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October 31, 2022

Via Electronic Filing & UPS 2-Day

Dr. Kenneth C. Hill, Chairman c/o Tory Lawless Dockets and Records Manager Tennessee Public Utility Commission 502 Deaderick St., 4th Floor Nashville, TN 37243 Electronically Filed In TPUC Docket Room on October 31, 2022 at 2:32 p.m.

Re:

PETITION OF KINGSPORT POWER COMPANY d/b/a AEP APPALACHIAN POWER COMPANY FOR A GENERAL RATE INCREASE – TARIFF CHANGES TO FUEL AND PURCHASED POWER ADJUSTMENT RIDER (Docket No. 16-00001)

Dear Chairman Hill:

Enclosed please find one original and four copies of *Petition to Intervene of the East Tennessee Energy Consumers*, in the above-referenced docket.

Sincerely yours

Michael J. Quinan, TN BPR No. 011104

MJQ Enclosures

cc: Certificate of Service

TENNESSEE PUBLIC UTILITY COMMISSION NASHVILLE, TENNESSEE

In Re:

PETITION OF KINGSPORT POWER COMPANY d/b/a AEP APPALACHIAN POWER COMPANY FOR A GENERAL RATE CASE – TARIFF CHANGES TO FUEL AND PURCHASED POWER ADJUSTMENT RIDER Docket No. 16-00001

PETITION TO INTERVENE OF THE EAST TENNESSEE ENERGY CONSUMERS

East Tennessee Energy Consumers ("ETEC"), by counsel, pursuant to Tenn. Code Ann. §§ 4-5-310 and 65-2-107 and the Rules and Regulations of the Tennessee Public Utility Commission ("TPUC" or the "Commission"), hereby petitions the Commission for leave to intervene as a party of record in the above-captioned proceeding because the interests, rights, duties, or privileges of the ETEC members may be determined or affected by the Petition of Kingsport Power Company d/b/a AEP Appalachian Power for a General Rate Case-Tariff Changes to Fuel and Purchased Power Adjustment Rider ("Petition") filed by Kingsport Power Company d/b/a Appalachian Power ("Kingsport Power" or the "Company") in this Docket. In support of its petition, ETEC states as follows:

1. Kingsport Power, a public utility regulated by the Commission, distributes electric power to approximately 50,000 retail customers in its service area, which includes the City of Kingsport, Tennessee; the Town of Mt. Carmel, Tennessee; and parts of Sullivan County, Washington County and Hawkins County, Tennessee. All of Kingsport Power's electric power

Petition of Kingsport Power Company d/b/a AEP Appalachian Power for a General Rate Case, Tenn. Pub. Util. Comm'n Dkt. No. 21-00107, Petition, at 2 (Nov. 17, 2021).

requirements are purchased from Appalachian Power Company.² Kingsport Power is a Virginia corporation with its principal office located in Kingsport, Sullivan County, Tennessee.³

- 2. The Commission approved the creation of the Fuel and Purchased Power Adjustment Rider ("FPPAR") in its Order Approving Stipulation and Settlement Agreement, which was issued in this docket on October 19, 2016.⁴ Under the TPUC-approved Settlement Agreement, the "FPPAR Rates shall be reviewed, recalculated, and implemented no less often than annually upon a filing by the Utility." Additionally, "[n]o Party to this Settlement Agreement shall be precluded from filing any action with respect to the Utility's filing."
- 3. On September 29, 2022, the Company filed changes to its existing tariff regarding its FPPAR charges.⁷ In a related Notice to the Public, Kingsport Power disclosed that its proposed changes would result "in an approximate increase of 15.34 % to 30.76% for Kingsport Power's residential, commercial, and industrial customers."⁸ The Company requests that its proposed FPPAR Rates become effective on November 1, 2022.⁹
- 4. On October 28, 2022, the Consumer Advocate Division of the Office of Attorney General filed a Petition to Intervene in this proceeding.

See In re Petition of Kingsport Power Company d/b/a AEP Appalachian Power for a General Rate Case, Tenn. Reg. Auth. Dkt. No. 16-00001, Order Approving Stipulation and Settlement Agreement, at 3 (Oct. 19, 2016). The Tennessee Regulatory Authority, or "TRA," is the predecessor agency to the TPUC, just as the Tennessee Public Service Commission predated the TRA.

² *Id.* The Company states that Appalachian Power Company's rates and charges are subject to the jurisdiction of the Federal Energy Regulatory Commission. *Id.*

³ Id

⁵ Id., Ex. A, at 6; see also id., Ex. B, Orig. Sheet No. 2-13, at ¶¶ 1, 3.

⁶ Id.

Email from Roberta Davis, Legal Assistant with Hunter, Smith & Davis, LLC, to David Foster, Director of Utilities Division at the Commission (Sept. 29, 2022, 12:18 CDT).

See In re Petition of Kingsport Power Company d/b/a AEP Appalachian Power for a General Rate Case – Tariff Changes to Fuel and Purchased Power Adjustment Rider, Tenn. Pub. Util. Comm'n Dkt. No. 16-00001, Affidavit of Publication (Oct. 7, 2022).

Letter from William C. Bovender, Esq., Hunter, Smith & Davis, LLP, to David Foster, Director of Utilities Division at the Commission, Tenn. Pub. Util. Comm'n Dkt. No. 16-00001 (Sept. 30, 2022).

- 5. ETEC is a coalition of three of the Company's largest Industrial Power customers in Tennessee: Air Products and Chemicals, Inc.; Domtar Paper Company, Inc.; and Eastman Chemical Company. Accordingly, the interests of ETEC and its members may be affected by the Commission's orders and determinations in this proceeding, including as to the following:

 (i) the interpretation, application, and implementation of Tenn. Code Ann. §§ 65-5-103(a) and -103(d), and other relevant authorities; (ii) the analysis and significance of Kingsport Power's documentation and workpapers, financial records and spreadsheets, and other materials offered in support of rate proposals at issue in the case; and (iii) the interpretation, application, and implementation of the Commission's Order Approving Stipulation and Settlement Agreement in this docket.
- 6. ETEC must undertake discovery to properly evaluate the implications of the Company's proposals and any other FPPAR proposals and to determine and address the reasonableness of such proposals.
- 7. Accordingly, and because there is no other party that exclusively represents the interests Industrial Power customers of the Company, ETEC's participation as a party in this contested case is in the public interest.
- 8. Granting ETEC's petition will not impede the prompt and orderly conduct of these proceedings or otherwise prejudice or impair the interests of justice.
- 9. If ETEC's petition is granted, copies of all notices, correspondence, pleadings, orders, and other materials or communications filed or distributed to parties in this matter should be addressed to ETEC's legal counsel, as follows:

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WHEREFORE, ETEC respectfully requests that the Commission enter an order granting this petition and allowing ETEC to participate as a party in this case and granting such other relief as may be deemed appropriate under the circumstances.

October 31, 2022.

Respectfully submitted,

EAST TENNESSEE ENERGY

CONSUMERS

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CERTIFICATE OF SERVICE

I certify that, on October 31, 2022, this document was served by prepaid U.S. Mail, and by electronic mail, on the following:

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