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March 2, 2022

KPOW-10311

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

Dr. Kenneth C. Hill, Chairman  
c/o Ectory Lawless, Dockets & Records Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4th Floor  
Nashville, TN 37243

Electronically Filed in TPUC Docket  
Room on March 2, 2022 at 4:13 p.m.

Re: IN RE: PETITION OF KINGSFORT POWER  
COMPANY d/b/a AEP APPALACHIAN POWER  
FOR A GENERAL RATE CASE  
DOCKET NO.: 21-00107

Dear Chairman Hill:

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

1. The Public version of Kingsport Power Company's and Confidential Responses to CAD's Third Discovery Requests. The original and four copies of the Public version are being sent by overnight delivery. Additionally, the Public version will be made available in electronic format via the iManage System.
2. The full version of Kingsport Power Company's Confidential Response to CAD's Third Discovery Requests which includes information and documents designated CONFIDENTIAL pursuant to the Protective Order entered in this matter. The CONFIDENTIAL version of Kingsport's Responses are being sent by separate overnight delivery to the TPUC and the Consumer Advocate. The CONFIDENTIAL version is also available to the Consumer Advocate in native electronic format via the iManage System.

Please see the Public version is filed, and that the CONFIDENTIAL version is filed and treated as confidential pursuant to the Protective Order.

Should you have any questions, please do not hesitate to contact the undersigned.  
Very sincerely yours,

**HUNTER, SMITH & DAVIS, LLP**

  
William C. Bovender

Enclosure: As stated

cc: Kelly Grams, General Counsel (w/enc.)	<i>Via US Mail and Email: Kelly.Grams@tn.gov</i>
David Foster (w/enc.)	<i>Via US Mail and Email: david.foster@tn.gov</i>
Monica L. Smith-Ashford, Esq. (w/enc.)	<i>Via US Mail and Email: monica.smith-ashford@tn.gov</i>
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**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION**  
**NASHVILLE, TENNESSEE**

IN RE:

DOCKET NO.: 21-00107

PETITION OF KINGSPORT POWER  
COMPANY d/b/a AEP APPALACHIAN  
POWER GENERAL RATE CASE

**RESPONSES OF KINGSPORT POWER COMPANY**  
**TO THIRD DISCOVERY REQUESTS BY**  
**THE CONSUMER ADVOCATE**

Comes Petitioner, Kingsport Power Company d/b/a AEP Appalachian Power (“Company” or “KgPCo”), pursuant to the Rules & Regulations of the Tennessee Public Utility Commission (“TPUC”) and the Tennessee Rules of Civil Procedure, and hereby submits its responses to Consumer Advocate Division (“CAD”) Third Set Discovery Requests; subject to general objections set forth herein below or any objections to individual requests as contained in said responses.

**GENERAL STATEMENTS AND OBJECTIONS**

The responses set forth herein constitute the best information presently available to KgPCo. The answers set forth herein are provided without prejudice to KgPCo’s right to timely amend, supplement, or change said answers if and when additional, different, or more accurate information becomes available, including the review of documents produced by intervenors. Moreover, said responses are subject to correction for inadvertent errors or omissions, if any such errors or omissions are later found to exist.

By responding to CAD’s discovery requests, KgPCo does not waive any objections that may be appropriate to the use, for any purpose, by any party, of any of the information contained

in the responses set forth herein or to the admissibility, relevancy, or materiality of such information as to any issue in this case.

The following General Objections apply to each of KgPCo's responses. Specific objections provided in response to any request are made without waiver of or prejudice to any General Objection.

1. KgPCo objects to CAD's requests to the extent they seek to impose on KgPCo any obligations or responsibilities beyond those required by TPUC's Rules & Regulations, the Tennessee Rules of Civil Procedure, and/or the controlling Procedural Scheduled entered in this matter.

2. KgPCo objects to CAD's requests to the extent they seek information protected by the attorney-client privilege, the work product doctrine, and/or any other applicable privilege or immunity (collectively referred to as "privileged" documents or information). Nothing contained in these responses is intended to be, or in any way constitutes, a waiver of any such applicable privilege or immunity.

