

# HUNTER·SMITH·DAVIS

SINCE 1916

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KPOW.94841

April 10, 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 The Consumer Protection and Advocate Division of the Attorney General's Office Second Set 2-001 to 2-015.

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. We remind all receiving the Confidential Disc that the terms and conditions of the Protective Order must be adhered to.

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

Very sincerely yours,

**HUNTER, SMITH & DAVIS, LLP**



William C. Bovender

Enclosure: As stated

Mr. David Jones, Chairman

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cc: Kelly Grams, General Counsel (w/enc.) *Via U.S. Mail and Email: Kelly.Grams@tn.gov*  
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Monica L. Smith-Ashford, Esq. (w/enc.) *Via U.S. Mail and Email: monica.smith-ashford@tn.gov*  
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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 THE CONSUMER PROTECTION AND ADVOCATE DIVISION OF  
THE ATTORNEY GENERAL'S OFFICE  
CPAD's Second Set  
To Kingsport Power Company**

**Data Request 2-001:**

Refer to the Company's Response to TPUC Data Request #1-9. In this response, the Company states that a deferred tax liability was recorded associated with the storm damage:

- (a) Was the portion of ADIT liability associated with storm damage referenced within Response #1-9 included within the balance of ADIT used as an offset to rate base within TPUC Docket No. 16-00001?
- (b) If so, provide the detailed analysis or workpapers support demonstrating these costs translated to an offset to rate base.
- (c) If not, provide a narrative explanation supporting the rationale for not including this ADIT component as a rate base deduction.

**Response 2-001:**

- (a) Yes.
- (b) See CPAD 2-001, Attachment 1, on the enclosed Public CD, which is the same as CPAD 2-064, Attachment 1, from Docket No. 16-00001, for support for the ADIT balance of \$526,874 (\$1,505,354 times 35% FIT rate) recorded in Account 2831 and shown on tax line # 630J for deferred storm damage that was included as an offset to rate base in TPUC Docket No. 16-00001.
- (c) N/A

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**Data Request 2-002:**

Provide the annual amount of overtime labor incurred by the Company and charged to O&M, inclusive of costs incurred in the subject storm damage cases for the period 2010 through 2017.

**Response 2-002:**

The requested annual amounts of overtime labor for the period 2010 through 2017 are as follows:

<b>Year</b>	<b>Amount</b>
2010	\$401,538
2011	\$468,484
2012	\$264,678
2013	\$372,040
2014	\$229,148
2015	\$205,146
2016	\$339,361
2017	\$265,309

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**Data Request 2-003:**

Provide the amount of overtime incorporated into the revenue requirement approved in the Company's most recent rate case.

**Response 2-003:**

The approved revenue requirement in KgPCo's most recent base rate case Docket No. 16-00001 was based on costs incurred during the 2015 test year as adjusted. The 2015 test year level of overtime costs charged to expense was \$205,146. Any overtime cost included in approved adjustments to the 2015 test year amounts was not identified in Docket No. 16-00001 and therefore, any such overtime amounts are unavailable.

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**Data Request 2-004:**

Provide the annual amount of outside services costs incurred by the Company and charged to O&M, inclusive of costs incurred in the subject storm damage cases for the period 2010 through 2017.

**Response 2-004:**

The requested annual amounts of outside services costs for the period 2010 through 2017 are as follows:

<b>Year</b>	<b>Amount</b>
2010	\$ 342,942
2011	\$2,589,065
2012	\$2,067,051
2013	\$3,611,824
2014	\$2,090,450
2015	\$1,361,890
2016	\$2,394,989
2017	\$2,592,720

The amount above for 2010 includes a (\$3,053,417) reversal of an accrual recorded in Dec. 2009 for estimated expenses related to the Dec. 2009 major snowstorms. The amount above for 2015 includes a (\$509,737) reclassification of January 2013 major storm costs from KgPCo's books to Appalachian Power Company's books.

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**Data Request 2-005:**

Provide the amount of outside services incorporated into the revenue requirement approved in the Company's most recent rate case.

**Response 2-005:**

The approved revenue requirement in KgPCo's most recent base rate case Docket No. 16-00001 was based on costs incurred during the 2015 test year as adjusted. The 2015 test year level of outside services costs charged to expense was \$1,361,890. Any outside services costs included in approved adjustments to the 2015 test year amounts was not identified in Docket No. 16-00001 and therefore, any such outside services amounts are unavailable.

