BEFORE THE

TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

PETITION OF
KINGSPORT POWER COMPANY **TRA Docket No. 16-00001**
d/b/a AEP Appalachian Power
For a General Rate Case

DIRECT TESTIMONY

AND EXHIBITS

OF

STEPHEN J. BARON

ON BEHALF OF

EAST TENNESSEE ENERGY CONSUMERS

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

June 2016

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DIRECT TESTIMONY OF STEPHEN J. BARON

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Stephen J. Baron. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. On whose behalf are you testifying in this proceeding?

A. I am testifying on behalf of the East Tennessee Energy Consumers ("ETEC"), a group of large industrial customers taking service from Kingsport Power Company ("Kingsport" or the "Company").

Q. What is your occupation and by who are you employed?

A. I am the President and a Principal of Kennedy and Associates, a firm of utility rate, planning, and economic consultants in Roswell, Georgia.

Q. Please describe briefly the nature of the consulting services provided by Kennedy and Associates.

A. Kennedy and Associates provides consulting services in the electric and gas utility industries. Our clients include state agencies and industrial electricity consumers. The firm provides expertise in system planning, load forecasting, financial analysis, cost-of-service, and rate design. Current clients include the Georgia and Louisiana Public Service Commissions and industrial consumer groups throughout the United States.

Q. Please state your educational background.

A. I graduated from the University of Florida in l972 with a B.A. degree with high honors in Political Science and significant coursework in Mathematics and Computer Science. In 1974, I received a Master of Arts Degree in Economics, also from the University of Florida. My areas of specialization were econometrics, statistics, and public utility economics. My thesis concerned the development of an econometric model to forecast electricity sales in the State of Florida, for which I received a grant from the Public Utility Research Center of the University of Florida. In addition, I have advanced study and coursework in time series analysis and dynamic model building.

Q. Please describe your professional experience.

A. I have more than thirty years of experience in the electric utility industry in the areas of cost and rate analysis, forecasting, planning, and economic analysis.

Following the completion of my graduate work in economics, I joined the staff of the Florida Public Service Commission in August of 1974 as a Rate Economist. My responsibilities included the analysis of rate cases for electric, telephone, and gas utilities, as well as the preparation of cross-examination material and the preparation of staff recommendations.

In December 1975, I joined the Utility Rate Consulting Division of Ebasco Services, Inc. as an Associate Consultant. In the seven years I worked for Ebasco, I received successive promotions, ultimately to the position of Vice President of Energy Management Services of Ebasco Business Consulting Company. My responsibilities included the management of a staff of consultants engaged in providing services in the areas of econometric modeling, load and energy forecasting, production cost modeling, planning, cost-of-service analysis, cogeneration, and load management.

I joined the public accounting firm of Coopers & Lybrand in 1982 as a Manager of the Atlanta Office of the Utility Regulatory and Advisory Services Group. In this capacity I was responsible for the operation and management of the Atlanta office. My duties included the technical and administrative supervision of the staff, budgeting, recruiting, and marketing as well as project management on client engagements. At Coopers & Lybrand, I specialized in utility cost analysis, forecasting, load analysis, economic analysis, and planning.

In January 1984, I joined the consulting firm of Kennedy and Associates as a Vice President and Principal. I became President of the firm in January 1991.

During the course of my career, I have provided consulting services to numerous industrial, commercial, public service commission and utility clients, including international utility clients.

I have presented numerous papers and published an article entitled "How to Rate Load Management Programs" in the March 1979 edition of "Electrical World." My article on "Standby Electric Rates" was published in the November 8, 1984 issue of "Public Utilities Fortnightly." In February of 1984, I completed a detailed analysis entitled "Load Data Transfer Techniques" on behalf of the Electric Power Research Institute, which published the study.

I have presented testimony as an expert witness in Arizona, Arkansas, Colorado, Connecticut, Florida, Georgia, Indiana, Kentucky, Louisiana, Maine, Michigan, Minnesota, Maryland, Missouri, Montana, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, Utah, Virginia, West Virginia, Wisconsin, and Wyoming. I have also presented testimony as an expert before the Federal Energy Regulatory Commission ("FERC") and in United States Bankruptcy Court. A list of my specific regulatory appearances can be found in Baron Exhibit ____ (SJB-1).

Q. Have you previously testified in rate proceedings involving operating utilities of American Electric Power Company, Inc. ("AEP Operating Companies")?

A. Yes. I have testified in numerous AEP Operating Company rate proceedings in Virginia (Appalachian Power Company), West Virginia (Appalachian Power Company), Kentucky (Kentucky Power Company), Ohio (Ohio Power Company, Columbus and Southern Power Company), Indiana (Indiana Michigan Power Company), and Louisiana (Southwest Electric Power Company). I have also testified before FERC in the AEP and Central and Southwest merger case. These cases have included a range of issues, including issues associated with demand response tariffs.

I also presented testimony before the Tennessee Regulatory Authority in a 2012 Kingsport case (Docket No. 12-00012) regarding PJM Demand Response rate issues.

Q. What is the purpose of your testimony?

A. My testimony responds to the Direct Testimony of Kingsport witnesses Douglas Buck and William Castle regarding class cost of service, the apportionment of the overall revenue increase to rate schedules, and rate design. ETEC members primarily take service on the Company's Industrial Power ("IP") rate schedule. I address rate design issues impacting that rate schedule, including the Company's proposal to reduce and fully eliminate subsidies paid and received by each rate class over a 6-year period. While I strongly support the goal to which Kingsport has

committed itself in its filing – *i.e.*, to reduce the very large subsidies that currently exist in its rate schedules -- I present an alternative proposal to reduce dollar subsidies initially by 10% in the first year, with the remaining 90% of existing subsidies reduced annually over the next 5 years. It has been many years since Kingsport's rate schedules were adjusted in a general rate case (1992 was the Company's last General Rate Case filing). While I do not have cost of service information beyond the test year data filed in this case, I believe that it is reasonable to assume that these very large dollar subsidies have been in place for many years because of their size. It is not likely that these large subsidies materialized in just the last year or two, especially for the IP rate class that only has a very small amount of cost responsibility beyond the pass-through APCo wholesale charges for production and transmission. To put this in perspective, the total rate base (net investment) required to serve the IP class is $1.4 million, compared to total IP revenues of $58 million. The total rate base required to provide service to the Residential class is $50 million, compared to total Residential revenues of $59 million. Accordingly, it would be appropriate to adopt a more timely solution to the subsidy problem by reducing the subsidies by a modest 10% in the first year of the 6-year plan.

I also address the Company's proposed Alternate Feed Service ("AFS") tariff, Rider A.F.S. This tariff provides a customer that requires a higher level of reliability in its distribution service with the option to pay for an alternative distribution circuit that would be available in the event of an outage on the customer's main circuit. I specifically address the proposed monthly AFS capacity reservation demand charge,

which is designed to recover the costs of the alternative distribution circuit (*i.e.*, distribution substation and primary line costs, which are charged on a $/kW or $/kVa basis).

Q. Would you please summarize your recommendations and findings in this case?

A. Yes.

- Kingsport's electric rates are significantly out of alignment with cost of service, and they likely have been for many years. The Company's proposed 6-year plan to eliminate subsidies paid and received by each rate class is appropriate; however, in light of the current, very large subsidies, Kingsport's plan actually *increases* the subsidies paid by large customers on the IP rate schedule in the first year. The Company's cost of service study shows that these customers are significantly overpaying for electric power on the Kingsport system. The Company's 6-year rate plan should be modified to reduce subsidies paid and received by each rate class in year 1 by 10%. The remaining subsidies should then be eliminated over the next 5 years.

- The IP Primary and IP Subtransmission/Transmission rates should be designed to reflect the IP rate class revenue requirement that includes a 10% subsidy reduction. Both rate schedules should be based on the IP rate class cost of service while reflecting differences for the additional primary distribution facilities and voltage loss differences, consistent with the Company's practice.

- The Company's proposed Alternate Feed Service rate should be revised to reflect the class cost of service results – that is, the full cost of service results, without any subsidies -- for primary facilities. There is no reason to impose additional costs to reflect subsidy payments by AFS customers, as the Company's proposes. A reasonable AFS capacity reservation charge should be based on the cost to provide an alternative distribution feeder. It should not include additional charges to subsidize rates being paid by LGS, MGS and IP customers.

II. CLASS COST OF SERVICE AND THE APPORTIONMENT OF THE REVENUE INCREASE TO RATE SCHEDULES

Q. Have you reviewed the Company's class cost of service analysis?

A. Yes. Kingsport uses a traditional methodology – the 12 coincident peak demand ("12 CP") method -- to allocate fixed production and transmission costs to rate schedules. Appalachian Power Company ("APCo") also uses this method to allocate fixed production and transmission costs to Kingsport. For distribution-related costs, the Company generally allocates 100% of costs on the basis of kW demand. The only exceptions are for secondary service drops and meter costs, which are classified as customer-related and are allocated (i) on the basis of the number of secondary voltage customers (for services), and (ii) on a weighted customer basis (for meters). Unlike most electric utilities, Kingsport includes no production or transmission investment in its class cost of service study. Because the Company purchases 100% of its power requirements from APCo, only production/transmission expenses are reflected in the study. These production/transmission demand-related costs are allocated to rate classes on the basis of a 12 CP factor.

Q. Before discussing any specific concerns that you have with the Company's analysis, would you briefly discuss the principles that should be relied on to allocate electric utility costs to rate classes in a class cost of service study?

A. Yes. First, the purpose of a class cost of service study is to fully allocate the test year jurisdictional electric plant investment, other rate base items, revenues and expenses to each customer class or rate schedule so that a reasonable measure of cost responsibility can be determined for purposes of developing cost based rates. Effectively, in a fully allocated cost of service study, all of the components comprising a utility's revenue requirement are assigned to rate classes reflecting each class' responsibility for "causing" the costs to be incurred by the utility. This principle of cost causality is the fundamental underpinning of cost based rates, a principle that should be used by the TRA to set rates in this case.

