWN COLLEGE	Voucher 01761947
260	SCBBIL2601	2014	12	955	0.57	GEORGETOWN UNIVERSITY	Voucher 01771803
260	SCBBIL2601	2014	12	955	0.96	JOHN HOPKINS UNIVERSITY	Voucher 01771804
260	SCBBIL2601	2014	12	955	19.15	NATIONAL SAFETY COUNCIL	Voucher 01763418
260	SCBBIL2601	2014	12	955	0.96	UNION HOSPITAL AUXILARY	Voucher 01773270
260	SCBBIL2601	2014	12	955	0.96	UNIVERSITY OF WISCONSIN	Voucher 01761948
260	SCBBIL2601	2014	12	955	0.96	UNIVERSITY OF WISCONSIN	Voucher 01761950
260	SCBBIL2601	2014	12	955	0.24	ARIZONA STATE UNIVERSITY	Voucher 01767011
260	SCBBIL2601	2014	12	955	0.24	ATHENS ROTARY FOUNDATION	Voucher 01770097
260	SCBBIL2601	2014	12	955	38.30	NATIONAL ENERGY EDUCATION	Voucher 01764602
260	SCBBIL2601	2014	12	955	3.35	NATIONAL PRESS FOUNDATION	Voucher 01773271
260	SCBBIL2601	2014	12	955	19.15	AMERICAN FOREST FOUNDATION	Voucher 01768643
260	SCBBIL2601	2014	12	955	0.48	UNIVERSITY OF NORTH CAROLINA	Voucher 01773269
260	SCBBIL2601	2014	12	955	0.24	PENNSYLVANIA STATE UNIVERSITY	Voucher 01761945
260	SCBBIL2601	2014	12	955	19.15	FOUNDATION FOR NUCLEAR STUDIES	Voucher 01763417
260	SCBBIL2601	2014	12	955	0.72	NOBLE COUNTY CHAMBER OF COMMERCE	Voucher 01769079
260	SCBBIL2601	2014	12	955	0.96	TRUSTEES OF PRINCETON UNIVERSITY	Voucher 01771470
260	SCBBIL2601	2014	12	955	0.96	TRUSTEES OF PRINCETON UNIVERSITY	Voucher 01771471
260	SCBBIL2601	2014	12	955	0.48	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher 01761946
260	SCBBIL2601	2014	12	955	0.29	UNIVERSITY OF ILLINOIS FOUNDATION	Voucher 01771469
260	SCBBIL2601	2014	12	955	19.15	AMERICAN LEGISLATIVE EXCHANGE COUNCIL	Voucher 01763415
260	SCBBIL2601	2014	12	955	0.24	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Voucher 01761949
260	SCBBIL2601	2014	12	955	0.96	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Voucher 01767012
260	SCBBIL2601	2014	12	955	0.29	EASTERN ILLINOIS UNIVERSITY FOUNDATION	Voucher 01771473
260	SCBBIL2601	2014	12	955	67.02	AMERICAN ASSOCIATION OF BLACKS IN ENERGY	Voucher 01767620
Total					<u>9,820.96</u>		