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**Data Request 2-006:**

Refer to the Company's Response to TPUC Data Request #3. Specifically, refer to "Staff 1-003 Attachment 5.pdf" and "Staff 1-3\_Attachment\_2.xlsx":

- (a) Provide the reasoning for inclusion of the costs supported in the "Staff 1-003 Attachment 5.pdf" as it appears to have been incurred outside the relevant period (March 18, 2013).
- (b) In regards, to "Staff 1-3\_Attachment\_2.xlsx." does the charge located on row 31 relate to the invoice included in "Staff 1-003 Attachment 5.pdf"?

**Response 2-006:**

- (a) This invoice was for t-shirts which were purchased after the storm and given to all employees who were engaged in the Kingsport Power Company and Appalachian Power Company storm restoration effort as recognition for their hard work and to show appreciation for the time they were away from their families.
- (b) The charge shown on row 31 is an allocable portion of the total invoice only for those employees who were engaged in Kingsport Power Company restoration. The remaining costs were assigned to Appalachian Power Company.



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**Data Request 2-007:**

Refer to the Company's Response to TPUC Data Request #3 in this Docket. Specifically, refer to "Staff 1-003 Attachment 11.pdf." Provide the following regarding this attachment:

- (a) A description of what this document is and how the charge was developed.
- (b) Was this a yearly service?
- (c) Provide a copy of the contract for this service.
- (d) Rather or not this service cost was included in the Company's rate case 92-04425?

**Response 2-007:**

- (a) This document is an invoice from Twenty First Century Communications which is an outage call processor. The charge is developed by examining a monthly invoice and determining the incremental charge allocable to the call center which received the outage calls for the event and allocating that portion to the appropriate event work order.
- (b) No. The Company is invoiced each month.
- (c) The contracts, which are subject to the protective order in this case, are considered confidential information and are provided, on the enclosed Confidential CD, as CPAD-2-007, Confidential Attachments 1 and 2.
- (d) No.

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**Data Request 2-008:**

Identify each person who you expect to call as an expert witness at the hearing on the merits in this Docket, and for each such expert witness:

- (a) State the field in which the witness is to be offered as an expert;
- (b) Provide complete background information, including the witness's current employer, as well as his or her educational, professional and employment history, and qualifications within the field in which the witness is expected to testify;
- (c) Identify all publications written or presentations presented in whole or in part by the witness, including either a copy of all such publications and presentations or a reference to where such publications and presentations may be publicly obtained;
- (d) Provide the grounds for the opinions to which the witness is expected to testify, and provide a summary of the grounds for each such opinion;
- (e) List and describe any matter in which the witness has testified (through deposition or otherwise) by specifying the name, docket number and forum of each case, the dates of the prior testimony and the subject of the prior testimony, and provide the transcripts of any such testimony;
- (f) Provide the terms of the retention or engagement of each witness including but not limited to the terms of any retention or engagement letters or agreements relating to his/her engagement, testimony, and opinions as well as the compensation to be paid for the testimony and opinions;
- (g) Identify any exhibits to be used as a summary of or support for the testimony or opinions provided by the witness or the Company; and
- (h) Produce copies of all documents, summaries, charts, trade articles, journals, treatises, publications, workpapers, file notes, chart notes, tests, test results, interview notes, and consultation notes provided to, reviewed by, utilized by, relied upon, created by, or produced by any proposed witness in evaluating, reaching conclusions or formulating an opinion in this Docket.

**Response 2-008:**

The Company objects to this request to the extent it attempts to impose on the Company any obligations greater than or in addition to those required by the Tennessee Rules of Civil Procedure and any Scheduling Order issued by the Hearing Officer in this matter. The Company further objects to this request on the grounds that it is overbroad, unduly burdensome. The Company also objects on the grounds that several phrases used in the request are vague, ambiguous, and undefined, such as "complete background information," "work papers," and "file notes." The Company further objects to this request to the extent it seeks communications that are protected by the attorney-client and/or work product privileges. Subject to and without waiving the foregoing objection, the Company does not presently intend to call any external expert witnesses to testify at the hearing. In addition, the Company refers the CPAD to the Company's pre-filed testimony.

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**Data Request 2-009:**

Identify all persons having knowledge of discoverable matters in this Docket.