Q. How is the principle of "cost causation" used to develop a class cost of service analysis?

A. As described on page 38 of the NARUC Electric Utility Cost Allocation Manual, "Cost causation is a phrase referring to an attempt to determine what, or who, is causing the costs to be incurred by the utility." In order to assess each rate class' share of total jurisdictional costs, all of the Company's costs are first functionalized into the major functions provided by the utility: production, transmission, distribution and customer related costs (such as customer accounting). For example, production costs, which would include generation plant in service, depreciation reserves and other rate base related costs, depreciation expense, O&M expenses, fuel and purchased power are assigned to the production function. Once functionalized, these costs are then classified as either demand related, energy related or customer related. Finally, the

functionalized and classified costs are then allocated to rate classes based on allocation factors tied to cost causation. Fixed demand related costs are generally caused by the need for generation resources to meet peak demands; energy related costs, such as fuel expenses, are caused by the total amount of energy use of each rate class. Consistent with the principle of "gradualism," rates should be set on the basis of cost of service. Gradualism, which both the Company and I support in this case, requires a gradual movement of rates towards cost of service to prevent what is usually referred to as "rate shock." However, the increases approved by the TRA in this case should be allocated to rate classes, as I discuss later in my testimony, in a manner that does move rates towards cost of service. These general principles of cost causation should be employed to determine reasonable methodologies to allocate costs to rate classes.

Q. Why is it important to perform a reasonable allocation of costs to rate classes?

A. There are a number of reasons to do so. First, economic efficiency requires that rates reflect underlying costs. For example, while one could just divide Kingsport's total fuel costs by the number of customers on the system and send each customer a uniform bill, that approach would clearly be unfair and result in a substantial misallocation of resources by overpricing energy related fuel costs to most customers and under-pricing it to large customers. Cost causation dictates that these energy related costs be assigned on the basis of the energy (kWh) use of each rate class. Similarly, fixed demand related costs, such as the return on

generation plant investment and fixed production O&M expenses are incurred by the utility to meet the peak demand of its customers. Once these plants are constructed, these demand related costs are fixed and do not vary with the amount of energy use by customers. As a result, economic efficiency is best achieved by allocating fixed demand related costs on the basis of class peak demand. This is also true with respect to fixed purchased power expenses for generation and transmission costs that Kingsport is charged by APCo, as well as fixed distribution costs associated with substations and primary and secondary lines.

In addition to economic efficiency, a related reason for allocating costs on the basis of cost causation is to prevent cross-subsidization of one rate class by another. Cross-subsidization occurs when one set of customers pays in excess of cost and another pays less than cost of service. The allocation of the approved overall TRA increase in this case should be based on a principle of reducing, and eventually eliminating these cross-subsidies.

Q. Do you have any concerns with the Company's methodology?

A. Not with regard to the Company's basic approach to cost classification and allocation. While other methodologies may be more reasonable (for example, the 6 coincident peak allocation method used by APCo in its Virginia jurisdiction), I accept, for purposes of this case, Kingsport's basic cost of service analysis. Instead, my concerns relate the Company's proposed use of the results of the cost of service

study in establishing proposed rate increases for each of the Company's rate schedules.

Q. What are the results of the Company's cost of service study?

A. Table 1 below summarizes the results of the cost of service study for each rate schedule. Table 1 shows the earned rate of return on investment for each rate class at current rates. Rate of return by rate class measures the ratio of operating income, after taxes, relative to the net investment (rate base) that is required to serve the rate class.

Table 1
Rate of Return by Rate Class
(current rates)

Current Class	Current ROR %
RS	-9.96
SGS	15.91
MGS	10.07
LGS	16.93
IP	21.20
CS	6.95
PS	-15.08
EHG	7.34
OL	8.01
Subtotal	-3.54
SL	7.35
TOTAL	-2.93

As can be seen, the rate of return for Kingsport as a whole is negative. This means that, according to the study, total revenues are less than total expenses (*i.e.*, there is no return on investment and not all of the operating expenses are being recovered in

rates). However, based on the study, this negative overall rate of return is due entirely to the rates being charged to two rate classes, the Residential class and Public Schools class. Normally, it is helpful to present a corresponding relative rate of return index ("RORI") value. The RORI is a convenient way to assess whether a rate class is paying its allocated cost of service. An RORI of less than 1.0 means that the rate class is not paying its full costs; an RORI greater than 1.0 means that the rate class is paying in excess of the cost to serve the class. However, because the Kingsport Retail (average) rate of return is negative, a relative rate of return index is not meaningful. As can be seen, the Residential class is substantially below cost of service, and all other rate classes are above cost of service, with the exception of the Public Schools class. The IP rate class has the highest rate of return (21.2%), indicating that IP customers, including ETEC members, are currently paying electric rates that are significantly above cost and therefore are subsidizing residential customers.

The best indicator of the degree of disparity between the cost to serve an individual rate class and the amount it pays for electric service is the dollar subsidy the rate class pays or receives. For a rate class, such as the IP class, paying rates in excess of cost, the amount of the excess is the dollar subsidy that class is paying. In this sense, the dollar subsidy can be considered an overcharge. It is an amount being paid by customers in a rate class that exceeds the cost incurred by Kingsport to provide service to that class. In Kingsport's study, the dollar subsidy is being paid by other rate classes to the Residential class and Public Schools class. For these two rate

classes, the Residential and Public Schools class, the dollar subsidy they receive represents the revenue increase necessary to bring their rates up to cost of service.

Q. What are the current dollar subsidies being paid and received by each rate class?

A. Table 2 below shows the subsidy payments and receipts for each rate class at current rates (*i.e.*, before the proposed rate increase).[1]

Table 2
Subsidies (Paid)/Received by Rate Class
(current rates)

Current Class	Subsidy*
RS	$ 5,318,440
SGS	$ (528,265)
MGS	$ (1,309,051)
LGS	$ (2,486,780)
IP	$ (571,544)
CS	$ (107,539)
PS	$ 286,699
EHG	$ (243,083)
OL	$ (359,002)

* Excludes Rate SL

The residential class is currently being subsidized by $5.3 million annually from other rate classes. The IP rate class is currently paying $571,544 annually in excess rates, and the excess that the IP class is paying is primarily going to subsidize the

[1] Following the approach used by the Company of excluding from the study the Street Lighting Class, Rate SL, which is subject to a separate contract, these subsidy payments and receipts exclude that class.

residential class. It is important to recognize that these subsidies likely have been going on for many, many years since these base rates have been in effect since 1992.

Q. In his testimony on page 25, Company witness Buck notes that the IP rate class has a relatively small rate base, so small changes in revenue impact the rate of return on rate base. Does this mean that the dollar subsidies paid by the IP rate class are not a meaningful measure of cost disparity?

A. No. The dollar subsidy for Rate IP shown in Table 2 is the amount of excessive charges currently being paid by IP customers. This extra $571,544 in charges being paid by IP customers fully recognizes the small rate base associated with serving the IP rate class.

Q. Is the Company proposing a plan to address this significant subsidy problem in its rates?

A. Yes, however the Company's proposal does not fully address the large disparities between rates and cost of service until 2022. The Company's proposal is to gradually reduce the subsidies received by the Residential and Public School rate classes over a 6-year period by imposing annual 2.31% rate increases on those two rate classes until the subsidies they are receiving are eliminated. The added annual revenues resulting from those rate increases would then be allocated to each of the other rate classes each year in order to reduce the subsidies that those other classes are paying. Based on the Company's analysis, the Residential class subsidies would be eliminated in Year 5 of the Plan and the Public School subsidies would be

eliminated in Year 6. Subsidies paid by the IP rate class would be eliminated by the end of Year 4; subsidies paid by other classes would be eliminated by Years 5 and 6.

As I discuss next, notwithstanding this long term plan to move the rates of each rate toward cost of service, the Company is proposing to *increase* the subsidies paid by some rate classes (for example, Rate IP) in the first year of its 6-year plan. Despite the fact that Rate IP currently is paying over $571,544 in excessive charges under present rates, and should actually receive a rate decrease in this case even if the Company's entire $12 million overall revenue increase is approved, in full, by the TRA, *Kingsport proposes to increase IP rates by 4.14% in this case*. It is only over the next 3 years that the significant subsidies paid by Rate IP are addressed under the Company's rate plan. In the first year, in which rates approved in this case go into effect, *the Company's rate plan actually increases dollar subsidies now being paid by Rate IP and other rate classes.* Table 3, below, shows the subsidies in current rates, the proposed first year subsidies after the rate increase and the percentage change in subsidies.

Table 3
Subsidies (Paid)/Received by Rate Class
(Kingsport Proposed Rates)

Current Class	Current Subsidy*	Proposed Subsidy	Percent Change
RS	$ 5,318,440	5,817,584	9%
SGS	$ (528,265)	(348,272)	-34%
MGS	$ (1,309,051)	(759,380)	-42%
LGS	$ (2,486,780)	(2,056,908)	-17%
IP	$ (571,544)	(2,725,961)	377%
CS	$ (107,539)	(42,093)	-61%
PS	$ 286,699	301,774	5%
EHG	$ (243,083)	(115,683)	-52%
OL	$ (359,002)	(71,061)	-80%

* Excludes Rate SL

As can be seen from Table 3, under the Company's proposed rate plan, *the dollar subsidies paid by Rate IP customers will increase from $571,544 to $2,725,961, an increase of nearly 380%.* Thus, the overcharge to Rate IP customers actually *increases* – and increases significantly -- under the Company's plan. While the Company proposes to eliminate these subsidies over 6 years, Rate IP customers would pay millions of dollars of excess charges during this period. Thus, regardless of the Company's long term intent, the effect of its rate plan is to substantially *increase* Rate IP *overpayments* when new rates go into effect. However, there simply is no legitimate reason to increase the subsidies now being paid, let alone by 380%. Moreover, as Table 3 shows, *the Company does not propose to increase the subsidies paid by any other rate class currently paying subsidies*; the IP Rate class is the only such class.

Q. What would be a reasonable rate plan for the first year of the Company's 6-year plan?

A. There should be some reduction in the subsidies paid and received by each rate class in year 1 of the plan. While I would prefer a more aggressive reduction in subsidies, I recommend that subsidies be reduced in year 1 by 10%. This would still leave 90% of the subsidies remaining after 1 year, and those remaining subsidies then would be removed over the next 5 years.

Q. Would you describe your specific recommendation to reduce subsidies by 10% in year 1?

A. Baron Exhibit__(SJB-2) summarizes the analysis, which is based on the Company's class cost of service results. The basic approach that I recommend is to set rates for each rate class so that the revenue produced by each rate class is increased by an amount that reflects 90% of the subsidies that each class currently is paying or receiving under present rates. For example, for Rate IP, its first year rates would be set to produce revenue equal to full cost of service plus an additional amount of $514,389, which is 90% of the current Rate IP subsidy of $571,544 being paid to other rate classes. This compares to the Company's proposal to set Rate IP to produce revenue equal to 100% of cost of service plus a subsidy amount of $2.7 million in the first year (a 377% increase in the subsidy paid by Rate IP).