Vendor Name	Company Memberships
AHC GROUP INC	31.87
AMERICAN BENEFITS COUNCIL	42.02
AMERICAN COALITION FOR CLEAN	2,316.73
AMERICAN LEGISLATIVE EXCHANGE COUNCIL	25.74
AMERICAN WIND ENERGY ASSOC	77.87
ASSOCIATION OF EDISON	33.76
ASTD	1.67
BETTER INVESTING	9.88
BLOOMBERG BNA	7.53
BUSINESS ROUNDTABLE	373.85
CARNEGIE MELLON UNIVERSITY	128.70
CENTER FOR ENERGY WORKFORCE DEVELOPMENT	155.26
CENTRAL OHIO DIVERSITY CONSORTIUM	3.14
CFO / BOARD ACADEMY	64.36
CHEMTREC	8.10
CONFERENCE BOARD INC	201.85
CORPORATE EXECUTIVE BOARD	413.35
COUNCIL OF GREAT LAKES INDUSTRIES	20.59
DIRECTEMPLOYERS	49.02
DOW JONES & COMPANY INC	32.47
EAPDIS LLC	13.45
EDISON ELECTRIC INSTITUTE	361.25
EMERGING ISSUES POLICY FORUM	25.74
EPIS INC	110.74
G100 INC	330.67
GLOBAL SUSTAINABLE ELECTRICITY PARTNRSHIP	353.78
GUIDE STAR	9.98
IHS GLOBAL INC	273.18
INDIANA ECONOMIC DEVELOPMENT ASSOCIATION	132.79
INTERNATIONAL EMISSIONS TRADING ASSOC	54.16
JUST ONE BREAK INC	15.72
MANCOMM MAGAN COMMUNICATIONS	2.12
NATIONAL ASSOCIATION FOR ENVIRONMENTAL	16.73
NATIONAL ASSOCIATION OF MANUFACTURERS	232.23
NATIONAL COAL COUNCIL	109.75
NATIONAL SAFETY COUNCIL	28.36
NATIONAL WILD TURKEY FEDERATION	12.88
NATIVE AMERICAN MEDIA	16.27
NORTH AMERICAN TRANSMISSION FORUM INC	0.00
OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY	6.83
PIRA ENERGY GROUP	122.35
PR NEWswire ASSOCIATION LLC	0.50
PRIUM	114.73
PUBLIC AFFAIRS COUNCIL	30.37
RIVEL RESEARCH GROUP	6.33
SECURITIES TRANSFER ASSN INC	2.58
STATE OF LOUISIANA	2.52
UNITED STATES CHAMBER OF COMMERCE	772.23
UNITED STATES ENERGY ASSOCIATION	25.89
US NATIONAL COMMITTEE-CIGRE	47.83
WOOD MACKENZIE INC	16.74
WORLD 50 INC	125.37
Grand Total	7,371.83

APCo Exhibit No. \_\_\_\_  
Witness: HEM

140910032

**REBUTTAL TESTIMONY OF  
HUGH E. MCCOY  
FOR APPALACHIAN POWER COMPANY  
IN VIRGINIA S.C.C. CASE NO. PUE-2014-00026**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND TITLE.**

2 **A.** My name is Hugh E. McCoy. My business address is 1 Riverside Plaza, Columbus,  
3 Ohio 43215. I am Director of Accounting Policy and Research for the American Electric  
4 Power Service Corporation, an affiliate of Appalachian Power Company (APCo or the  
5 Company).

6 **Q. ARE YOU THE SAME HUGH E. MCCOY WHOSE PREPARED DIRECT**  
7 **TESTIMONY WAS FILED IN THIS CASE ON MARCH 31, 2014?**

8 **A.** Yes.

9 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

10 **A.** The purpose of my rebuttal testimony is to respond to the direct testimony of the Office  
11 of the Attorney General Division of Consumer Counsel (OAG) Witness Ralph C. Smith  
12 regarding the inclusion in rate base of the Company's additional cash investment in its  
13 prepaid pension asset.

14 **Q. WHAT DOES OAG WITNESS SMITH RECOMMEND WITH REGARD TO THE**  
15 **COMPANY'S INCLUSION OF THE PREPAID PENSION ASSET IN RATE**  
16 **BASE?**

17 **A.** Mr. Smith on pages 58 through 62 of his testimony (in going-forward Adjustments OAG-  
18 7 and OAG-8) recommends for prospective ratemaking purposes that the Company's  
19 prepaid pension asset, net of related accumulated deferred income taxes, be removed  
20 from rate base. He also recommends that a financing cost allowance be provided on the

1 prepaid pension asset, net of related accumulated deferred income taxes, at the cost of  
2 long-term debt.