**Response 2-009:**

The Company objects to this request on the grounds that it is overly broad and unduly burdensome. Identifying separately and individually the individuals who may have knowledge of discoverable matters in this Docket would be unduly burdensome. The Company further objects to this request to the extent it purports to require the disclosure of information or communications protected by the attorney-client and/or work product privileges. Subject to and without waiving the foregoing objections, the Company refers the CPAD to the individuals who provided pre-filed testimony on behalf of the Company in this matter.

Subject to and without waiving the foregoing objections, the Company relies on many employees throughout Kingsport and American Electric Power Service Corporation from multiple departments to manage the Company's operations and provide safe, reliable electric service to its customers.

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**Data Request 2-010:**

Produce copies of all documents referred to or relied upon in responding to these discovery requests and preparing the Company's Petition.

**Response 2-010:**

The Company objects to this request on the grounds that it is overbroad and ambiguous as to the documents and information it seeks. The Company further objects to this request to the extent it seeks documents relied upon by the Company in responding to the CPAD's discovery requests that are protected by the attorney-client and or work-product privilege. Subject to and without waiving its objections, the Company refers the CPAD to the documents referenced in the Company's responses and produced herewith.

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**Data Request 2-011:**

Produce copies of all hearing exhibits that you plan to introduce, use, or reference at the hearing on the merits in this Docket.

**Response 2-011:**

The Company objects to this request to the extent it seeks to impose upon the Company obligations other than those required by the Tennessee Rules of Civil Procedure and any Scheduling Order issued by the Hearing Officer in this matter. Subject to and without waiving its objections, the Company states that it has not determined at this time which exhibits it intends to introduce as evidence at the hearing of this matter. Further answering, the Company refers the CPAD to documents submitted with its Petition, pre-filed testimony, produced in response to data requests, or produced herewith.

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**Data Request 2-012:**

Produce copies of all documents -- including, without limitation, workpapers, spreadsheets, summaries, charts, notes, exhibits, articles, journals, treatises, periodicals, publications, reports, records, statements, Internet web pages, or financial information -- relied upon or otherwise used by any of your witnesses in evaluating, reaching conclusions, or formulating an opinion in this Docket.

**Response 2-012:**

The Company objects to this request on the grounds that it is overbroad and ambiguous as to the documents and information it seeks. The Company further objects to this request to the extent it seeks documents relied upon by the Company witnesses that are protected by the attorney-client and or work-product privilege. Subject to and without waiving its objections, the Company refers the CPAD to the documents submitted with its Petition, pre-filed testimony, produced in response to data requests, or produced herewith.

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**Data Request 2-013:**

Identify all information, documents and things filed in this Docket record, including all responses to discovery, informal and formal, of the Parties and data request from the TPUC Staff, which the Company produced in this Docket and does not agree to stipulate to the authenticity of such information, documents and things in this Docket.

**Response 2-013:**

The Company objects to this request on the grounds that it is overly broad, unduly burdensome, and seeks to impose on the Company obligations greater than or in addition to those imposed by the applicable rules of civil procedure.

Without waiving these objections, the Company states that it is not currently aware of any information, documents, and things that it would not stipulate as to its authenticity.



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**Data Request 2-014:**

For each separate piece of information, documents and things which the Company produced in this Docket and the Company contends is not admissible as evidence describe in specific detail any objection(s) the Company claims as to admissibility into the evidentiary record of that document in this Docket.

**Response 2-014:**

The Company objects to this request on the grounds that it is overly broad, unduly burdensome, and seeks to impose on the Company obligations greater than or in addition to those imposed by the applicable rules of civil procedure.

Without waiving these objections, the Company states that it is not currently aware of any information, documents, and things that would not be admissible as evidence.

**TENNESSEE PUBLIC UTILITY COMMISSION**  
**PETITION OF**  
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**CPAD's Second Set**  
**To Kingsport Power Company**

**Data Request 2-015:**

For each of these discovery requests, identify the person(s) who assisted with answering each of the requests.

**Response 2-015:**

The Company objects to this request on the grounds that it is overly broad and unduly burdensome. Identifying separately and individually the individuals who assisted with each particular request would be unduly burdensome. The Company further objects to this request to the extent it purports to require the disclosure of information or communications protected by the attorney-client and/or work product privileges. Subject to and without waiving the foregoing objections, the Company refers the CPAD to the individuals who provided pre-filed testimony on behalf of the Company in this matter.

