



CHRISTIAN & BARTON, LLP  
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May 4, 2017

**via E-MAIL and OVERNIGHT MAIL**

David Foster, Chief – Utilities Division  
c/o Sharla Dillon  
Dockets and Records Manager  
Tennessee Public Utility Commission  
502 Deaderick St.  
Nashville, TN 37243

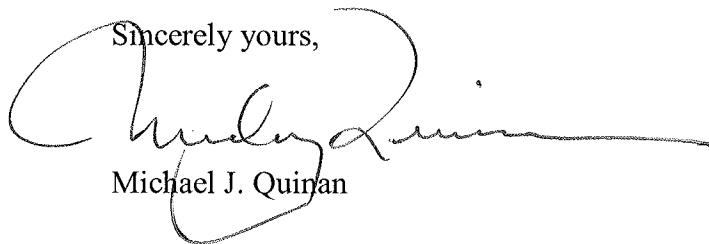
In Re: PETITION OF KINGSPORT POWER COMPANY d/b/a AEP  
APPALACHIAN POWER FOR APPROVAL OF ITS TARGETED RELIABILITY  
PLAN, AND ITS TRP & MS RIDER, AN ALTERNATIVE RATE MECHANISM,  
AND MOTION FOR PROTECTIVE ORDER (Docket No. 17-00032)

Dear Ms. Dillon:

Enclosed please find an original and four copies of a Petition to Intervene to be filed on  
behalf of East Tennessee Energy Consumers in the above-referenced docket.

Thank you for your kind attention to this request.

Sincerely yours,



Michael J. Quinan

MJQ  
Enclosures

cc: Ms. Kelly Grams  
Mr. James R. Bacha  
Mr. William C. Bovender  
Mr. Joseph B. Harvey  
Ms. Noelle J. Coates  
Mr. William K. Castle  
Mr. David Foster  
Hon. Herbert H. Slatery, III  
Mr. Wayne M. Irvin

**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 RELIABILITY PLAN, AND ITS  
TRP & MS RIDER, AN ALTERNATIVE RATE  
MECHANISM, AND MOTION FOR  
PROTECTIVE ORDER**

**DOCKET No. 17-00032**

**PETITION TO INTERVENE OF  
EAST TENNESSEE ENERGY CONSUMERS**

Comes East Tennessee Energy Consumers ("ETEC"), by counsel, pursuant to T.C.A. §§ 4-5-310 and 65-2-107 and the Rules and Regulations of the Tennessee Public Utility Commission ("TPUC" or "Commission"), and petitions to intervene in this docket as a party of record to a contested case as defined by T.C.A. § 65-2-101. In support of its Petition to Intervene, ETEC states as follows:

1. This proceeding was initiated upon the petition ("Petition") of Kingsport Power Company d/b/a AEP Appalachian Power ("KgPCo") for Approval of its Targeted Reliability Plan ("TRP"), and its TRP & MS Rider, an Alternative Rate Mechanism ("ARM"). In its Petition, KgPCo requests approval of TRP, which includes both a Vegetation Management Plan ("VMP") and a System Improvement Program ("SIP"). The VMP would establish a four-year vegetation management cycle. The SIP would focus on "various distribution system improvements" to improve

reliability and protect Kingsport's distribution system from storms and other events. In its Petition, KgPCo also moves for entry of a Protective Order.

2. KgPCo projects the cost of implementing the first year (Year 1) of the VMP at approximately \$5.45 million, including approximately \$3.69 million in total O&M expense and \$1.6 million of new capital expenditures. Long-term annual costs, according to the Petition, are projected to be consistent with the total costs of Year 5, with capital expenditure projected in that year to be approximately \$838,000 and total O&M expense projected to be approximately \$2.51 million. KgPCo projects combined annual new capital costs for both VMP and SIP to be approximately \$3 million during years one through four and approximately \$7 million during years five through ten, for a ten-year total of approximately \$54.5 million. Annual total O&M costs are projected by KgPCo to range between \$3.2 and \$4.1 million, for a ten-year total of approximately \$36.3 million.
3. KgPCo's Petition also requests approval of an ARM, it states, in order to recover costs associated with the TRP, as well as major storm ("MS") expenses. The ARM would take the form of a Rider ("TRP & MS Rider") that would calculate TRP and MS costs and provide for revenue allocation, rate design and a "true-up" mechanism to allow for over/under recovery accounting.
4. KgPCo is a subsidiary of American Electric Power Company, Inc. ("AEP"). According to the Petition, it is the electric distribution company ("EDC") for approximately 47,000 customers in its service territory, which consists of portions of Sullivan and Hawkins Counties, including the City of Kingsport and the Town of

