

HUNTER·SMITH·DAVIS
SINCE 1916 LLP

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
William C. Bovender
423-378-8858
bovender@hsdlaw.com

Kingsport Office
1212 North Eastman Road
P.O. Box 3740
Kingsport, TN 37664
Phone (423) 378-8800
Fax (423) 378-8801

Johnson City Office
100 Med Tech Parkway
Suite 110
Johnson City, TN 37604
Phone (423) 283-6300
Fax (423) 283-6301

Leslie Tentler Ridings
Christopher D. Owens
Chad W. Whitfield
Jason A. Creech
Meredith Bates Humbert
Joseph B. Harvey
Rachel Ralston Mancl
Caroline Ross Williams
Marcy E. Walker
Karen L. Kane
Matthew F. Bettis
Sarah E. Blessing
Teresa Mahan Lesnak *
Michael A. Eastridge *
Jeannette Smith Tysinger*

**Of Counsel*
www.hsdlaw.com

KPOW.94841

June 6, 2018

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

Mr. David Jones, 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 a Storm Damage
Rider Tariff (Rider SDR)
Docket No. 17-00143**

Dear Chairman Jones:

On behalf of Kingsport Power Company, we transmit herewith the following PUBLIC and CONFIDENTIAL Responses to Data Requests and Requests for Production of Documents of TPUC's Data Request No. 2-001 to 2-005.

The Confidential Disc should be filed under seal per the Protective Order. The Public Disc can be utilized on the website. Copies of the Responses and Confidential Disc are also being served on the Consumer Advocate and Counsel for East Tennessee Energy Consumers.

The original and four copies of the Responses and two CDs are being sent via Federal Express.

Very sincerely yours,

HUNTER, SMITH & DAVIS, LLP



William C. Bovender

Enclosure: As stated

Mr. David Jones, Chairman

Page 2

June 6, 2018

cc: Kelly Grams, General Counsel (w/enc.) *Via U.S. Mail and Email: Kelly.Grams@tn.gov*
David Foster (w/enc.) *Via U.S. Mail and Email: david.foster@tn.gov*
Monica L. Smith-Ashford, Esq. (w/enc.) *Via U.S. Mail and Email: monica.smith-ashford@tn.gov*
Michael J. Quinan, Esq. (w/enc.) *Via U.S. Mail and Email: mquinan@cblaw.com*
Karen H. Stachowski, Assistant Attorney General (w/enc.) *Via U.S. Mail and Email: Karen.Stachowski@ag.tn.gov*
James R. Bacha, Esq. (w/enc.) *Via Email: jrbacha@aep.com*

**TENNESSEE PUBLIC UTILITY COMMISSION
PETITION OF
Kingsport Power Company
DOCKET NO. TPUC 17-00143
Data Requests and Requests for the Production
of Documents by the TENNESSEE REGULATORY AUTHORITY
Staff's Second Set
To Kingsport Power Company**

Data Request 2-001:

Please refer to the Company's response to TPUC Staff Data Request 1-3, Attachment 3. Provide a reconciliation of the amounts shown in Excel spreadsheet Column L, Lines 7 and 18 to supporting documentation. Please provide a copy of any documentation not previously submitted in this docket.

Response 2-001:

Reference Staff 1-3, Attachment 3, Column L, Line 7. The referenced payment was made to Twenty First Century Communications which is an outage call processor. The charge to KgPCo was developed by examining the monthly invoice and determining the incremental charge allocable to the call center(s) which received the outage calls from Kingsport's customers for the event and allocating that portion to the appropriate event project and work order. In the case of the January 2013 snowstorm, KgPCo major storm project DMS13KT01 was charged \$13,428.74 as shown on Line 7 of Staff 1-3, Attachment 3 and \$906.44 on Line 8 for sales and use tax related to the invoice from Twenty First Century Communications shown on Staff 2-1, Attachment 1.