Subject to and without waiving the foregoing objections, the Company relies on many employees throughout Kingsport and American Electric Power Service Corporation from multiple departments to respond to each request.

Kingsport Power Corp Consolidated  
 2015 Actuals w/ State Tax Data  
 PowerTax Subledger DIT  
 For the Months of: January - December

M Description		Beg Balance For January	Activity For January - December	End Balance For December
<b>2821001 2821001 Accum Defd FIT-Util Prop</b>				
230A	ACRS BENEFIT NORMALIZED	(\$18,382,034.90)	(\$1,915,576.95)	(\$20,297,611.85)
230A-XS	EXCESS DIT - ACRS NORM REVERSAL	(\$9,316.00)	(\$131.00)	(\$9,447.00)
230I	CAPD INTEREST-SECTION 481(a)-CHANGE IN METHD	\$1,680.70	(\$263.55)	\$1,417.15
230J	RELOCATION CST-SECTION 481(a)-CHANGE IN METHD	(\$8,027.95)	\$1,196.65	(\$6,831.30)
230X	R & D DEDUCTION - SEC 174	(\$437.50)	\$0.00	(\$437.50)
295A	GAIN/LOSS ON ACRS/MACRS PROPERTY	(\$2,110,947.20)	(\$109,951.80)	(\$2,220,899.00)
295A-EFB	EFB - GAIN/LOSS ON ACRS/MACRS PROPERTY	\$715,837.00	\$75,864.00	\$791,701.00
360J	SEC 481 PENS/OPEB ADJUSTMENT	(\$41.50)	\$0.00	(\$41.50)
532A	PERCENT REPAIR ALLOWANCE	(\$1,245,220.05)	\$0.00	(\$1,245,220.05)
532A-EFB	EFB - PERCENT REPAIR ALLOW	\$911,294.00	\$28,835.00	\$940,129.00
534A	CAPITALIZED RELOCATION COSTS	(\$254,808.75)	(\$188,445.25)	(\$443,254.00)
534A-EFB	EFB - CAPITALIZED RELOCATION COSTS	\$24,551.00	\$17,916.00	\$42,467.00
<b>Total For 2821001 2821001 Accum Defd FIT-Util Prop:</b>		<b>(\$20,357,471.15)</b>	<b>(\$2,090,556.90)</b>	<b>(\$22,448,028.05)</b>

Kingsport Power Corp Consolidated  
 2015 Actuals w/ State Tax Data  
 PowerTax Subledger DIT  
 For the Months of: January - December

M Description		Beg Balance For January	Activity For January - December	End Balance For December
<b>2823001 2823001 Acc Def FIT-FAS 109 F/T</b>				
007A	COMPOSITE SFAS 109 PROP A/C 282	(\$2,131,008.50)	\$27,864.55	(\$2,103,143.95)
210A	LIBERALIZED DEPR-REG	\$4,233.95	\$0.00	\$4,233.95
220A	CLS LIFE DEPR (ADR)-REG	\$327,600.00	\$0.00	\$327,600.00
280A	EXCESS TX VS S/L BK DEPR	\$2,888,882.50	\$203,496.30	\$3,092,378.80
295A-EFB	EFB - GAIN/LOSS ON ACRS/MACRS PROPERTY	(\$715,837.00)	(\$75,864.00)	(\$791,701.00)
310A	AOFUDC	(\$1,301.58)	\$0.00	(\$1,301.58)
320A	ABFUDC	(\$56,287.48)	(\$6,100.67)	(\$62,388.15)
380J	INT EXP CAPITALIZED FOR TAX	\$177,508.96	\$29,662.12	\$207,171.08
390A	CIAC - BOOK RECEIPTS	(\$0.01)	\$0.00	(\$0.01)
532A-EFB	EFB - PERCENT REPAIR ALLOW	(\$911,294.00)	(\$28,835.00)	(\$940,129.00)
534A-EFB	EFB - CAPITALIZED RELOCATION COSTS	(\$24,551.00)	(\$17,916.00)	(\$42,467.00)
910K	REMOVAL CST	(\$1,308,838.30)	(\$328,466.95)	(\$1,637,305.25)
<b>Total For 2823001 2823001 Acc Def FIT-FAS 109 F/T:</b>		<b>(\$1,750,892.46)</b>	<b>(\$196,159.65)</b>	<b>(\$1,947,052.11)</b>