The Residential class currently receives a subsidy of $5,817,584. Under my proposal, the Residential class would continue to receive a subsidy of $4,903,438 (a 10% reduction from the current level) during the first year of the 6-year rate plan. For comparison purposes, the Company is proposing to reduce the Residential class subsidy by 9% in year 1. The revenue increases that I recommend for each rate class are summarized in Table 4 below.

Table 4
ETEC Proposed Increases by Rate Class
(with mitigation)

Current Class	Present Revenue	Proposed Increase	Percent Change	Kingsport % Change As-Filed
RS	$59,442,780	$ 9,132,549	15.36%	13.41%
SGS	$ 2,365,884	$ 228,249	9.65%	4.14%
MGS	$10,504,269	$ 865,470	8.24%	4.14%
LGS	$19,657,945	$ 1,008,526	5.13%	4.14%
IP	$57,804,203	$ 181,845	0.31%	4.14%
CS	$ 952,823	$ 95,451	10.02%	4.14%
PS	$ 2,267,017	$ 286,891	12.66%	10.55%
EHG	$ 2,443,736	$ 207,096	8.47%	4.14%
OL	$ 722,983	$ 112,208	15.52%	4.14%
Total	156,161,640	12,118,285	7.76%	7.76%

Q. Have you applied any mitigation adjustments to your proposed year 1 increases presented in Table 4?

A. Yes. As shown in Exhibit__(SJB-2), I proposed to limit the increase to any individual rate class to no more than 2 times the average retail increase. For those rate classes that would otherwise receive an increase larger than 2 times the average

(15.52% based on the Company's requested overall increase of 7.76%), the excess over the cap is uniformly spread to all other rate classes based on present revenues. This cap would limit the increase to Rate OL in this case.

Q. Have you also developed a target revenue requirement summary by rate class, function and classification that corresponds to your recommended first year revenue increases for each rate class?

A. Yes. Baron Exhibit__(SJB-3) summarizes these results. I recommend that these functional and demand/energy/customer classified costs be used to develop the Primary and Subtransmission/Transmission IP rates.

Q. Do you also support the Company's proposal to fully eliminate all subsidies over a 6-year period?

A. Yes. While I recommend an initial first year *reduction* in current subsidies of 10% (in contrast to the Company's proposal, which *increases* subsidies for most rate classes in the first year), I do agree with the Company's 6-year rate plan to produce cost-based rates. Kingsport's approach of gradually reducing subsidies is reasonable. The Company's proposed 6-year rate plan can easily be modified by replacing the proposed first year rate increases with my recommended rate increases. Then, in subsequent years, the Company's plan -- including its proposed annual limitation of a maximum 2.31% increase each year for rate classes that continue to be below cost of service -- can be followed.

III. IP RATE DESIGN

Q. Have you reviewed the Company's proposed rate design for IP Primary and IP Subtransmission/transmission rates?

A. Yes. The Company's proposed increases to the IP Primary and IP Transmission customers are not reasonable because of the very large subsidies that the Company continues to extract from the IP rate class. Specifically, the Company is proposing an unreasonable first year increase to the IP Primary rate that exceeds 9%. The IP Primary rate and the IP Subtransmission/Transmission rates are both based on the cost of service to the IP class, adjusted to reflect voltage loss difference between primary and subtransmission/transmission service, and the additional distribution facilities charges associated with serving primary IP customers, such as primary lines and distribution substations. For the majority of costs, both the IP Primary rate and the IP Subtransmission/Transmission rate reflect the overall cost of service for the IP rate class as a whole. Also, as I indicated, the IP Primary rate includes additional costs for primary distribution facilities, which are not required to serve IP Subtransmission/Transmission customers. The Company calculates the IP Primary equipment charge based on the average cost of primary distribution facilities for all customers on rates IP, LGS and MGS. This is similar to the methodology used to calculate the Alternate Feed Service rate, which I discuss later in my testimony.

Q. Have you designed alternative IP Primary and IP Subtransmission/Transmission rates reflecting your revised rate class revenue requirements that include a 10% subsidy reduction?

A. Yes. Baron Exhibit__(SJB-4), pages 1 and 2, summarizes my recommended IP rate design for Primary and Subtransmission/Transmission voltages (there are no IP Secondary customers). These rates are based on my recommended overall increase to the IP rate class using a 10% first year subsidy reduction methodology. I should also note that this analysis is based on the Company's overall requested $12.1 million revenue increase. If the TRA approves an overall increase lower than $12.1 million, these rates should be scaled-back to reflect the approved revenue increase for the IP Rate class.

Q. How did you develop the IP Primary distribution equipment cost per kW?

A. I used the Company's methodology, adjusted to reflect the proposed functional revenue requirements that I developed and presented in Exhibit__(SJB-3).

III. ALTERNATIVE FEED SERVICE RIDER A.F.S.

Q. Have you reviewed the Company's proposed Rider A.F.S.?

A. Yes. Kingsport is proposing an AFS tariff as an option for certain customers that require a higher level of reliability in their distribution service by providing an alternative primary voltage distribution circuit. Such an alternative feed provides such a customer (for example, a hospital) with an alternative distribution circuit that would be available to the customer in the event of a distribution outage on the customer's main service distribution feeder. In the event of an outage, the customer would be switched to the alternative circuit either automatically or manually. This

service basically provides the customer with a redundant distribution circuit (distribution substation and primary lines).

Q. What are your concerns with the Company's proposed Rider A.F.S.?

A. Generally, I support the Company's proposal to offer an AFS. Kingsport's affiliate, Appalachian Power Company, has had an AFS for a number of years in both Virginia and West Virginia. My specific concern with the Company's proposed AFS is with the "Monthly AFS Capacity Reservation Demand Charge" for the reservation of the distribution substation and primary lines. Kingsport is proposing a capacity reservation charge of $4.36 per kW/kVa per month. As I will discuss, this charge exceeds the cost of primary distribution facilities for customers taking service at primary voltages. Based on my analysis of the Company's class cost of service study, the appropriate monthly capacity reservation charge for a primary voltage customer is $2.46 per kW/kVa.

Q. Would you explain how you developed your recommended AFS capacity rate of $2.46 per kW/kVa?

A. Yes. The Company's monthly AFS capacity charge of $4.36 per kW/kVa appears to be approximately equal to the Company's calculation of the average proposed revenue requirement for Kingsport's primary distribution facilities for rate schedules MGS, LGS, and IP for all primary and secondary customers that use the primary distribution system (secondary voltage customers use both the primary and the

secondary distribution systems, while primary voltage customers use only the primary distribution system).

In calculating that average proposed revenue requirement for the primary distribution system for the rate schedules indicated, however, the Company based its calculation on a proposed rate of return that includes the subsidies being paid by customers on those rate schedules. Thus, the Company did not base its calculation on the average proposed revenue requirement for the primary distribution system, but rather, based on its proposed rate of return for the system, *i.e.*, based on the cost of service.

There is no reason to base the monthly capacity reservation charge on actual cost of service plus the various dollar subsidies being paid by customers on rates MGS, LGS and IP under the Company's rate proposal. Rather, the AFS monthly capacity reservation charge should reflect the cost of primary distribution substations and primary lines, without any additional subsidies.

The cost of service study attributes no revenues to Rider A.F.S. in the test year, so my alternative proposal, if adopted, would have no effect on the inter-class rate apportionment proposals discussed earlier in my testimony.

Q. Would you explain the basis of your calculation?

A. I developed my recommended AFS rate using the Company's class cost of service results for MGS, LGS and IP primary distribution facilities calculated at the proposed retail rate of return (cost of service at an equal rate of return without subsidies included). The resulting primary distribution revenue requirements for the MGS, LGS and IP rate classes were summed and unitized by the loss adjusted kW of secondary and primary voltage MGS, LGS and IP customers. The resulting demand rate was then adjusted to a primary voltage rate by applying the Company's relative loss factor. Table 5 below summarizes this calculation and the resulting capacity reservation charge of $2.46 per kW/kVa per month.

Table 5
Development of Cost Based AFS Demand Charge

Primary Dist Rev Requirement at Equal ROR	$	3,067,712
Loss Adjusted Billing Kw		1,212,330
Functional Cost at Secondary	$	2.53
Relative Loss Factor		0.9720
AFS Charge at Primary Voltage	$	2.46

Q. Does that complete your testimony?

A. Yes.

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EXHIBITS

OF

STEPHEN J. BARON

ON BEHALF OF

EAST TENNESSEE ENERGY CONSUMERS

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

June 2016

BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

PETITION OF
KINGSPORT POWER COMPANY **TRA Docket No. 16-00001**
d/b/a AEP Appalachian Power
For a General Rate Case

EXHIBIT__(SJB-1)

OF

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ON BEHALF OF

EAST TENNESSEE ENERGY CONSUMERS

Expert Testimony Appearances
of
Stephen J. Baron
As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
4/81	203(B)	KY	Louisville Gas & Electric Co.	Louisville Gas & Electric Co.	Cost-of-service.
4/81	ER-81-42	MO	Kansas City Power & Light Co.	Kansas City Power & Light Co.	Forecasting.
6/81	U-1933	AZ	Arizona Corporation Commission	Tucson Electric Co.	Forecasting planning.
2/84	8924	KY	Airco Carbide	Louisville Gas & Electric Co.	Revenue requirements, cost-of-service, forecasting, weather normalization.
3/84	84-038-U	AR	Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Excess capacity, cost-of-service, rate design.
5/84	830470-EI	FL	Florida Industrial Power Users' Group	Florida Power Corp.	Allocation of fixed costs, load and capacity balance, and reserve margin. Diversification of utility.
10/84	84-199-U	AR	Arkansas Electric Energy Consumers	Arkansas Power and Light Co.	Cost allocation and rate design.
11/84	R-842651	PA	Lehigh Valley Power Committee	Pennsylvania Power & Light Co.	Interruptible rates, excess capacity, and phase-in.
1/85	85-65	ME	Airco Industrial Gases	Central Maine Power Co.	Interruptible rate design.
2/85	I-840381	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	Load and energy forecast.
3/85	9243	KY	Alcan Aluminum Corp., et al.	Louisville Gas & Electric Co.	Economics of completing fossil generating unit.
3/85	3498-U	GA	Attorney General	Georgia Power Co.	Load and energy forecasting, generation planning economics.
3/85	R-842632	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Generation planning economics, prudence of a pumped storage hydro unit.
5/85	84-249	AR	Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Cost-of-service, rate design return multipliers.
5/85		City of Santa Clara	Chamber of Commerce	Santa Clara Municipal	Cost-of-service, rate design.
6/85	84-768-E-42T	WV	West Virginia Industrial Intervenors	Monongahela Power Co.	Generation planning economics, prudence of a pumped storage hydro unit.