Reference Staff 1-3, Attachment 3, Column L, Line 18. The \$35,418.05 shown on Line 18 consists of three components shown on pages 1 (\$1,343.28), 4 (\$2,170.94) and 8 (\$31,903.83) of Staff 2-1, Attachment 2, on the enclosed CD, which is the same attachment as Staff 1-3, Supplemental Attachment 19. The \$1,343.28 and \$2,170.94 invoices charged to KgPCo major storm project DMS13KT01 are from ACRT Inc for storm restoration work in Tennessee in January 2013. The \$31,903.83 charged to KgPCo major storm project DMS13KT01 shown on the bottom of page 8 of Staff 2-1, Attachment 2, was from Asplundh Tree Expert for storm restoration work in Tennessee in January 2013 and was a subset of the total invoice amount of \$37,686.09.

**TENNESSEE PUBLIC UTILITY COMMISSION
PETITION OF
Kingsport Power Company
DOCKET NO. TPUC 17-00143
Data Requests and Requests for the Production
of Documents by the TENNESSEE REGULATORY AUTHORITY
Staff's Second Set
To Kingsport Power Company**

Data Request 2-002:

Please refer to the Company's response to TPUC Staff Data Request 1-3, Attachment 1. Provide a reconciliation of the amounts shown in Excel spreadsheet Column C, Lines 11, 13, 19, 25, 31, 40, 43, 102, 105, and 130 to supporting documentation. Please provide copies of any documentation not previously submitted in this docket.

Response 2-002:

Staff 1-3, Attachment 1, Column C, Lines 11, 13, 19, 25, 31, 102, 105 and 130. See Staff 2-2, Attachment 1, on the enclosed CD for detailed documentation for each of these referenced lines. The intercompany billing transactions referenced on Lines 13, 19, 25, 31, 102, 105 and 130 are charges to Kingsport storm project DMS13KT01 from affiliated AEP operating companies Appalachian Power Company (GL Business Unit 140-Distribution) and Indiana Michigan Power Company (GL Business Unit 170-Distribution) related to storm restoration work in Tennessee.

Staff 1-3, Attachment 1, Column C, Lines 40 and 43. The transactions referenced in Staff 1-3, Attachment 1, Lines 40 and 43, relate to the reclassification of storm expenditures from capital/removal to O&M. Upon completion of a major restoration event, the storm work order is completed and closed in accordance with the Company's Property Accounting Policy/Procedure "Storm Work Order Procedure-Field Review" for monitoring and closing process. All material, labor and other costs are reviewed to determine that they have been properly classified between capital and O&M. The amount of retirement unit material charged to the capital work order is reviewed to determine if it is sufficient to support the total cost charged to capital/removal. If it does not support the total cost charged to capital/removal, then a reclassification between capital, removal and O&M would be needed. The JE Classification Correction process is used for any reclassification required as a result of the review. In the case of the January 2013 snowstorm, this review of the classification between capital and O&M resulted in a total reclassification of \$212,391 from capital/removal to O&M as shown on Lines 40 and 43.

**TENNESSEE PUBLIC UTILITY COMMISSION
PETITION OF
Kingsport Power Company
DOCKET NO. TPUC 17-00143
Data Requests and Requests for the Production
of Documents by the TENNESSEE REGULATORY AUTHORITY
Staff's Second Set
To Kingsport Power Company**

Data Request 2-003:

Please refer to the Company's response to TPUC Staff Data Request 1-3, Attachment 2, Excel spreadsheet Column L, Row 29. Please refer to Staff 1-003 Confidential Attachment 14, Page 1 of 39. Please provide timesheets/supporting documentation for the following Foremen for the weeks ending 1.19.13 and 1.26.13: Crew# 477, 593, 626, 759, 786, 939, and 962.

Response 2-003:

Please see Staff 2-003, Confidential Attachment 1, on the enclosed CD, for the supporting documentation of the crew members.

**TENNESSEE PUBLIC UTILITY COMMISSION
PETITION OF
Kingsport Power Company
DOCKET NO. TPUC 17-00143
Data Requests and Requests for the Production
of Documents by the TENNESSEE REGULATORY AUTHORITY
Staff's Second Set
To Kingsport Power Company**

Data Request 2-004:

Please provide the total amount of storm damage costs incurred as a result of the January 2013 winter storm for both the Tennessee and Virginia jurisdictions.