Kingsport Power Corp Consolidated  
 2015 Actuals w/ State Tax Data  
 PowerTax Subledger DIT  
 For the Months of: January - December

M Description		Beg Balance For January	Activity For January - December	End Balance For December
<b>2831001 2831001 Accum Deferred FIT-Other</b>				
605C	ACCRUED BK PENSION COSTS - SFAS 158	\$2,391,702.95	(\$182,359.80)	\$2,209,343.15
615R	REG ASSET-DEFERRED RTO COSTS	(\$2,084.36)	\$0.00	(\$2,084.36)
630J	DEFD STORM DAMAGE	(\$713,793.27)	\$186,919.30	(\$526,873.97)
661R	REG ASSET-SFAS 158 - PENSIONS	(\$2,391,702.95)	\$182,359.80	(\$2,209,343.15)
661T	REG ASSET-SFAS 158 - OPEB	\$339,791.16	(\$313,598.96)	\$26,192.20
668B	REG ASSET-RTO DEMAND RESPONSE COSTS	(\$58,683.47)	(\$48,872.75)	(\$107,556.22)
712K	CAPITALIZED SOFTWARE COST-BOOK	(\$337,193.39)	(\$29,595.55)	(\$366,788.94)
906C	DEFD SFAS 106 BOOK COSTS	\$0.35	\$0.00	\$0.35
906Z	SFAS 106 - MEDICARE SUBSIDY - (PPACA)-REG ASSET	(\$106,860.28)	\$10,686.01	(\$96,174.27)
914K	REG ASSET-ACCRUED SFAS 112	(\$59,539.13)	(\$56,642.67)	(\$116,181.80)
<b>Total For 2831001 2831001 Accum Deferred FIT-Other:</b>		<b>(\$938,362.39)</b>	<b>(\$251,104.62)</b>	<b>(\$1,189,467.01)</b>

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 2015 Actuals w/ State Tax Data  
 PowerTax Subledger DIT  
 For the Months of: January - December

M Description		Beg Balance For January	Activity For January - December	End Balance For December
<b>2833001 2833001 Acc Defd FIT-FAS 109 F/T</b>				
007A	COMPOSITE SFAS 109 PROP A/C 282	(\$1,147,466.11)	\$15,003.98	(\$1,132,462.13)
210A	LIBERALIZED DEPR-REG	\$2,279.82	\$0.00	\$2,279.82
220A	CLS LIFE DEPR (ADR)-REG	\$176,400.00	\$0.00	\$176,400.00
280A	EXCESS TX VS S/L BK DEPR	\$1,555,552.12	\$109,574.92	\$1,665,127.04
295A-EFB	EFB - GAIN/LOSS ON ACRS/MACRS PROPERTY	(\$385,450.70)	(\$40,849.84)	(\$426,300.54)
310A	AOFUDC	(\$700.85)	\$0.00	(\$700.85)
320A	ABFUDC	(\$30,308.64)	(\$3,284.98)	(\$33,593.62)
380J	INT EXP CAPITALIZED FOR TAX	\$95,581.75	\$15,971.90	\$111,553.65
390A	CIAC - BOOK RECEIPTS	(\$0.01)	\$0.00	(\$0.01)
520A	PROVS POSS REV REFDS-A/L	(\$0.01)	\$0.00	(\$0.01)
532A-EFB	EFB - PERCENT REPAIR ALLOW	(\$490,696.77)	(\$15,526.54)	(\$506,223.31)
534A-EFB	EFB - CAPITALIZED RELOCATION COSTS	(\$13,219.77)	(\$9,647.08)	(\$22,866.85)
602A	PROV WORKER'S COMP	\$13,659.79	\$15,279.04	\$28,938.83
605B	ACCRUED BK PENSION EXPENSE	(\$0.01)	\$0.00	(\$0.01)
605J	EMPLOYER SAVINGS PLAN MATCH	(\$0.01)	\$0.00	(\$0.01)
610A	BK PROV UNCOLL ACCTS - ST	(\$0.15)	\$0.00	(\$0.15)
613E	ACCRUED BOOK VACATION PAY	(\$0.01)	\$0.00	(\$0.01)
630J	DEFD STORM DAMAGE	(\$0.01)	(\$0.01)	(\$0.02)
641I	ADVANCE RENTAL INC (CUR MO)	\$0.02	\$0.00	\$0.02
712K	CAPITALIZED SOFTWARE COST-BOOK	\$0.04	\$0.00	\$0.04
906A	ACCRD SFAS 106 PST RETIRE EXP	(\$0.01)	\$0.01	\$0.00
906K	ACCRD SFAS 112 PST EMPLOY BEN	\$0.03	\$0.00	\$0.03
906Z	SFAS 106 - MEDICARE SUBSIDY - (PPACA)-REG ASSET	\$0.00	\$0.01	\$0.01
907A	REG ASSET-MEDICARE SUBSIDY-FLOW-THRU-(PPACA)	(\$16.77)	\$0.00	(\$16.77)
910K	REMOVAL CST	(\$704,759.09)	(\$176,866.81)	(\$881,625.90)
914A	SFAS 109 - DEFD SIT LIABILITY	\$557,570.63	\$35,484.28	\$593,054.91
914B	REG ASSET-SFAS 109 DSIT LIAB	(\$1,625,681.93)	(\$68,760.68)	(\$1,694,442.61)
914K	REG ASSET-ACCRUED SFAS 112	(\$0.08)	\$0.00	(\$0.08)
<b>Total For 2833001 2833001 Acc Defd FIT-FAS 109 F/T:</b>		<b>(\$1,997,256.73)</b>	<b>(\$123,621.80)</b>	<b>(\$2,120,878.53)</b>