3. An objection to a request based on privilege should not be construed as a representation that responsive information or documents exists or existed and is being withheld based upon the asserted privilege. Such an objection indicates only that the request is of such a scope as to potentially embrace privileged information or documents.

4. To the extent KgPCo responds to a discovery request to which it has objected, KgPCo reserves the right to maintain such objection with respect to any additional information responsive to such discovery request and such objections are not waived by the furnishing of such additional information.

5. KgPCo objects to CAD's requests to the extent they seek information that is neither relevant to the issues in the case nor proportional to the needs of the case. KgPCo also objects to CAD's requests to the extent they are overly broad.

6. KgPCo objects to CAD's requests that contain terms or phrases that are vague, ambiguous, and undefined; call for speculation, conjecture or opinion; or are based on the assumption of facts not in evidence. Likewise, KgPCo's response to any particular interrogatory in no way constitutes acquiescence or agreement to any definition, characterization, or meaning proposed by CAD

7. All responses and any production of documents by KgPCo in response to CAD's requests are made based on KgPCo's current knowledge and without waiver of any general or specific objections. KgPCo reserves the right to revise, modify, supplement and/or amend its responses, for form or substance.

Subject to said GENERAL OBJECTIONS and any specific objections made to individual requests as contained in these or upcoming responses, KgPCo responds to CAD's Third Discovery Request as follows.



Kingsport Power Company d/b/a Appalachian  
Power Company

By: William K. Castle  
William K. Castle

Title: Director, Regulatory Services VA/TN

COMMONWEALTH OF VIRGINIA)

CITY OF RICHMOND )

**WILLIAM K. CASTLE**, being first duly sworn upon oath, deposes and says that he is the Director, Regulatory Services VA/TN for Kingsport Power Company d/b/a AEP Appalachian Power, the Petitioner in the above-entitled action, and that he is authorized to make this Affidavit on its behalf; that he has read the foregoing Responses to Discovery Requests, by him subscribed and knows the contents thereof; that there is no single person employed by or otherwise connected with Kingsport Power Company d/b/a AEP Appalachian Power, who has personal knowledge of all the facts and information requested herein; that said Responses were prepared with the assistance and advice of counsel and the assistance of various employees and representatives of the corporation upon which he has relied; that the Responses to Discovery Requests, set forth herein, subject to inadvertent or undiscovered errors, are based on, and therefore necessarily limited by, the records and information still in existence, presently recollected and thus far discovered in the course of the preparation of these Responses; that the foregoing Responses to Discovery Requests are thus based upon corporate knowledge and are true and correct to the best of his knowledge and belief; that consequently, Kingsport Power Company d/b/a AEP Appalachian Power reserves the right to make any changes in the Responses if it appears at any time that omissions or errors have been made therein or that more accurate information is available; and that subject to the limitations set forth herein, the said Responses are true to the best of his knowledge, information and belief.

William K. Castle

WILLIAM K. CASTLE

Sworn to and subscribed before me, this the 18<sup>th</sup> of January, 2022.

Catharine Meriwether Broadus

Notary Public

My Commission Expires: Sept. 30, 2025  
Notary Registration No.: 7759549



## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and exact copy of the foregoing **CONFIDENTIAL RESPONSES OF KINGSPORT POWER COMPANY TO THE THIRD DISCOVERY REQUESTS BY THE CONSUMER ADVOCATE DIVISION** has been served upon the following by emailing a true and accurate copy on this the 2<sup>nd</sup> day of March, 2022:

VANCE L. BROEMEL (BPR #011421)  
Senior Assistant Attorney General  
RACHEL C. BOWEN (BPR #039091)  
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HUNTER, SMITH & DAVIS, LLP



William C. Bovender

**TENNESSEE PUBLIC UTILITY COMMISSION**  
**PETITION OF**  
**Kingsport Power Company**  
**DOCKET NO. TPUC 21-00107 Rate Case Discovery**  
**Data Requests and Requests for the Production**  
**of Documents by the CONSUMER ADVOCATE DIVISION**  
**CA Set 3**  
**To Kingsport Power Company**

**Data Request CA 3-01:**

Refer to the Company's response to Consumer Advocate DR No. 2-39. Provide the Company's justification for changing their allocation methodology for liability insurance from a payroll/employee basis to a revenue basis. Additionally, provide examples of injuries and damages costs and how these costs were driven by revenues rather than employees.