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6/85	E-7 Sub 391	NC	Carolina Industrials (CIGFUR III)	Duke Power Co.	Cost-of-service, rate design, interruptible rate design.
7/85	29046	NY	Industrial Energy Users Association	Orange and Rockland Utilities	Cost-of-service, rate design.
10/85	85-043-U	AR	Arkansas Gas Consumers	Arkla, Inc.	Regulatory policy, gas cost-of-service, rate design.
10/85	85-63	ME	Airco Industrial Gases	Central Maine Power Co.	Feasibility of interruptible rates, avoided cost.
2/85	ER-8507698	NJ	Air Products and Chemicals	Jersey Central Power & Light Co.	Rate design.
3/85	R-850220	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Optimal reserve, prudence, off-system sales guarantee plan.
2/86	R-850220	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Optimal reserve margins, prudence, off-system sales guarantee plan.
3/86	85-299U	AR	Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Cost-of-service, rate design, revenue distribution.
3/86	85-726-EL-AIR	OH	Industrial Electric Consumers Group	Ohio Power Co.	Cost-of-service, rate design, interruptible rates.
5/86	86-081-E-GI	WV	West Virginia Energy Users Group	Monongahela Power Co.	Generation planning economics, prudence of a pumped storage hydro unit.
8/86	E-7 Sub 408	NC	Carolina Industrial Energy Consumers	Duke Power Co.	Cost-of-service, rate design, interruptible rates.
10/86	U-17378	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Excess capacity, economic analysis of purchased power.
12/86	38063	IN	Industrial Energy Consumers	Indiana & Michigan Power Co.	Interruptible rates.
3/87	EL-86-53-001 EL-86-57-001	Federal Energy Regulatory Commission (FERC)	Louisiana Public Service Commission Staff	Gulf States Utilities, Southern Co.	Cost/benefit analysis of unit power sales contract.
4/87	U-17282	LA	Louisiana Public Service Commission	Gulf States Utilities	Load forecasting and imprudence damages, River Bend Nuclear unit.

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			Staff		
5/87	87-023-E-C	WV	Airco Industrial Gases	Monongahela Power Co.	Interruptible rates.
5/87	87-072-E-G1	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Analyze Mon Power's fuel filing and examine the reasonableness of MP's claims.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Economic dispatching of pumped storage hydro unit.
5/87	9781	KY	Kentucky Industrial Energy Consumers	Louisville Gas & Electric Co.	Analysis of impact of 1986 Tax Reform Act.
6/87	3673-U	GA	Georgia Public Service Commission	Georgia Power Co.	Economic prudence, evaluation of Vogtle nuclear unit - load forecasting, planning.
6/87	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in plan for River Bend Nuclear unit.
7/87	85-10-22	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Methodology for refunding rate moderation fund.
8/87	3673-U	GA	Georgia Public Service Commission	Georgia Power Co.	Test year sales and revenue forecast.
9/87	R-850220	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Excess capacity, reliability of generating system.
10/87	R-870651	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Interruptible rate, cost-of-service, revenue allocation, rate design.
10/87	I-860025	PA	Pennsylvania Industrial Intervenors		Proposed rules for cogeneration, avoided cost, rate recovery.
10/87	E-015/ GR-87-223	MN	Taconite Intervenors	Minnesota Power & Light Co.	Excess capacity, power and cost-of-service, rate design.
10/87	8702-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue forecasting, weather normalization.
12/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light Power Co.	Excess capacity, nuclear plant phase-in.
3/88	10064	KY	Kentucky Industrial Energy Consumers	Louisville Gas & Electric Co.	Revenue forecast, weather normalization rate treatment of cancelled plant.

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Date	Case	Jurisdict.	Party	Utility	Subject
3/88	87-183-TF	AR	Arkansas Electric Consumers	Arkansas Power & Light Co.	Standby/backup electric rates.
5/88	870171C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Cogeneration deferral mechanism, modification of energy cost recovery (ECR).
6/88	870172C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Cogeneration deferral mechanism, modification of energy cost recovery (ECR).
7/88	88-171-EL-AIR 88-170-EL-AIR Interim Rate Case	OH	Industrial Energy Consumers	Cleveland Electric/ Toledo Edison	Financial analysis/need for interim rate relief.
7/88	Appeal of PSC	19th Judicial Docket U-17282	Louisiana Public Service Commission Circuit Court of Louisiana	Gulf States Utilities	Load forecasting, imprudence damages.
11/88	R-880989	PA	United States Steel	Carnegie Gas	Gas cost-of-service, rate design.
11/88	88-171-EL-AIR 88-170-EL-AIR	OH	Industrial Energy Consumers	Cleveland Electric/ Toledo Edison. General Rate Case.	Weather normalization of peak loads, excess capacity, regulatory policy.
3/89	870216/283 284/286	PA	Armco Advanced Materials Corp., Allegheny Ludlum Corp.	West Penn Power Co.	Calculated avoided capacity, recovery of capacity payments.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cost-of-service, rate design.
8/89	3840-U	GA	Georgia Public Service Commission	Georgia Power Co.	Revenue forecasting, weather normalization.
9/89	2087	NM	Attorney General of New Mexico	Public Service Co. of New Mexico	Prudence - Palo Verde Nuclear Units 1, 2 and 3, load fore-casting.
10/89	2262	NM	New Mexico Industrial Energy Consumers	Public Service Co. of New Mexico	Fuel adjustment clause, off-system sales, cost-of-service, rate design, marginal cost.
11/89	38728	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	Excess capacity, capacity equalization, jurisdictional cost allocation, rate design, interruptible rates.

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Date	Case	Jurisdict.	Party	Utility	Subject
1/90	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Jurisdictional cost allocation, O&M expense analysis.
5/90	890366	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Non-utility generator cost recovery.
6/90	R-901609	PA	Armco Advanced Materials Corp., Allegheny Ludlum Corp.	West Penn Power Co.	Allocation of QF demand charges in the fuel cost, cost-of-service, rate design.
9/90	8278	MD	Maryland Industrial Group	Baltimore Gas & Electric Co.	Cost-of-service, rate design, revenue allocation.
12/90	U-9346 Rebuttal	MI	Association of Businesses Advocating Tariff Equity	Consumers Power Co.	Demand-side management, environmental externalities.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, jurisdictional allocation.
12/90	90-205	ME	Airco Industrial Gases	Central Maine Power Co.	Investigation into interruptible service and rates.
1/91	90-12-03 Interim	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Interim rate relief, financial analysis, class revenue allocation.
5/91	90-12-03 Phase II	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Revenue requirements, cost-of-service, rate design, demand-side management.
8/91	E-7, SUB SUB 487	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Revenue requirements, cost allocation, rate design, demand-side management.
8/91	8341 Phase I	MD	Westvaco Corp.	Potomac Edison Co.	Cost allocation, rate design, 1990 Clean Air Act Amendments.
8/91	91-372 EL-UNC	OH	Armco Steel Co., L.P.	Cincinnati Gas & Electric Co.	Economic analysis of cogeneration, avoid cost rate.
9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Economic analysis of proposed CWIP Rider for 1990 Clean Air Act Amendments expenditures.
9/91	91-231 -E-NC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Economic analysis of proposed CWIP Rider for 1990 Clean Air

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Date	Case	Jurisdict.	Party	Utility	Subject
					Act Amendments expenditures.
10/91	8341 - Phase II	MD	Westvaco Corp.	Potomac Edison Co.	Economic analysis of proposed CWIP Rider for 1990 Clean Air Act Amendments expenditures.
10/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Results of comprehensive management audit.
Note: No testimony was prefiled on this.					
11/91	U-17949 Subdocket A	LA	Louisiana Public Service Commission Staff	South Central Bell Telephone Co. and proposed merger with Southern Bell Telephone Co.	Analysis of South Central Bell's restructuring and
12/91	91-410-EL-AIR	OH	Armco Steel Co., Air Products & Chemicals, Inc.	Cincinnati Gas & Electric Co.	Rate design, interruptible rates.
12/91	P-880286	PA	Armco Advanced Materials Corp., Allegheny Ludlum Corp.	West Penn Power Co.	Evaluation of appropriate avoided capacity costs - QF projects.
1/92	C-913424	PA	Duquesne Interruptible Complainants	Duquesne Light Co.	Industrial interruptible rate.
6/92	92-02-19	CT	Connecticut Industrial Energy Consumers	Yankee Gas Co.	Rate design.
8/92	2437	NM	New Mexico Industrial Intervenors	Public Service Co. of New Mexico	Cost-of-service.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Cost-of-service, rate design, energy cost rate.
9/92	39314	ID	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	Cost-of-service, rate design, energy cost rate, rate treatment.
10/92	M-00920312 C-007	PA	The GPU Industrial Intervenors	Pennsylvania Electric Co.	Cost-of-service, rate design, energy cost rate, rate treatment.
12/92	U-17949	LA	Louisiana Public Service Commission Staff	South Central Bell Co.	Management audit.
12/92	R-00922378	PA	Armco Advanced Materials Co. The WPP Industrial Intervenors	West Penn Power Co.	Cost-of-service, rate design, energy cost rate, SO_2 allowance rate treatment.
1/93	8487	MD	The Maryland Industrial Group	Baltimore Gas & Electric Co.	Electric cost-of-service and rate design, gas rate design