Kingsport Power Corp Consolidated  
2015 Actuals w/ State Tax Data  
PowerTax Subledger DIT  
For the Months of: January - December

M Description	Beg Balance For January	Activity For January - December	End Balance For December
2833002 2833002 Acc Defd SIT-FAS 109 F/T			
914A-DSIT                      DSIT ENTRY-FLOW-THROUGH	(\$3,019,124.00)	(\$127,698.00)	(\$3,146,822.00)
Total For 2833002 2833002 Acc Defd SIT-FAS 109 F/T:	(\$3,019,124.00)	(\$127,698.00)	(\$3,146,822.00)



Kingsport Power Corp Consolidated  
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M Description		Beg Balance For January	Activity For January - December	End Balance For December
<b>1901001 1901001 Accum Deferred FIT-Other</b>				
011C-DFIT	TAX CREDIT C/F - DEF TAX ASSET	\$0.00	(\$2,501.00)	(\$2,501.00)
011C-MJE	TAX CREDIT C/F - DEF TAX ASSET- MJE	\$26,359.00	\$0.00	\$26,359.00
390A	CIAC - BOOK RECEIPTS	\$344,288.17	\$89,363.44	\$433,651.61
520A	PROVS POSS REV REFDS-A/L	\$0.01	\$0.00	\$0.01
605B	ACCRUED BK PENSION EXPENSE	(\$1,403,241.44)	\$64,816.03	(\$1,338,425.41)
605J	EMPLOYER SAVINGS PLAN MATCH	\$0.36	\$0.00	\$0.36
612Y	ACCRD COMPANYWIDE INCENTV PLAN	\$110,086.45	\$32,450.18	\$142,536.63
613E	ACCRUED BOOK VACATION PAY	\$75,461.05	(\$12,312.14)	\$63,148.91
615B	ACCRUED INTEREST-LONG-TERM - FIN 48	(\$12,493.25)	\$0.00	(\$12,493.25)
615B-MJE	ACCRD INTRST-TAX RES-L/T-FIN 48-MJE	\$12,324.00	\$0.00	\$12,324.00
615E	ACCRUED STATE INCOME TAX EXP	(\$27,866.12)	\$0.00	(\$27,866.12)
615Q	ACCRUED RTO CARRYING CHARGES	\$7,780.84	\$0.00	\$7,780.84
641I	ADVANCE RENTAL INC (CUR MO)	\$34,300.48	(\$5,094.44)	\$29,206.04
711N	CAPITALIZED SOFTWARE COSTS-TAX	(\$28.43)	(\$359.80)	(\$388.23)
711O	BOOK LEASES CAPITALIZED FOR TAX	(\$53,121.60)	\$13,830.25	(\$39,291.35)
906A	ACCRD SFAS 106 PST RETIRE EXP	(\$98,805.47)	(\$105,130.47)	(\$203,935.94)
906D	SFAS 106 PST RETIRE EXP - NON-DEDUCT CONT	\$187,246.50	\$0.00	\$187,246.50
906F	ACCRD OPEB COSTS - SFAS 158	(\$339,791.16)	\$313,598.96	(\$26,192.20)
906K	ACCRD SFAS 112 PST EMPLOY BEN	\$59,539.77	\$56,642.67	\$116,182.44
911V	ACCRD SIT TX RESERVE-LNG-TERM-FIN 48	(\$16,968.70)	\$0.00	(\$16,968.70)
911V-MJE	ACCRD SIT TX RES-LNG-TERM-FIN 48-MJE	\$15,926.00	\$0.00	\$15,926.00
940A	1977-1980 IRS AUDIT SETTLEMENT	\$0.86	(\$0.91)	(\$0.05)
960E	AMT CREDIT - DEFERRED	\$13,236.00	\$0.00	\$13,236.00
<b>Total For 1901001 1901001 Accum Deferred FIT-Other:</b>		<b>(\$1,065,766.68)</b>	<b>\$445,302.77</b>	<b>(\$620,463.91)</b>

