S. Morris Hadden William C. Bovender William C. Argabrite Jimmie Carpenter Miller Mark S. Dessauer Gregory K. Haden Michael L. Forrester Stephen M. Darden Edward J. Webb, Jr. James N. L. Humphreys Suzanne Sweet Cook Michael S. Lattier Scott T. Powers Respond to: Kingsport Office

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William C. Bovender

September 22, 2017

VIA EMAIL (Sharla.Dillon@tn.gov) & FEDEX

Mr. David Price, Chairman c/o Sharla Dillon, Dockets & Records Manager Tennessee Public Utility Commission 502 Deaderick Street, 4th Floor Nashville, TN 37243

Re:

Petition of Kingsport Power Company d/b/a AEP

Appalachian Power for Approval of its Targeted Reliability Plan, and its TRP & MS Rider, an Alternative Rate Mechanism and Motion for

Protective Order Docket No. 17-00032

Dear Chairman Price:

On behalf of Kingsport Power Company, we transmit herewith the following:

Notice Withdrawing Motion for Waiver of Thirty (30) Day Filing Requirement

The originals and four (4) copies are being sent via Federal Express.

Very sincerely yours,

HUNTER, SMITH & DAVIS, LDP

illiam C. Bovender

Enclosures

James R. Bacha, Esq. (w/enc.) cc:

Kelly Grams, General Counsel (w/enc.)

David Foster (w/enc.)

Monica L. Smith-Ashford, Esq. (w/enc.)

Mr. David Price, Chairman Page 2 September 22, 2017

> Michael J. Quinan, Esq. (w/enc.) Wayne M. Irvin, Esq. (w/enc.) Joseph B. Harvey, Esq. (w/enc.)

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION NASHVILLE, TENNESSEE

IN RE:)	
)	
Petition of Kingsport Power Company d/b/a AEP)	
Appalachian Power for Approval of its Targeted)	DOCKET NO.: 17-00032
Reliability Plan, and its TRP & MS Rider, an)	
Alternative Rate Mechanism and Motion for)	
Protective Order)	

NOTICE WITHDRAWING MOTION FOR WAIVER OF THIRTY (30) DAY FILING REQUIREMENT

Comes Kingsport Power Company d/b/a AEP Appalachian Power ("KPC"), and, hereby withdraws its Motion for Waiver of the thirty (30) day tariff filing requirement as set forth in Tennessee Public Utility Commission Rules and Regulations Section 1220-4-1-.06.

KPC has been informed by the Hearing Officer in the Docket that the Commission and KPC's customers have already had adequate notice of the tariff changes as the tariff changes are the result of the Commission's approval of KPC's petition to implement an alternative regulatory mechanism, and the Commission did not order otherwise.

PREMISES CONSIDERED AND FOR GOOD CAUSE SHOWN, KINGSPORT POWER COMPANY d/b/a AEP APPALACHIAN POWER

- (1) Hereby withdraws its Motion for Waiver of the thirty (30) day filing requirement of TPUC Rules and Regulations Section 1220-4-1-.06; and
 - (2) The tariff at issue, attached hereto, will become effective October 1, 2017.

Respectfully submitted this the 22nd day of September, 2017

KINGSPORT POWER COMPANY d/b/a AEP APPALACHIAN POWER

By: William C. Bovender, Esq. (BPR #000751)

Joseph B. Harvey (BPR #028891)

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing **Notice Withdrawing Motion for Waiver of Thirty (3) Day Filing Requirement** has been served upon the following by mailing a copy of same by United States mail, postage prepaid, and Emailing as follows, on this the 22nd day of September, 2017.

Kelly Grams, General Counsel Tennessee Public Utility Commission 502 Deaderick Street, 4th Floor Nashville, TN 37243 Email: Kelly.Grams@tn.gov

David Foster, Chief-Utilities Division Tennessee Utility Commission 502 Deaderick Street, 4th Floor Nashville, TN 37243 Email: David.Foster@tn.gov

Monica L. Smith-Ashford Tennessee Public Utility Commission 502 Deaderick Street, 4th Floor Nashville, TN 37243 Email: monica.smith-ashfor@tn.gov

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HUNTER, SMITH & DAVIS, LLP

William C. Bovender

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TRP & MS RIDER

In accordance with Tennessee Code Annotated § 65-5-103 (d) (2) (A) (ii) and (iii), Kingsport Power is authorized under the terms of this rider to apply a charge to all customer bills on a service rendered basis to recover actually incurred TRP & MS (Targeted Reliability Plan & Major Storm) Rider costs.

1. Calculation of Targeted Reliability Program and Major Storm Rider Recovery

At least annually the Company will file information regarding actual Targeted Reliability Plan (TRP) costs and Major Storm (MS) expenses. The annual change in the Company's TRP & MS Rider recovery amount shall be calculated according to the following formula:

TRP & MSa-TRP & MSr

Where

TRP & MSa is the Company's Targeted Reliability Plan and Major Storm actual costs incurred by the Company for the period. The costs will be net of the reliability expenses and major storm expenses approved in the Company's most recent base case (an annual amount of \$1,295,753). In developing the Targeted Reliability Plan return on capital, the Company will use the most recent base case authorized rate of return.

TRP & MSr is the actual revenues received as a result of TRP & MS Rider rates in effect for the same period.

2. Updates to TRP & MS Rider Costs

TRP & MS Rider rates shall remain in effect until such time as new TRP & MS Rider rates are approved by the Tennessee Public Utility Commission.

3. Determination of Adjustments to Surcharges by Tariff

The Company will adjust the level of revenue recovery (positive or negative) under the TRP & MS Rider by the amount of the Calculation described in Section 1 and any remaining prior period over/under recovery balance. Prior period over/under recovery balances result from differences between the Company's actual costs as calculated in Section 1 and actual billing under the Rider in prior reporting periods. The Company will allocate the revenue requirement to the individual tariff class by application of the revenue allocation factors used in the Company's most recent base case, and will use the appropriate billing determinants, as determined in the Company's most recent base case, to develop the TRP & MS Rider tariff charges.

4. Notification of Change in Charge by the Company

The Company will provide no less than a 30-day notice of the proposed effective date in any change in the Rider charge to its customers. The Company will also provide the calculations and other information supporting the Rider charges to the Staff of the Tennessee Public Utility Commission in advance of the effective date of such charge.

TRP & MS RIDER

5. Charge

Pursuant to the provisions of this Rider, a TRP & MS Rider charge will be applied to each account under the Company's filed tariffs.

The TRP & MS Rider charge applicable to each tariff is set below:

<u>Tariff</u>	Energy Rate	Demand Rate	Customer Rate
	(¢) / kWh	(\$) / KW or *KVA	(\$)/Customer
Residential			\$0.00
Residential Employee			\$0.00
Residential Time-of-Day			\$0.00
Small General Service (SGS)			\$0.00
Medium General Service (MGS) Secondary		\$0.00	
General Service Time-of-Day (GS-TOD)	0.0000		
Medium General Service (MGS) Primary	·	\$0.00	
Large General Service (LGS) Secondary*	•	\$0.00	
Large General Service (LGS) Primary*		\$0.00	
LGS Subtransmission/Transmission*		\$0.00	
Industrial Power (IP) Secondary		\$0.00	
Industrial Power (IP) Primary		\$0.00	
Industrial Power (IP) Subtransmission/Transmission		\$0.00	
Church Service	0.00000		
Public Schools (PS)	0.00000		
Electric Heating General (EHG)**		\$0.00	
Outdoor Lighting (OL)- (per Lamp)			\$0.00

^{**}Demand is measured in accordance with tariff.