3 **Q. DO YOU AGREE WITH THESE RECOMMENDATIONS?**

4 **A.** No, I do not agree. Mr. Smith's recommendations are based on misconceptions or  
5 illogical arguments. As such, they should be rejected and the prepaid pension asset  
6 should be included in rate base so that the Company has an opportunity to recover its cost  
7 of funds on the additional pension contributions, which serve to substantially reduce the  
8 pension cost included in cost of service.

9 **Q. WHAT ARE MR. SMITH'S ARGUMENTS AGAINST INCLUDING THE**  
10 **PREPAID PENSION ASSET IN RATE BASE?**

11 **A.** Mr. Smith says that removal of the prepaid pension asset from rate base is consistent with  
12 the Commission's Order in Case No. PUE-2011-00037. He points out on page 60 (as I  
13 also point out on page 8 of my direct testimony) that the prepaid pension asset treatment  
14 in Case No. PUE-2011-00037 changed the prior rate treatment that included the prepaid  
15 pension asset in rate base "because prepaid pensions are directly tied to reducing  
16 operating expenses," as the Commission concluded in Case No. PUE-2006-00065. Then  
17 Mr. Smith goes on to assert on page 60 that the prepaid pension asset rate treatment  
18 change in Case No. PUE-2011-00037 resulted because statements in AEP's 2010 Board  
19 minutes revealed that the 2010 pension contribution was funded with low-cost  
20 commercial paper. He asserts that the prepaid pension asset should not receive a return at  
21 the overall cost of capital and that his recommended treatment will protect ratepayers  
22 from having their rates increased unnecessarily.

23 **Q. DO YOU AGREE WITH THESE ASSERTIONS?**



1 A. Not at all. Mr. Smith's analysis is incorrect and should be rejected in this proceeding for  
2 the predominant reason that his analysis completely overlooks the large customer benefit  
3 of the pension cost savings created by the additional pension contributions. Staff Witness  
4 Ellis on page 48 of his testimony recognizes this cost savings and calculates that  
5 customers will receive a net benefit of about \$2.7 million (jurisdictional revenue  
6 requirement savings of approximately \$7.9 million from pension cost savings minus  
7 jurisdictional revenue requirement of approximately \$5.2 million from including the  
8 prepaid pension asset in rate base). Because the prepaid pension asset produces a net  
9 benefit to customers, Staff includes the prepaid pension asset in the going forward rate  
10 base in this case.

11 Mr. Smith also misunderstands the basis of the September 2010 pension  
12 contribution. It was not permanently funded with short-term debt, and even if the  
13 Commission were to adopt Mr. Smith's interpretation of how the September 2010  
14 contribution was funded, this would then inequitably count the same low-cost debt twice  
15 in setting rates.

16 **Q. SHOULD THE CUSTOMER BENEFIT OF PENSION COST SAVINGS BE**  
17 **INCLUDED IN ANY ANALYSIS OF THE CUSTOMER EFFECTS OF THE**  
18 **ADDITIONAL PENSION CONTRIBUTIONS?**

19 A. Absolutely yes. The prepaid pension asset is properly reflected in ratemaking by  
20 including the Company's prudent cash investment in rate base, net of deferred income  
21 taxes, so that the Company has an opportunity to recover its cost of funds on the  
22 additional contributions. In addition, the pension cost savings that result from the  
23 additional pension contributions benefit customers by reducing cost of service. The

1 pension cost savings result from the investment earnings on the additional pension trust  
2 assets. As I explain beginning at the bottom of page 7 of my direct testimony, the  
3 pension cost savings in this proceeding are about \$16.7 million on a total Company basis.  
4 Mr. Smith is incorrect that rate base treatment of the prepaid pension asset places  
5 unreasonable and unnecessary costs on customers.

6 If the prepaid pension asset were to be excluded from rate base, the related  
7 pension cost savings also should be removed from cost of service so that customers will  
8 not benefit from the additional pension contributions without also recognizing for  
9 ratemaking purposes the carrying costs incurred by the Company to create that savings.