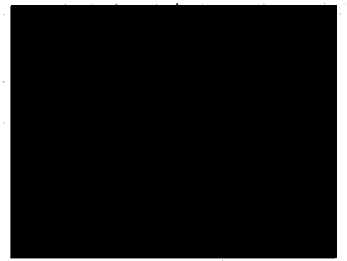


Kingsport Power Corp Consolidated  
 2015 Actuals w/ State Tax Data  
 PowerTax Subledger DIT  
 For the Months of: January - December

M Description		Beg Balance For January	Activity For January - December	End Balance For December
1902001 1902001 Accum Deferred FIT-Oth I&D				
913D	CHARITABLE CONTRIBUTION CARRYFRWD	\$50,367.89	(\$3,831.80)	\$46,536.09
913F	VALUATION ALLOWANCE-CHARIT CONT CFD	\$0.00	(\$13,200.60)	(\$13,200.60)
Total For 1902001 1902001 Accum Deferred FIT-Oth I&D:		\$50,367.89	(\$17,032.40)	\$33,335.49

Kingsport Power Corp Consolidated  
 2015 Actuals w/ State Tax Data  
 PowerTax Subledger DIT  
 For the Months of: January - December

M Description		Beg Balance For January	Activity For January - December	End Balance For December
<b>1903001 1903001 Acc DFIT-FAS 109 Flow-Thru</b>				
012K	SEC ALLOC-ITC-10%-46F1	\$2,090.85	(\$1,848.54)	\$242.31
520A	PROVS POSS REV REFDS-A/L	(\$0.01)	\$0.00	(\$0.01)
602A	PROV WORKER'S COMP	\$25,368.18	\$28,375.36	\$53,743.54
605B	ACCRUED BK PENSION EXPENSE	(\$0.01)	\$0.00	(\$0.01)
605J	EMPLOYER SAVINGS PLAN MATCH	(\$0.01)	\$0.00	(\$0.01)
610A	BK PROV UNCOLL ACCTS - ST	(\$0.28)	\$0.00	(\$0.28)
613E	ACCRUED BOOK VACATION PAY	(\$0.02)	\$0.00	(\$0.02)
641I	ADVANCE RENTAL INC (CUR MO)	\$0.04	\$0.00	\$0.04
710F	TAX DEFL/AMORT - FACILITY AGREEMENT FEE	\$0.01	\$0.00	\$0.01
711N	CAPITALIZED SOFTWARE COSTS-TAX	\$0.01	\$0.00	\$0.01
906A	ACCRD SFAS 106 PST RETIRE EXP	(\$0.01)	\$0.00	(\$0.01)
906K	ACCRD SFAS 112 PST EMPLOY BEN	\$0.05	\$0.00	\$0.05
907A	REG ASSET-MEDICARE SUBSIDY-FLOW-THRU-(PPACA)	(\$31.15)	\$0.00	(\$31.15)
914A	SFAS 109 - DEFD SIT LIABILITY	\$1,068,112.29	\$33,275.41	\$1,101,387.70
<b>Total For 1903001 1903001 Acc DFIT-FAS 109 Flow-Thru:</b>		<u>\$1,095,539.94</u>	<u>\$59,802.23</u>	<u>\$1,155,342.17</u>



**GENERAL TERMS AND CONDITIONS FOR  
LABOR AND SERVICES**



**SERVICE SCHEDULE  
(AEP East & West)**