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Date	Case	Jurisdict.	Party	Utility	Subject
					(flexible rates).
2/93	E002/GR-92-1185	MN	North Star Steel Co. Praxair, Inc.	Northern States Power Co.	Interruptible rates.
4/93	EC92 21000 ER92-806-000 (Rebuttal)	Federal Energy Regulatory Commission	Louisiana Public Service Commission Staff	Gulf States Utilities/Entergy agreement.	Merger of GSU into Entergy System; impact on system
7/93	93-0114-E-C	WV	Airco Gases	Monongahela Power Co.	Interruptible rates.
8/93	930759-EG	FL	Florida Industrial Power Users' Group	Generic - Electric Utilities	Cost recovery and allocation of DSM costs.
9/93	M-009 30406	PA	Lehigh Valley Power Committee	Pennsylvania Power & Light Co.	Ratemaking treatment of off-system sales revenues.
11/93	346	KY	Kentucky Industrial Utility Customers	Generic - Gas Utilities	Allocation of gas pipeline transition costs - FERC Order 636.
12/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Nuclear plant prudence, forecasting, excess capacity.
4/94	E-015/ GR-94-001	MN	Large Power Intervenors	Minnesota Power Co.	Cost allocation, rate design, rate phase-in plan.
5/94	U-20178	LA	Louisiana Public Service Commission	Louisiana Power & Light Co.	Analysis of least cost integrated resource plan and demand-side management program.
7/94	R-00942986	PA	Armco, Inc.; West Penn Power Industrial Intervenors	West Penn Power Co.	Cost-of-service, allocation of rate increase, rate design, emission allowance sales, and operations and maintenance expense.
7/94	94-0035-E-42T	WV	West Virginia Energy Users Group	Monongahela Power Co.	Cost-of-service, allocation of rate increase, and rate design.
8/94	EC94 13-000	Federal Energy Regulatory Commission	Louisiana Public Service Commission	Gulf States Utilities/Entergy	Analysis of extended reserve shutdown units and violation of system agreement by Entergy.
9/94	R-00943 081 R-00943 081C0001	PA	Lehigh Valley Power Committee	Pennsylvania Public Utility Commission	Analysis of interruptible rate terms and conditions, availability.
9/94	U-17735	LA	Louisiana Public	Cajun Electric	Evaluation of appropriate avoided

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Date	Case	Jurisdict.	Party	Utility	Subject
			Service Commission	Power Cooperative	cost rate.
9/94	U-19904	LA	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements.
10/94	5258-U	GA	Georgia Public Service Commission	Southern Bell Telephone & Telegraph Co.	Proposals to address competition in telecommunication markets.
11/94	EC94-7-000 ER94-898-000	FERC	Louisiana Public Service Commission	El Paso Electric and Central and Southwest	Merger economics, transmission equalization hold harmless proposals.
2/95	941-430EG	CO	CF&I Steel, L.P.	Public Service Company of Colorado	Interruptible rates, cost-of-service.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Cost-of-service, allocation of rate increase, rate design, interruptible rates.
6/95	C-00913424 C-00946104	PA	Duquesne Interruptible Complainants	Duquesne Light Co.	Interruptible rates.
8/95	ER95-112 -000	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Open Access Transmission Tariffs - Wholesale.
10/95	U-21485	LA	Louisiana Public Service Commission	Gulf States Utilities Company	Nuclear decommissioning, revenue requirements, capital structure.
10/95	ER95-1042 -000	FERC	Louisiana Public Service Commission	System Energy Resources, Inc.	Nuclear decommissioning, revenue requirements.
10/95	U-21485	LA	Louisiana Public Service Commission	Gulf States Utilities Co.	Nuclear decommissioning and cost of debt capital, capital structure.
11/95	I-940032	PA	Industrial Energy Consumers of Pennsylvania	State-wide - all utilities	Retail competition issues.
7/96	U-21496	LA	Louisiana Public Service Commission	Central Louisiana Electric Co.	Revenue requirement analysis.
7/96	8725	MD	Maryland Industrial Group	Baltimore Gas & Elec. Co., Potomac Elec. Power Co., Constellation Energy Co.	Ratemaking issues associated with a Merger.
8/96	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Revenue requirements.
9/96	U-22092	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Decommissioning, weather normalization, capital

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Date	Case	Jurisdict.	Party	Utility	Subject
					structure.
2/97	R-973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Competitive restructuring policy issues, stranded cost, transition charges.
6/97	Civil Action No. 94-11474	US Bank-ruptcy Court Middle District of Louisiana	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Confirmation of reorganization plan; analysis of rate paths produced by competing plans.
6/97	R-973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Retail competition issues, rate unbundling, stranded cost analysis.
6/97	8738	MD	Maryland Industrial Group	Generic	Retail competition issues
7/97	R-973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Retail competition issues, rate unbundling, stranded cost analysis.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big River Electric Corp.	Analysis of cost of service issues - Big Rivers Restructuring Plan
10/97	R-974008	PA	Metropolitan Edison Industrial Users	Metropolitan Edison Co.	Retail competition issues, rate unbundling, stranded cost analysis.
10/97	R-974009	PA	Pennsylvania Electric Industrial Customer	Pennsylvania Electric Co.	Retail competition issues, rate unbundling, stranded cost analysis.
11/97	U-22491	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Decommissioning, weather normalization, capital structure.
11/97	P-971265	PA	Philadelphia Area Industrial Energy Users Group	Enron Energy Services Power, Inc./ PECO Energy	Analysis of Retail Restructuring Proposal.
12/97	R-973981	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Retail competition issues, rate unbundling, stranded cost analysis.
12/97	R-974104	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Retail competition issues, rate unbundling, stranded cost analysis.
3/98 (Allocated Stranded Cost Issues)	U-22092	LA	Louisiana Public Service Commission	Gulf States Utilities Co.	Retail competition, stranded cost quantification.
3/98	U-22092		Louisiana Public Service Commission	Gulf States Utilities, Inc.	Stranded cost quantification, restructuring issues.

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9/98	U-17735		Louisiana Public Service Commission	Cajun Electric Power Cooperative, Inc.	Revenue requirements analysis, weather normalization.
12/98	8794	MD	Maryland Industrial Group and Millennium Inorganic Chemicals Inc.	Baltimore Gas and Electric Co.	Electric utility restructuring, stranded cost recovery, rate unbundling.
12/98	U-23358	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning, weather normalization, Entergy System Agreement.
5/99 (Cross-Answering Testimony)	EC-98-40-000	FERC	Louisiana Public Service Commission	American Electric Power Co. & Central South West Corp.	Merger issues related to market power mitigation proposals.
5/99 (Response Testimony)	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Performance based regulation, settlement proposal issues, cross-subsidies between electric. gas services.
6/99	98-0452	WV	West Virginia Energy Users Group	Appalachian Power, Monongahela Power, & Potomac Edison Companies	Electric utility restructuring, stranded cost recovery, rate unbundling.
7/99	99-03-35	CT	Connecticut Industrial \Energy Consumers	United Illuminating Company	Electric utility restructuring, stranded cost recovery, rate unbundling.
7/99	Adversary Proceeding No. 98-1065	U.S. Bankruptcy Court	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Motion to dissolve preliminary injunction.
7/99	99-03-06	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Electric utility restructuring, stranded cost recovery, rate unbundling.
10/99	U-24182	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning, weather normalization, Entergy System Agreement.
12/99	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative, Inc.	Ananlysi of Proposed Contract Rates, Market Rates.
03/00	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative, Inc.	Evaluation of Cooperative Power Contract Elections
03/00	99-1658-EL-ETP	OH	AK Steel Corporation	Cincinnati Gas & Electric Co.	Electric utility restructuring, stranded cost recovery, rate Unbundling.

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08/00	98-0452 E-GI	WVA	West Virginia Energy Users Group	Appalachian Power Co. American Electric Co.	Electric utility restructuring rate unbundling.
08/00	00-1050 E-T 00-1051-E-T	WVA	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Electric utility restructuring rate unbundling.
10/00	SOAH 473- 00-1020 PUC 2234	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges And Universities	TXU, Inc.	Electric utility restructuring rate unbundling.
12/00	U-24993	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning, revenue requirements.
12/00	EL00-66- 000 & ER00-2854 EL95-33-002	LA	Louisiana Public Service Commission	Entergy Services Inc.	Inter-Company System Agreement: Modifications for retail competition, interruptible load.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Addressing Contested Issues	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Jurisdictional Business Separation - Texas Restructuring Plan
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Test year revenue forecast.
11/01	U-25687	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning requirements transmission revenues.
11/01	U-25965	LA	Louisiana Public Service Commission	Generic .	Independent Transmission Company ("Transco"). RTO rate design.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Company	Retail cost of service, rate design, resource planning and demand side management.
06/02	U-25965	LA	Louisiana Public Service Commission	Entergy Gulf States Entergy Louisiana	RTO Issues
07/02	U-21453	LA	Louisiana Public Service Commission	SWEPCO, AEP	Jurisdictional Business Sep. - Texas Restructuring Plan.

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08/02	U-25888	LA	Louisiana Public Service Commission	Entergy Louisiana, Inc. Entergy Gulf States, Inc.	Modifications to the Inter-Company System Agreement, Production Cost Equalization.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services Inc. and the Entergy Operating Companies	Modifications to the Inter-Company System Agreement, Production Cost Equalization.
11/02	02S-315EG	CO	CF&I Steel & Climax Molybdenum Co.	Public Service Co. of Colorado	Fuel Adjustment Clause
01/03	U-17735	LA	Louisiana Public Service Commission	Louisiana Coops	Contract Issues
02/03	02S-594E	CO	Cripple Creek and Victor Gold Mining Co.	Aquila, Inc.	Revenue requirements, purchased power.
04/03	U-26527	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Weather normalization, power purchase expenses, System Agreement expenses.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission Staff	Entergy Services, Inc. and the Entergy Operating Companies	Proposed modifications to System Agreement Tariff MSS-4.
11/03	ER03-583-000 ER03-583-001 ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001 ER03-682-002	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Market-Ing, L.P, and Entergy Power, Inc.	Evaluation of Wholesale Purchased Power Contracts.
12/03	U-27136	LA	Louisiana Public Service Commission	Entergy Louisiana, Inc.	Evaluation of Wholesale Purchased Power Contracts.
01/04	E-01345-03-0437	AZ	Kroger Company	Arizona Public Service Co.	Revenue allocation rate design.
02/04	00032071	PA	Duquesne Industrial Intervenors	Duquesne Light Company	Provider of last resort issues.
03/04	03A-436E	CO	CF&I Steel, LP and Climax Molybedenum	Public Service Company of Colorado	Purchased Power Adjustment Clause.