**Response CA 3-01:**

Liability insurance provides coverage for bodily injuries and property damages for which the AEP companies, including KgPCo. may be legally liable. The amounts for liability insurance in Account 925 consist of insurance premiums to the various insurance providers. As this insurance provides coverage against damage or injury to the public, it was determined that revenues more accurately reflect the relative liability exposures of the AEP companies, including KgPCo. as opposed to payroll or number of employees.

Note that the total KgPCo Account 925 expenses before allocation to the Distribution function have increased 11% over the five and one-half years or 2% per year from the 2015 historical test year amount of \$251,090 used to develop rates in the Company's prior base rate case to the June 30, 2021 test year level of \$279,871 in this current proceeding. This change in Account 925 since the last base case reflects reductions in Workers' Compensation expense that largely offset increases in Injuries and Damages expense.



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**Data Request CA 3-02:**

Refer to the Company's response to Consumer Advocate DR No. 2-41. Provide support and justification that demonstrates that these costs were necessary in the provision of utility service. Additionally, provide the title(s) of the employee(s) these costs relate to along with the gross amounts of payments per employee. Finally, provide a detailed statement on how Kingsport benefited from such payments.

**Response CA 3-02:**

It has long been customary for most employers to provide severance benefits to employees whose employment is terminated due to consolidations, restructurings and downsizings. For example, the State of Tennessee provides severance benefits to its employees under such circumstances. The provision of severance benefits reduces resistance to such changes and thereby makes it more likely that the need for such reductions in force will be timely identified and more likely to timely occur. This benefits customers by realizing the financial benefits of such consolidations, restructurings and downsizings sooner and to a greater degree than would otherwise be the case, which more than offsets the severance costs. The Company's severance benefits also reduce the legal and financial risk associated with such reductions in force because the provision of such benefits is predicated on the severed employee's releasing of all claims against the Company that can legally be released, aside from retirement, severance and health benefits to which they otherwise would be entitled. The need for severance benefits and the benefits customers derive from such severances are higher for executive positions because of the higher potential risk and lost compensation opportunity associated with such positions as well as the fact that executives may be in a position of taking actions that lead to the elimination of their own positions. Finally, the provision of severance benefits also helps the company attract and retain employees for positions that have a potential or known limited duration, which is particularly important to support older technologies, facilities reaching the end of their expected life span and projects with limited durations.

Substantially all of the severance costs charged to Kingsport in the test year was related to the elimination of the following positions: Executive Vice President & Chief Administrative Officer (gross accrual of \$1,606,875), the Executive Vice President of Transmission (gross accrual of \$1,503,165), and the Executive Vice President of Strategy (gross accrual of \$1,259,000).

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**Data Request CA 3-03:**

Refer to the Company's response to MFR 5a regarding the Company's current tariff. Specifically refer to Page 51 of 57 of the current tariff that provides the monthly rate charges for Standby Service. Provide the monthly billing determinants for this service segregated by tariff and service voltage, from January 2018 through June 2021.

**Response CA 3-03:**

Please see CA 3-3 Attachment 1 for billing details regarding the two customers who take back-up service from the Company. Customer 1 did not begin taking back-up service until May 2019. Both customers are served on tariff 324 IP Transmission; therefore, they have no base revenue associated with back-up and maintenance service since the base rates for such service are \$0 at the transmission voltage level. They do incur back-up and maintenance service charges through the FPPAR as provided in CA 3-3 Attachment 1. Neither customer took maintenance service during this time.

[illegible]

[illegible]

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**Data Request CA 3-04:**

Refer to the Company's response to MFR 5a regarding the Company's current tariff. Specifically refer to Page 52 of 57 of the current tariff that provides the monthly maintenance rate charges for Standby Service. Provide the monthly billing determinants for this service segregated by tariff, from January 2018 through June 2021.