10 **Q. WHAT IS MR. SMITH'S MISUNDERSTANDING WITH REGARD TO THE**  
11 **SEPTEMBER 2010 PENSION CONTRIBUTION?**

12 **A.** Based on his review of Board of Directors' minutes, Mr. Smith reached three incorrect  
13 conclusions about the September 2010 pension contribution. First, Mr. Smith concluded  
14 that the Company made the September 2010 pension contribution on the basis that it  
15 would produce net cost savings because the contribution would be funded with low-cost  
16 commercial paper. Mr. Smith incorrectly identified the savings that justified the  
17 Company's 2010 pension contribution as being based on how the contribution was  
18 financed. Actually, the savings were mainly due to reduced pension cost for customers in  
19 subsequent years as a result of additional investment income on the 2010 trust fund  
20 contribution. The reasons for making the 2010 contribution were the pension cost  
21 savings and reducing the pension funding shortfall.

22 Second, Mr. Smith misinterpreted the discussion in the Board minutes to  
23 constitute Board approval of the pension contribution and direction as to how to finance

1 the contribution. Instead of seeking the Board's approval, the discussion actually was  
2 merely informing the Board of the contribution. The Board member's comment about  
3 low-cost financing was not at all a thorough consideration of the situation and effect, nor  
4 was it a direction to the Company's management, but simply was an observation about  
5 current market conditions. A thorough consideration would have concluded that the  
6 actual financing cost over time of any cash investment must be at the Company's overall  
7 weighted cost of capital because even if an incremental investment were financed at least  
8 temporarily with low-cost debt, over time the Company must reallocate its sources of  
9 financing to maintain the debt-to-equity ratio that justifies the Company's debt rating and  
10 keeps interest costs low.

11 **Q. HOW DOES MR. SMITH'S ANALYSIS INEQUITABLY COUNT THE SAME**  
12 **LOW-COST DEBT TWICE IN SETTING RATES?**

13 **A.** Even if Mr. Smith were correct, which he is not, that the Company was able to  
14 permanently finance the additional pension contribution with low-cost debt, it would be  
15 improper double counting to assign low-cost debt to the prepaid pension asset cash  
16 investment as he recommends without at the same time removing the low-cost debt from  
17 the overall cost of capital that is applied to rate base. I recommend that the prepaid  
18 pension asset be included in rate base along with other cash investments that fully benefit  
19 utility operations, and that the overall cost of capital should be applied to total rate base  
20 so that the Company has an opportunity to recover its cost of funds on its pension cash  
21 investment. When Mr. Smith recommends that the prepaid pension asset be removed  
22 from rate base and instead be assigned an interest cost based on debt, he should at the  
23 same time remove the low-cost debt from the overall cost of capital computation so that

1 the low-cost debt is not improperly counted twice. The resulting increase in the cost of  
2 capital as applied to the remaining rate base should approximately offset the effect of Mr.  
3 Smith's recommended prepaid pension asset adjustments. Thus, not only are Mr. Smith's  
4 recommended going-forward adjustments based on an incorrect analysis, if properly  
5 extended to adjust the cost of capital so that low-cost debt is not counted twice, the net  
6 effect would be negligible. As I note in my direct testimony, including the prepaid  
7 pension asset in rate base is also a simpler and more straightforward method to reflect  
8 these savings in the Company's cost of service. Therefore, Mr. Smith's  
9 recommendations should be rejected and the prepaid pension asset should be included in  
10 rate base.

11 **Q. DOES MR. SMITH HAVE ANOTHER ARGUMENT AS TO WHY THE**  
12 **PREPAID PENSION ASSET SHOULD NOT BE INCLUDED IN RATE BASE?**

13 **A.** Yes. Mr. Smith claims on page 59 of his testimony that AEP management has  
14 tremendous discretion in how to fund the pension plan and that contributions were greater  
15 than the ERISA minimum required contribution. Apparently, Mr. Smith is implying that  
16 the Company should not expect to include in rate base cash contributions that were not  
17 absolutely required by ERISA.