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04/04	2003-00433 2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. Kentucky Utilities Co.	Cost of Service Rate Design
0-6/04	03S-539E	CO	Cripple Creek, Victor Gold Mining Co., Goodrich Corp., Holcim (U.S.,), Inc., and The Trane Co.	Aquila, Inc.	Cost of Service, Rate Design Interruptible Rates
06/04	R-00049255	PA	PP&L Industrial Customer Alliance PPLICA	PPL Electric Utilities Corp.	Cost of service, rate design, tariff issues and transmission service charge.
10/04	04S-164E	CO	CF&I Steel Company, Climax Mines	Public Service Company of Colorado	Cost of service, rate design, Interruptible Rates.
03/05	Case No. 2004-00426 Case No. 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Louisville Gas & Electric Co.	Environmental cost recovery.
06/05	050045-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Company	Retail cost of service, rate design
07/05	U-28155	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc. Entergy Gulf States, Inc.	Independent Coordinator of Transmission – Cost/Benefit
09/05	Case Nos. 05-0402-E-CN 05-0750-E-PC	WVA	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Environmental cost recovery, Securitization, Financing Order
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Cost of service, rate design, transmission expenses. Congestion Cost Recovery Mechanism
03/06	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Separation of EGSI into Texas and Louisiana Companies.
04/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Transmission Prudence Investigation
06/06	R-00061346 C0001-0005	PA	Duquesne Industrial Intervenors & IECPA	Duquesne Light Co.	Cost of Service, Rate Design, Transmission Service Charge, Tariff Issues
06/06	R-00061366 R-00061367 P-00062213 P-00062214		Met-Ed Industrial Energy Users Group and Penelec Industrial Customer Alliance	Metropolitan Edison Co. Pennsylvania Electric Co.	Generation Rate Cap, Transmission Service Charge, Cost of Service, Rate Design, Tariff Issues
07/06	U-22092 Sub-J	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Separation of EGSI into Texas and Louisiana Companies.

Expert Testimony Appearances
of
Stephen J. Baron
As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
07/06	Case No. 2006-00130 Case No. 2006-00129	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Louisville Gas & Electric Co.	Environmental cost recovery.
08/06	Case No. PUE-2006-00065	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Co.	Cost Allocation, Allocation of Rev Incr, Off-System Sales margin rate treatment
09/06	E-01345A-05-0816	AZ	Kroger Company	Arizona Public Service Co.	Revenue alllocation, cost of service, rate design.
11/06	Doc. No. 97-01-15RE02	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power United Illuminating	Rate unbundling issues.
01/07	Case No. 06-0960-E-42T	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Retail Cost of Service Revenue apportionment
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. Entergy Louisiana, LLC	Implementation of FERC Decision Jurisdictional & Rate Class Allocation
05/07	Case No. 07-63-EL-UNC	OH	Ohio Energy Group	Ohio Power, Columbus Southern Power	Environmental Surcharge Rate Design
05/07	R-00049255 Remand	PA	PP&L Industrial Customer Alliance PPLICA	PPL Electric Utilities Corp.	Cost of service, rate design, tariff issues and transmission service charge.
06/07	R-00072155	PA	PP&L Industrial Customer Alliance PPLICA	PPL Electric Utilities Corp.	Cost of service, rate design, tariff issues.
07/07	Doc. No. 07F-037E	CO	Gateway Canyons LLC	Grand Valley Power Coop.	Distribution Line Cost Allocation
09/07	Doc. No. 05-UR-103	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Co.	Cost of Service, rate design, tariff Issues, Interruptible rates.
11/07	ER07-682-000	FERC	Louisiana Public Service Commission Staff	Entergy Services, Inc. and the Entergy Operating Companies	Proposed modifications to System Agreement Schedule MSS-3. Cost functionalization issues.
1/08	Doc. No. 20000-277-ER-07	WY	Cimarex Energy Company	Rocky Mountain Power (PacifiCorp)	Vintage Pricing, Marginal Cost Pricing Projected Test Year
1/08	Case No. 07-551	OH	Ohio Energy Group	Ohio Edison, Toledo Edison Cleveland Electric Illuminating	Class Cost of Service, Rate Restructuring, Apportionment of Revenue Increase to Rate Schedules
2/08	ER07-956	FERC	Louisiana Public Service Commission Staff	Entergy Services, Inc. and the Entergy Operating Companies	Entergy's Compliance Filing System Agreement Bandwidth Calculations.
2/08	Doc No. P-00072342	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Default Service Plan issues.
3/08	Doc No.	AZ	Kroger Company	Tucson Electric Power Co.	Cost of Service, Rate Design

Expert Testimony Appearances
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As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
	E-01933A-05-0650				
05/08	08-0278 E-GI	WV	West Virginia Energy Users Group	Appalachian Power Co. American Electric Power Co.	Expanded Net Energy Cost "ENEC" Analysis.
6/08	Case No. 08-124-EL-ATA	OH	Ohio Energy Group	Ohio Edison, Toledo Edison Cleveland Electric Illuminating	Recovery of Deferred Fuel Cost
7/08	Docket No. 07-035-93	UT	Kroger Company	Rocky Mountain Power Co.	Cost of Service, Rate Design
08/08	Doc. No. 6680-UR-116	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Co.	Cost of Service, rate design, tariff Issues, Interruptible rates.
09/08	Doc. No. 6690-UR-119	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Co.	Cost of Service, rate design, tariff Issues, Interruptible rates.
09/08	Case No. 08-936-EL-SSO	OH	Ohio Energy Group	Ohio Edison, Toledo Edison Cleveland Electric Illuminating	Provider of Last Resort Competitive Solicitation
09/08	Case No. 08-935-EL-SSO	OH	Ohio Energy Group	Ohio Edison, Toledo Edison Cleveland Electric Illuminating	Provider of Last Resort Rate Plan
09/08	Case No. 08-917-EL-SSO 08-918-EL-SSO	OH	Ohio Energy Group	Ohio Power Company Columbus Southern Power Co.	Provider of Last Resort Rate Plan
10/08	2008-00251 2008-00252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. Kentucky Utilities Co.	Cost of Service, Rate Design
11/08	08-1511 E-GI	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Expanded Net Energy Cost "ENEC" Analysis.
11/08	M-2008- 2036188, M- 2008-2036197	PA	Met-Ed Industrial Energy Users Group and Penelec Industrial Customer Alliance	Metropolitan Edison Co. Pennsylvania Electric Co.	Transmission Service Charge
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Entergy's Compliance Filing System Agreement Bandwidth Calculations.
01/09	E-01345A- 08-0172	AZ	Kroger Company	Arizona Public Service Co.	Cost of Service, Rate Design
02/09	2008-00409	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Cost of Service, Rate Design
5/09	PUE-2009 -00018	VA	VA Committee For Fair Utility Rates	Dominion Virginia Power Company	Transmission Cost Recovery Rider
5/09	09-0177- E-GI	WV	West Virginia Energy Users Group	Appalachian Power Company	Expanded Net Energy Cost "ENEC" Analysis
6/09	PUE-2009	VA	VA Committee For	Dominion Virginia	Fuel Cost Recovery

Expert Testimony Appearances
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Date	Case	Jurisdict.	Party	Utility	Subject
	-00016		Fair Utility Rates	Power Company	Rider
6/09	PUE-2009 -00038	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Company	Fuel Cost Recovery Rider
7/09	080677-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Company	Retail cost of service, rate design
8/09	U-20925 (RRF 2004)	LA	Louisiana Public Service Commission Staff	Entergy Louisiana LLC	Interruptible Rate Refund Settlement
9/09	09AL-299E	CO	CF&I Steel Company Climax Molybdenum	Public Service Company of Colorado	Energy Cost Rate issues
9/09	Doc. No. 05-UR-104	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Co.	Cost of Service, rate design, tariff Issues, Interruptible rates.
9/09	Doc. No. 6680-UR-117	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Co.	Cost of Service, rate design, tariff Issues, Interruptible rates.
10/09	Docket No. 09-035-23	UT	Kroger Company	Rocky Mountain Power Co.	Cost of Service, Allocation of Rev Increase
10/09	09AL-299E	CO	CF&I Steel Company Climax Molybdenum	Public Service Company of Colorado	Cost of Service, Rate Design
11/09	PUE-2009 -00019	VA	VA Committee For Fair Utility Rates	Dominion Virginia Power Company	Cost of Service, Rate Design
11/09	09-1485 E-P	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Expanded Net Energy Cost "ENEC" Analysis.
12/09	Case No. 09-906-EL-SSO	OH	Ohio Energy Group	Ohio Edison, Toledo Edison Cleveland Electric Illuminating	Provider of Last Resort Rate Plan
12/09	ER09-1224	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Entergy's Compliance Filing System Agreement Bandwidth Calculations.
12/09	Case No. PUE-2009-00030	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Co.	Cost Allocation, Allocation of Rev Increase, Rate Design
2/10	Docket No. 09-035-23	UT	Kroger Company	Rocky Mountain Power Co.	Rate Design
3/10	Case No. 09-1352-E-42T	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Retail Cost of Service Revenue apportionment
3/10	E015/ GR-09-1151	MN	Large Power Intervenors	Minnesota Power Co.	Cost of Service, rate design
4/10	EL09-61	FERC	Louisiana Public Service Service Commission	Entergy Services, Inc. and the Entergy Operating	System Agreement Issues Related to off-system sales