Response 2-004:

The total storm damage costs incurred in Tennessee by Kingsport Power as a result of the January 2013 winter storm was \$1.4 million of O&M costs and \$0.1 million of capital/removal costs. The total storm damage costs incurred in Virginia by Appalachian Power Company as a result of the January 2013 winter storm was \$20.0 million of O&M costs and \$1.6 million of capital/removal costs.

**TENNESSEE PUBLIC UTILITY COMMISSION
PETITION OF
Kingsport Power Company
DOCKET NO. TPUC 17-00143
Data Requests and Requests for the Production
of Documents by the TENNESSEE REGULATORY AUTHORITY
Staff's Second Set
To Kingsport Power Company**

Data Request 2-005:

Did the Company petition the Virginia State Corporation Commission (VSCC) for recovery of any storm damage costs incurred as a result of the 2013 winter storm? If so, please state the amount of the Virginia storm damage costs requested and provide a copy of the Virginia petition. If such request has been decided, please state the amount of such costs approved for recovery by the VSCC and provide a copy of the Virginia order.

Response 2-005:

No, Appalachian Power did not file a separate petition to recover January 2013 storm costs; storm costs were recovered through base rates in Virginia.



Twenty First Century
Communications
11808 Miracle Hills Drive
Omaha, NE 68154
1-800-209-2216

INVOICE

Staff 2-1
Attachment 1
Page 1 of 1

Invoice	112161
Date	2/1/2013
Page	1

Sold To:

American Electric Power
Attn: Brad Galford
4500 South Hamilton Road
Groveport, Ohio 43125

Remit To:

Twenty First Century
Communications, Inc.
Department # 1343
Denver, CO 80256-0001

Customer No.	Purchase Order No.	Payment Terms		
1202	252316400	Net 30 Days		
DESCRIPTION		TOTAL USAGE	PER USAGE CHARGE	AMOUNT
HIGH VOLUME CALL ANSWERING				
MONTHLY RECURRING FEE	Feb 2013			\$ 14,615.00
MONTHLY RECURRING FEE VOLUME DISCOUNT		1		\$ (8,619.00)
USAGE CHARGES:				
	Jan 2013			
INBOUND - 0 TO 500,000		361,049	0.28	\$ 101,093.72
INBOUND - 500,001+		0	0.26	\$ -
REDIRECT		0	0.25	\$ -
LIVE - INBOUND (per minute)	Jan 2013	13	0.98	\$ 12.74
LIVE - REDIRECT (per call)			0.20	\$ -
ASR - MATCH		0	0.75	\$ -
ASR - NONMATCH		0	0.25	\$ -
FRAME RELAY DEDICATED DATALINE DHEC 376826	1/1/2013			
PROGRAMMING CHAGE REQUEST #1490				
Addition of 3 new DNISs for Shreveport call center				
MONTHLY RECURRING VOLUME DISCOUNTS:				
100,000 - 150,000 minutes: 10% discount on monthly recurring fee				
150,001 - 200,000 minutes: 20% discount on monthly recurring fee				
200,001 - 250,000 minutes: 30% discount on monthly recurring fee				
250,001 - 300,000 minutes: 40% discount on monthly recurring fee				
300,001 - 350,000 minutes: 50% discount on monthly recurring fee				
350,001 - 400,000 minutes: 60% discount on monthly recurring fee				
400,001 - 450,000 minutes: 70% discount on monthly recurring fee				
450,001 - 500,000 minutes: 80% discount on monthly recurring fee				
500,001 minutes or more No Monthly Fee and \$0.26/minute				
		TOTAL DUE		\$ 107,102.46
				\$ 13,975.76

REVIEW INVOICE FOR ACCURACY AS ALL CHARGES ARE CONSIDERED FINAL
AFTER NINE MONTHS FROM DATE OF INVOICE