18 **Q. DO YOU AGREE?**

19 **A.** Not at all. First, as I discuss in my direct testimony, the Company made additional  
20 pension cash contributions in order to reduce underfunding and to reduce pension cost.  
21 The proper management of the Company's utility operations should not be based on  
22 doing the absolute minimum required. Instead, the Company prudently made additional  
23 pension contributions to properly manage its costs for customers.

1           Second, as I discuss on page 7 of my direct testimony, the Company made  
2 additional contributions in 2010, 2011, and 2012 somewhat before required in order to  
3 better manage its cash needs over several years. For example, the 2011 and 2012  
4 contributions were based on the ERISA minimum contribution that would have been  
5 required in the subsequent year. These contributions were prudently made to reduce the  
6 funding shortfall and to bring the pension assets closer into alignment with the benefit  
7 obligation.

8           Finally, it is no longer accurate to characterize the Company's pension  
9 contributions as discretionary. While it is true that many of the additional pension  
10 contributions were discretionary at the time they were made in that they were not yet  
11 absolutely required by ERISA, the 2011 and 2012 contributions were based on amounts  
12 that would have been required the subsequent year, even after all the prior contributions.  
13 Therefore, by the end of 2013, when there was no pension contribution, virtually the  
14 entire prepaid pension asset represents required contributions.

15   **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

16   **A. Yes, it does.**





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FILE NO: 21054.171

June 6, 2011

By Hand

C. Meade Browder, Jr., Esq.  
Senior Assistant Attorney General  
Insurance and Utilities Regulatory Section  
Office of the Attorney General  
900 East Main Street  
Richmond, VA 23219

**Re: Application of Appalachian Power Company  
For a 2011 Statutory Review of Rates Pursuant to  
§ 56-585.1 A of the Code of Virginia  
Case No. PUE-2011-00037**

Dear Mr. Browder:

Enclosed please find the a supplemental response of Appalachian Power Company to the Office of the Attorney General, Division of Consumer Counsel's Interrogatories and Requests for Production of Documents (Second Set): 64.

Sincerely yours



Noelle J. Coates

Enclosures

cc: Mr. Scott Norwood  
Mr. Ralph C. Smith  
Mr. Robert J. Camfield  
Damon E. Xenopoulos, Esq.  
Shaun C. Mohler, Esq.  
Howard W. Dobbins, Esq.  
Mr. Robert C. Smith  
Louis R. Monacell, Esq.  
Edward L. Petrini, Esq.

Mr. Patrick W. Carr  
Mr. Cody D. Walker  
Mr. Farris M. Maddox  
Glenn P. Richardson, Esq.  
Anthony Gambardella, Esq.  
Robert D. Perrow, Esq.  
James R. Bacha, Esq.  
Mr. Michael Gorman  
Mr. Stephen J. Baron

**COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
APPLICATION OF APPALACHIAN POWER  
SCC CASE NO. PUE-2011-00037  
Interrogatories and Requests for the Production  
of Documents by the DIVISION OF CONSUMER COUNSEL  
Office of Attorney General (Second Set)  
To Appalachian Power Company**

Interrogatory OAG 2-064:

Accounting Manuals. Please provide a complete copy of all of the Company's internal accounting manuals, directives, policies and procedures.

Response OAG 2-064:

The requested accounting manuals, directives, policies and procedures are located in various offices across the entire eleven state AEP system and would be voluminous to reproduce, even if all such documents could be assembled. Subject-specific accounting manuals, directives, policies and procedures will be made available for review, upon further request, in Columbus, Ohio, or another AEP accounting location, at a mutually agreeable time.

**SUPPLEMENTAL RESPONSE 06.06.11:**

At the request of the AG's office, the Company has prepared a list of internal accounting documents. Please see AG 2-064, Supplemental Attachment 1.