Expert Testimony Appearances
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Stephen J. Baron
As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
				Companies	
4/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Cost of service, rate design, transmission expenses.
4/10	2009-00548 2009-00549	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. Kentucky Utilities Co.	Cost of Service, Rate Design
7/10	R-2010-2161575	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Company	Cost of Service, Rate Design
09/10	2010-00167	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Cost of Service, Rate Design
09/10	10M-245E	CO	CF&I Steel Company Climax Molybdenum	Public Service Company of Colorado	Economic Impact of Clean Air Act
11/10	10-0699-E-42T	WV	West Virginia Energy Users Group	Appalachian Power Company	Cost of Service, Rate Design, Transmission Rider
11/10	Doc. No. 4220-UR-116	WI	Wisconsin Industrial Energy Group, Inc.	Northern States Power Co. Wisconsin	Cost of Service, rate design
12/10	10A-554EG	CO	CF&I Steel Company Climax Molybdenum	Public Service Company	Demand Side Management Issues
12/10	10-2586-EL-SSO	OH	Ohio Energy Group	Duke Energy Ohio	Provider of Last Resort Rate Plan Electric Security Plan
3/11	20000-384-ER-10	WY	Wyoming Industrial Energy Consumers	Rocky Mountain Power Wyoming	Electric Cost of Service, Revenue Apportionment, Rate Design
5/11	2011-00036	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Cost of Service, Rate Design
6/11	Docket No. 10-035-124	UT	Kroger Company	Rocky Mountain Power Co.	Class Cost of Service
6/11	PUE-2011-00045	VA	VA Committee For Fair Utility Rates	Dominion Virginia Power Company	Fuel Cost Recovery Rider
07/11	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. Entergy Louisiana, LLC	Entergy System Agreement - Successor Agreement, Revisions, RTO Day 2 Market Issues
07/11	Case Nos. 11-346-EL-SSO 11-348-EL-SSO	OH	Ohio Energy Group	Ohio Power Company Columbus Southern Power Co.	Electric Security Rate Plan, Provider of Last Resort Issues
08/11	PUE-2011-00034	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Co.	Cost Allocation, Rate Recovery of RPS Costs
09/11	2011-00161 2011-00162	KY	Kentucky Industrial Utility	Louisville Gas & Electric Co. Kentucky Utilities Company	Environmental Cost Recovery
09/11	Case Nos.	OH	Ohio Energy Group	Ohio Power Company	Electric Security Rate Plan,

Expert Testimony Appearances
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Stephen J. Baron
As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
	11-346-EL-SSO 11-348-EL-SSO			Columbus Southern Power Co.	Stipulation Support Testimony
10/11	11-0452 E-P-T	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Energy Efficiency/Demand Reduction Cost Recovery
11/11	11-1272 E-P	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Expanded Net Energy Cost "ENEC" Analysis
11/11	E-01345A- 11-0224	AZ	Kroger Company	Arizona Public Service Co.	Decoupling
12/11	E-01345A- 11-0224	AZ	Kroger Company	Arizona Public Service Co.	Cost of Service, Rate Design
3/12	Case No. 2011-00401	KY	Kentucky Industrial Utility Consumers	Kentucky Power Company	Environmental Cost Recovery
4/12	2011-00036 Rehearing Case	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Cost of Service, Rate Design
5/12	2011-346 2011-348	OH	Ohio Energy Group	Ohio Power Company	Electric Security Rate Plan Interruptible Rate Issues
6/12	PUE-2012 -00051	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Company	Fuel Cost Recovery Rider
6/12	12-00012 12-00026	TN	Eastman Chemical Co. Air Products and Chemicals, Inc.	Kingsport Power Company	Demand Response Programs
6/12	Docket No. 11-035-200	UT	Kroger Company	Rocky Mountain Power Co.	Class Cost of Service
6/12	12-0275- E-GI-EE	WV	West Virginia Energy Users Group	Appalachian Power Company	Energy Efficiency Rider
6/12	12-0399- E-P	WV	West Virginia Energy Users Group	Appalachian Power Company	Expanded Net Energy Cost ("ENEC")
7/12	120015-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Company	Retail cost of service, rate design
7/12	2011-00063	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Environmental Cost Recovery
8/12	Case No. 2012-00226	KY	Kentucky Industrial Utility Consumers	Kentucky Power Company	Real Time Pricing Tariff
9/12	ER12-1384	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement, Cancelled Plant Cost Treatment
9/12	2012-00221 2012-00222	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. Kentucky Utilities Co.	Cost of Service, Rate Design
11/12	12-1238 E-GI	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Expanded Net Energy Cost Recovery Issues

Expert Testimony Appearances
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As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
12/12	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana	Purchased Power Contracts
12/12	EL09-61	FERC	Louisiana Public Service Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement Issues Related to off-system sales Damages Phase
12/12	E-01933A-12-0291	AZ	Kroger Company	Tucson Electric Power Co.	Decoupling
1/13	12-1188 E-PC	WV	West Virginia Energy Users Group	Appalachian Power Company	Securitization of ENEC Costs
1/13	E-01933A-12-0291	AZ	Kroger Company	Tucson Electric Power Co.	Cost of Service, Rate Design
4/13	12-1571 E-PC	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Generation Resource Transition Plan Issues
4/13	PUE-2012 -00141	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Company	Generation Asset Transfer Issues
6/13	12-1655 E-PC	WV	West Virginia Energy Users Group	Appalachian Power Company	Generation Asset Transfer Issues
06/13	U-32675	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. Entergy Louisiana, LLC	MISO Joint Implementation Plan Issues
7/13	130040-EI	FL	WCF Health Utility Alliance	Tampa Electric Company	Cost of Service, Rate Design
7/13	13-0467-E-P	WV	West Virginia Energy Users Group	Appalachian Power Company	Expanded Net Energy Cost ("ENEC")
7/13	13-0462-E-P	WV	West Virginia Energy Users Group	Appalachian Power Company	Energy Efficiency Issues
8/13	13-0557-E-P	WV	West Virginia Energy Users Group	Appalachian Power Company	Right-of-Way, Vegetation Control Cost Recovery Surcharge Issues
10/13	2013-00199	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Ratemaking Policy Associated with Rural Economic Reserve Funds
10/13	13-0764-E-CN	WV	West Virginia Energy Users Group	Appalachian Power Company	Rate Recovery Issues – Clinch River Gas Conversion Project
11/13	R-2013-2372129	PA	United States Steel Corporation	Duquesne Light Company	Cost of Service, Rate Design
11/13	13A-0686EG	CO	CF&I Steel Company Climax Molybdenum	Public Service Company of Colorado	Demand Side Management Issues
11/13	13-1064-	WV	West Virginia Energy	Mon Power Co.	Right-of-Way, Vegetation Control Cost

Expert Testimony Appearances
of
Stephen J. Baron
As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
	E-P		Users Group	Potomac Edison Co.	Recovery Surcharge Issues
4/14	ER-432-002	FERC	Louisiana Public Service Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement Issues Related to Union Pacific Railroad Litigation Settlement
5/14	2013-2385 2013-2386	OH	Ohio Energy Group	Ohio Power Company	Electric Security Rate Plan Interruptible Rate Issues
5/14	14-0344-E-P	WV	West Virginia Energy Users Group	Appalachian Power Company	Expanded Net Energy Cost ("ENEC")
5/14	14-0345-E-PC	WV	West Virginia Energy Users Group	Appalachian Power Company	Energy Efficiency Issues
5/14	Docket No. 13-035-184	UT	Kroger Company	Rocky Mountain Power Co.	Class Cost of Service
7/14	PUE-2014 -00007	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Company	Renewable Portfolio Standard Rider Issues
7/14	ER13-2483	FERC	Bear Island Paper WB LLC	Old Dominion Electric Cooperative	Cost of Service, Rate Design Issues
8/14	14-0546-E-PC	WV	West Virginia Energy Users Group	Appalachian Power Company	Rate Recovery Issues – Mitchell Asset Transfer
8/14	PUE-2014 -00026	VA	Old Dominion Committee	Appalachian Power Company	Biennial Review Case - Cost of Service Issues
9/14	14-841-EL-SSO	OH	Ohio Energy Group	Duke Energy Ohio	Electric Security Rate Plan Standard Service Offer
10/14	14-0702-E-42T	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Cost of Service, Rate Design
11/14	14-1550-E-P	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Expanded Net Energy Cost ("ENEC")
12/14	EL14-026	SD	Black Hills Power Industrial Intervenors	Black Hills Power, Inc.	Cost of Service Issues
12/14	14-1152-E-42T	WV	West Virginia Energy Users Group	Appalachian Power Company	Cost of Service, Rate Design transmission, lost revenues
2/15	14-1297 El-SS0	OH	Ohio Energy Group	Ohio Edison, Toledo Edison Cleveland Electric Illuminating	Electric Security Rate Plan Standard Service Offer
3/15	2014-00396	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Cost of service, rate design, transmission expenses.
3/15	2014-00371 2014-00372	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. Kentucky Utilities Co.	Cost of Service, Rate Design
5/15	EL10-65	FERC	Louisiana Public Service Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement Issues Related to Interruptible load

Expert Testimony Appearances
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As of May 2016

Date	Case	Jurisdict.	Party	Utility	Subject
5/15	15-0301-E-P	WV	West Virginia Energy Users Group	Appalachian Power Company	Expanded Net Energy Cost ("ENEC")
615	14-1580-EL-RDR	OH	Ohio Energy Group	Duke Energy Ohio	Energy Efficiency Rider Issues
7/15	EL10-65	FERC	Louisiana Public Service Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement Issues Related to Off-System Sales and Bandwidth Tariff
8/15	PUE-2015-00034	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Company	Renewable Portfolio Standard Rider Issues
8/15	87-0669-E-P	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Cost of Service, Rate Design
11/15	D2015-6.51	MT	Montana Large Customer Group	Montana Dakota Utilities Co.	Class Cost of Service, Rate Design
3/16	EL01-88 Remand	FERC	Louisiana Public Service Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement Issues Related to Bandwidth Tariff
5/16	16-0239-E-ENEC	WV	West Virginia Energy Users Group	Appalachian Power Company	Expanded Net Energy Cost ("ENEC")

BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

PETITION OF
KINGSPORT POWER COMPANY **TRA Docket No. 16-00001**
d/b/a AEP Appalachian Power
For a General Rate Case

EXHIBIT__(SJB-2)