Mount Carmel in Tennessee.

5. ETEC is a group of large industrial customers of KgPCo. They take service under KgPCo's Industrial Power rate schedules. ETEC's members include Air Products and Chemicals, Inc., Domtar Paper Company, Inc., Eastman Chemical Company and Wellmont Health Systems.
6. ETEC's members would be directly and adversely affected by implementation of the programs and ARM requested by KgPCo. ETEC's members' interests are not represented by any other party in this proceeding.
7. Discovery will be needed to identify and address the extent to which the proposed programs and related ARM are or are not just and reasonable and in the public interest.
8. Accordingly, ETEC requests permission to intervene and participate in this proceeding as a contested case.
9. Granting ETEC's Petition to Intervene will not impair the interests of justice or the orderly and prompt conduct of these proceedings.
10. All notices, correspondence, pleadings, copies of orders, communications and other material should be addressed to counsel for ETEC as follows:

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WHEREFORE, ETEC respectfully requests that the Commission enter such Orders and establish such procedures as necessary to conduct this proceeding as a contested case, grant this Petition to Intervene and enter an Order allowing ETEC to become an intervening party of record in this docket.

Respectfully submitted this 4th day of May, 2017.

By Counsel:

A handwritten signature in black ink, appearing to read "Michael J. Quinan", written over a horizontal line.

Michael J. Quinan, Esq.  
(Tenn. Sup. Ct. No. 11104)  
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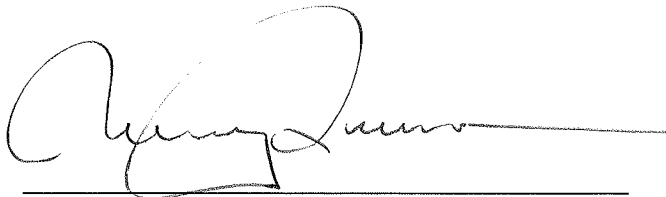
Counsel for East Tennessee Energy  
Consumers

## CERTIFICATE OF SERVICE

I hereby certify that, on May 4, 2017, the foregoing pleading was served by hand-delivery, facsimile, overnight delivery service, or first class mail, postage prepaid, to all parties of record at their addresses shown below

William C. Bovender Joseph B. Harvey HUNTER, SMITH & DAVIS, LLP P.O. Box 3704 Kingsport, TN 37664	William K. Castle Director, Regulatory Services VA/TN Appalachian Power Company Three James Center Suite 1100, 1051 E. Cary St. Richmond, VA 23219-4029
James R. Bacha American Electric Power Service Corp. P.O. Box 16637 Columbus, OH 43216	Noelle J. Coates Appalachian Power Company Service Corp Three James Center Suite 1100, 1051 E. Cary St. Richmond, VA 23219-4029
Kelly Grams General Counsel Tennessee Public Utility Commission 502 Deaderick St. Nashville, TN 37243	David Foster Chief - Utilities Division Tennessee Public Utility Commission 502 Deaderick St. Nashville, TN 37243
Herbert H. Slatery, III Attorney General and Reporter State Of Tennessee 425 Fifth Ave., North P.O. Box 20207 Nashville, TN 37202-0207	Wayne M. Irvin Assistant Attorney General Consumer Advocate and Protection Division. 425 Fifth Ave., North P.O. Box 20207 Nashville, TN 37202-0207

This 4th day of May, 2017.

  
\_\_\_\_\_  
Michael J. Quinan