

**HUNTER·SMITH·DAVIS**  
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[www.hsdlaw.com](http://www.hsdlaw.com)

KPOW.97760

February 21, 2020

**VIA EMAIL ([tpuc.docketroom@tn.gov](mailto:tpuc.docketroom@tn.gov)) & FEDEX**

Robin Morrison, Chair  
c/o Ectory Lawless, Dockets & Records Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4th Floor  
Nashville, TN 37243

Re: IN RE: PETITION OF KINGSFORT POWER  
COMPANY d/b/a AEP APPALACHIAN POWER  
FOR OCTOBER, 2018 – SEPTEMBER, 2019  
ANNUAL RECOVERY UNDER THE  
TARGETED RELIABILITY PLAN AND MAJOR  
STORM RIDER (“TRP&MS”), ALTERNATIVE  
RATE MECHANISMS APPROVED IN DOCKET  
NO. 17-00032  
DOCKET NO.: 19-00106

Dear Chair Morrison:

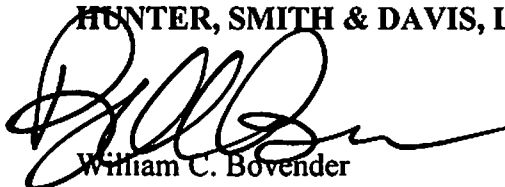
On behalf of Kingsport Power Company d/b/a AEP Appalachian Power, we transmit herewith the following:

Letter dated February 21, 2020 regarding Kingsport Power Company’s Rebuttal Testimony

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

Very sincerely yours,

HUNTER, SMITH & DAVIS, LLP



William C. Bovender

Enclosure: As stated

cc: Karen H. Stachowski, Assistant Attorney General *Via U.S. Mail and Email:*  
Karen.Stachowski@ag.tn.gov  
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Dear Chair Morrison:

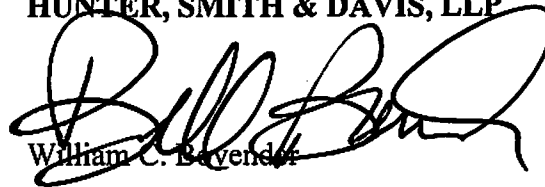
Kingsport Power Company has reviewed the direct testimony of David N. Dittmore, filed in this docket by the Consumer Advocate Unit in the Financial Division of the Tennessee Attorney General’s Office (Consumer Advocate) on February 11, 2020. While that testimony made three recommendations related to the Company’s next Targeted Reliability Program and Major Storm (TRP & MS) rider proceeding, it finds KgPCo’s underlying TRP & MS calculations to be reasonable and does not propose any adjustments to the Company’s proposed revenue requirement or tariff rider rates.

The Company is filing this letter in lieu of rebuttal testimony. KgPCo does not object to the Consumer Advocate’s recommendation that the Tennessee Public Utility Commission (TPUC or Commission) continue to monitor the Company’s performance metrics. Nor does it object to

addressing the issues related to Accumulated Deferred Income Taxes and depreciation expense raised by the Consumer Advocate, in the Company's next TRP & MS case, with the understanding that it reserves the right both to explain why any adjustment related to these items is inappropriate, and to contest any disallowance related to such items recommended by the Consumer Advocate. In this regard, the Company intends to work with the Consumer Advocate, prior to KgPCo's next TRP & MS case, to attempt to resolve issues surrounding these items, including definitions or methodologies.

Very sincerely yours,

HUNTER, SMITH & DAVIS, LLP



William C. Bayender

Enclosure: As stated

cc: Karen H. Stachowski, Assist. Attorney General

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