OF

STEPHEN J. BARON

ON BEHALF OF

EAST TENNESSEE ENERGY CONSUMERS

Year 1 ETEC PROPOSED BASE CASE REVENUE CHANGES

Percent Subsidy Reduction 10.0%

Mitigation Cap 200% Of Average Retail Rate Increase 15.52%

Current Class	Current Total Revenue	Rate Base	Revenue Increase @ Equal. ROR	Current Subsidy	ETEC Proposed Subsidy Decrease	Proposed Subsidy	Proposed Increase	Percent Increase	Mitigation Adjustment	Adjusted Increase	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7) (Col 5 - Col 6)	(8) (Col 4 - Col 7)	(9)	(10)	(11)	(12)
RS	59,442,780	49,990,924	13,790,034	5,318,440	531,844	4,786,596	9,003,438	15.15%	-	9,132,549	15.36%
SGS	2,365,884	1,638,982	(250,417)	(528,265)	(52,827)	(475,439)	225,022	9.51%	-	228,249	9.65%
MGS	10,504,269	5,804,174	(324,912)	(1,309,051)	(130,905)	(1,178,146)	853,234	8.12%	-	865,470	8.24%
LGS	19,657,945	7,330,969	(1,243,834)	(2,486,780)	(248,678)	(2,238,102)	994,268	5.06%	-	1,008,526	5.13%
IP	57,804,203	1,394,093	(335,115)	(571,544)	(57,154)	(514,389)	179,274	0.31%	-	181,845	0.31%
CS	952,823	618,631	(2,683)	(107,539)	(10,754)	(96,785)	94,102	9.88%	-	95,451	10.02%
PS	2,267,017	1,499,207	540,864	286,699	28,670	258,029	282,835	12.48%	-	286,891	12.66%
EHG	2,443,736	1,348,242	(14,607)	(243,083)	(24,308)	(218,775)	204,168	8.35%	-	207,096	8.47%
OL	722,983	1,875,671	(41,158)	(359,002)	(35,900)	(323,102)	281,944	39.00%	(169,735)	112,208	15.52%
Total	156,161,640	71,500,894	12,118,172			(112)	12,118,285	7.76%	(169,735)	12,118,285	7.76%

BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

PETITION OF
KINGSPORT POWER COMPANY **TRA Docket No. 16-00001**
d/b/a AEP Appalachian Power
For a General Rate Case

EXHIBIT__(SJB-3)

OF

STEPHEN J. BARON

ON BEHALF OF

EAST TENNESSEE ENERGY CONSUMERS

ETEC Proposed Base Rate Revenue Target Summary

	Total Retail	RS	SGS	MGS-SEC	MGS-PRI	MGS-SUB	Total MGS	LGS-SEC	LGS-PRI	LGS-SUB	Total LGS	IP-PRI	IP-SUB	IP-TRA	Total IP	CS	PS	EHG	OL
From CCOS																			
PRODUCTION (Demand)	70,286,826	32,473,110	682,906	4,163,823	18,213	-	4,182,036	6,653,411	530,966	-	7,184,377	1,657,498	-	21,341,016	22,998,514	395,788	1,359,382	1,008,736	1,977
ENERGY	75,952,203	25,648,641	794,511	4,035,005	17,539	-	4,052,544	7,974,807	628,790	-	8,603,597	2,412,284	-	31,899,709	34,311,994	360,758	1,056,019	958,618	165,521
DISTPRI	10,720,665	4,725,232	303,209	1,560,986	4,827	-	1,565,813	2,952,030	419,077	-	3,371,107	156,100		-	156,100	141,706	85,801	361,425	10,271
DISTSEC	5,972,628	3,161,212	204,693	800,555	-	-	800,555	1,373,460	-	-	1,373,460	-	-	-	-	118,529	51,059	237,136	25,985
CUSTOMER	5,347,603	2,567,135	608,814	766,668	2,123	-	768,790	106,311	27,617	-	133,928	1,959	-	517,481	519,440	31,494	1,647	84,917	631,437
TOTAL	168,279,925	68,575,329	2,594,133	11,327,037	42,701	-	11,369,739	19,060,020	1,606,451	-	20,666,471	4,227,842	-	53,758,207	57,986,048	1,048,274	2,553,908	2,650,832	835,191
Adjustments (Prompt Pay Discount)																			
PRODUCTION (Demand)	1,070,358	494,514	10,400	63,408	277	-	63,686	101,321	8,086	-	109,407	25,241	-	324,990	350,231	6,027	20,701	15,361	30
ENERGY	1,156,633	390,588	12,099	61,447	267	-	61,714	121,444	9,575	-	131,019	36,735	-	485,782	522,518	5,494	16,082	14,598	2,521
DISTPRI	163,259	71,958	4,617	23,771	74	-	23,845	44,955	6,382	-	51,337	2,377		-	2,377	2,158	1,307	5,504	156
DISTSEC	90,954	48,140	3,117	12,191	-	-	12,191	20,916	-	-	20,916	-	-	-	-	1,805	778	3,611	396
CUSTOMER	81,436	39,093	9,271	11,675	32	-	11,707	1,619	421	-	2,040	30	-	7,880	7,910	480	25	1,293	9,616
TOTAL	2,562,638	1,044,294	39,505	172,493	650	-	173,143	290,254	24,464	-	314,718	64,383	-	818,653	883,036	15,964	38,892	40,368	12,719
Base Rate Revenue Targets																			
Demand	71,357,184	$ 32,967,624	$ 693,306	$ 4,227,231	$ 18,490	$ -	$ 4,245,722	$ 6,754,732	$ 539,052	$ -	$ 7,293,784	$ 1,682,739	$ -	$ 21,666,006	$ 23,348,745	$ 401,815	$ 1,380,084	$ 1,024,097	$ 2,007
Energy	77,108,835	$ 26,039,229	$ 806,610	$ 4,096,452	$ 17,806	$ -	$ 4,114,258	$ 8,096,251	$ 638,366	$ -	$ 8,734,617	$ 2,449,020	$ -	$ 32,385,492	$ 34,834,511	$ 366,251	$ 1,072,101	$ 973,216	$ 168,042
Dist Primary	10,883,924	$ 4,797,190	$ 307,826	$ 1,584,758	$ 4,901	$ -	$ 1,589,658	$ 2,996,985	$ 425,459	$ -	$ 3,422,444	$ 158,477		$ -	$ 158,477	$ 143,864	$ 87,107	$ 366,929	$ 10,428
Dist Secondary	6,063,582	$ 3,209,352	$ 207,810	$ 812,747	$ -	$ -	$ 812,747	$ 1,394,376	$ -	$ -	$ 1,394,376	$ -	$ -	$ -	$ -	$ 120,334	$ 51,836	$ 240,747	$ 26,380
Customer	5,429,038	$ 2,606,228	$ 618,086	$ 778,343	$ 2,155	$ -	$ 780,498	$ 107,930	$ 28,038	$ -	$ 135,968	$ 1,989	$ -	$ 525,362	$ 527,350	$ 31,973	$ 1,672	$ 86,210	$ 641,053
TOTAL	$ 170,842,563	$ 69,619,623	$ 2,633,638	$ 11,499,530	$ 43,352	$ -	$ 11,542,882	$ 19,350,274	$ 1,630,915	$ -	$ 20,981,188	$ 4,292,225	$ -	$ 54,576,860	$ 58,869,085	$ 1,064,238	$ 2,592,800	$ 2,691,200	$ 847,910

BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

PETITION OF
KINGSPORT POWER COMPANY **TRA Docket No. 16-00001**
d/b/a AEP Appalachian Power
For a General Rate Case

EXHIBIT__(SJB-4)

OF

STEPHEN J. BARON

ON BEHALF OF

EAST TENNESSEE ENERGY CONSUMERS

KINGSPORT POWER BILLING ANALYSIS
PROFORMA
TEST YEAR ENDED DECEMBER 31, 2014

INDUSTRIAL POWER - PRIMARY (322)
ETEC Proposed

	Adjusted * Billing Units	Annualized Rate	Annualized Revenue	Proposed Billing Units	Proposed Rate	Proposed Revenue
Billing kWh	66,123,316	$0.02302	$1,522,159	66,123,316	$0.04086	$2,701,799
Metered Voltage Adj.	0			-		
Metered kWh	66,123,316			66,123,316		
Billing kW						
On-Peak	109,949	$8.70	$956,556	109,949	$15.83	$1,740,493
Off-Peak Excess	379	$2.57	$974	379	$5.49	$2,081
Reactive Demand (Kvar)	1,063	$0.75	$797	1,063	$0.75	$797
Customer Charge	24	$240.00	$5,760	24	$240.00	$5,760
Number of Customers	24			24		
Sum			$2,486,246			$4,450,930
					$0.00	
Fuel		$0.0131673	$870,664		$0.0000000	$0
Sub Total			$3,356,911			$4,450,930
Purchased Power Adjustment Rider-Energy		$0.00713	$471,459		$0.00	$0
Purchased Power Adjustment Rider-Demand		$3.98	$437,597		$0.00	$0
Sub Total			$4,265,967			$4,450,930
TN Inspection Fee		0.3%	$12,798		0.0000%	$0
Prompt Payment Discount		-1.5%	($64,181)		-1.5%	($66,764)
Total			$4,214,583			$4,384,166
Increase						$169,583
Percent Increase						4.02%

* Includes Weather and Growth Adjustments

KINGSPORT POWER BILLING ANALYSIS
PROFORMA
TEST YEAR ENDED DECEMBER 31, 2014

INDUSTRIAL POWER - TRANSMISSION (324)
ETEC Proposed

	Adjusted * Billing Units	Annualized Rate	Annualized Revenue	Proposed Billing Units	Proposed Rate	Proposed Revenue
Billing kWh	890,108,593	$0.02241	$19,947,334	890,108,593	$0.04009	$35,684,453
Metered Voltage Adj.	0			-		
Metered kWh	890,108,593			890,108,593		
Billing kW						
On-Peak	1,349,698	$7.60	$10,257,705	1,349,698	$13.47	$18,180,432
Off-Peak Excess	12,378	$1.40	$17,329	12,378	$1.32	$16,339
Reactive Demand (Kvar)	120,372	$0.75	$90,279	120,372	$0.75	$90,279
Customer Charge	48	$1,930.00	$92,640	48	$1,930.00	$92,640
Number of Customers	48			48		
Backup Reservation Charge						
Level A	252,000	$0.42	$105,840	252,000	$0.72	$181,440
Level B	120,000	$0.83	$99,600	120,000	$1.44	$172,800
			$205,440			$354,240
Sum			$30,610,727			$54,418,383
Fuel		$0.0133849	$11,913,977		$0.0000000	$0
Sub Total			$42,524,704			$54,418,383
Purchased Power Adjustment Rider-Energy		$0.00713	$6,346,474		$0.00	$0
Purchased Power Adjustment Rider-Demand		$3.98	$5,371,798		$0.00	$0
Sub Total			$54,242,976			$54,418,383
TN Inspection Fee		0.3%	$162,729		0.0%	$0
Prompt Payment Discount		-1.5%	($816,086)		-1.5%	($816,276)
Total			$53,589,620			$53,602,107
Increase						$12,487
Percent Increase						0.02%

* Includes Weather and Growth Adjustments