**Response CA 3-04:**

Please see the response in CA 3-3.



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**Data Request CA 3-05:**

Refer to the Company's response to MFR 5a regarding the Company's current tariff. Specifically refer to Page 55 of 57 of the current tariff that provides the rate charges for Alternative Feed Service. Provide the monthly billing determinants for this service (including inspection fees and capacity reservation demand charges), from January 2018 through June 2021.

**Response CA 3-05:**

Please see CA 3-5 Attachment 1 for the requested information regarding customers who pay capacity reservation charges under Rider AFS. Additionally customers served via a Company-owned transfer switch under rider AFS are subject to a monthly transfer switch inspection fee of \$14.69.

[illegible]

[illegible]

**TENNESSEE PUBLIC UTILITY COMMISSION  
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**Data Request CA 3-06:**

Refer to (CA\_1-51\_Attachment\_1) of the Company's response to Consumer Advocate DR No. 1-51 regarding billing determinants. Specifically refer to tariff code "324-Industrial Power – Transmission" on the "Off-Peak kWh" tab of this spreadsheet. Unlike the typical entries, the amounts for this rate schedule appear to be negative. For example, the Off-Peak kWh for Rate Schedule 324 is -5,481,328 for July 2021. Provide a narrative explanation for the cause of the negative amounts included here along with what tariff rate (if any) is applied to this off-peak usage.

**Response CA 3-06:**

No tariff rates are applied to this record of off-peak usage. Negative entries for off-peak kWh can occur when bill revisions are entered into the system of record.

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**Data Request CA 3-07:**

Refer to (CA\_1-51\_Attachment\_1) of the Company's response to Consumer Advocate DR No. 1-51 regarding billing determinants. Specifically refer to tariff code "324-Industrial Power – Transmission" on the "Metered kWh" tab of this spreadsheet. Provide a narrative explanation for the cause for the large increases in usage on this Rate Schedule for the following months:

Month	KWH Usage
February 2020	106,705,136
October 2019	103,649,201
March 2019	104,904,962

**Response CA 3-07:**

Depending on the timing required to complete manual bill calculations, the actual monthly bill could be recorded a month late resulting in no bills in one month and two bills in a following month. This is also evident on tab "Customer Count" for tariff 324 IP Tran where some months capture 4 customers exactly, and others, like Feb 2020, October 2019 and March 2019 capture more than 4 customers while the adjacent months capture less.



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**Data Request CA 3-08:**

Refer to (CA\_1-51\_Attachment\_1) of the Company's response to Consumer Advocate DR No. 1-51 regarding billing determinants. Specifically refer to tariff code "324-Industrial Power – Transmission" on the "Metered kWh" tab of this spreadsheet. It appears that there has been a significant loss of load on this rate schedule. For example, the total usage for the twelve months ended June 2018 was 847 million kWh, but this load has shrunk to only 535 million kWh for the test period. Provide a narrative explanation for the cause of this usage reduction.

**Response CA 3-08:**

Please see the testimony of Witness Katharine Walsh at page 5 and KIW Workpaper 3 – Confidential Workpaper – Specific Customer Adjustment Tariff 324, particularly tab "Cust Summary" for further details regarding the significant loss of load due to one IP Tran customer.

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**Data Request CA 3-09:**

Refer to the Company's response to MFR 5a regarding the Company's current tariff. Specifically refer to Page 31 of 57 of current tariff that provides the monthly rate charges for the Electric Heating General Rate Schedule. Identify the distinguishing characteristics between tariff codes 208 and 209 for this Rate Schedule.

**Response CA 3-09:**

As further described in the tariff, but not identified specifically by tariff code, please see the following descriptions for service under tariff codes 208 and 209.

208: This tariff is available only at premises where at least 50 percent of the electrical load is located inside of buildings which are electrically heated.

209: When church buildings are electrically heated and are served through a separate meter and billed separately, the above energy rate applies, but there shall be no demand charge.

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**Data Request CA 3-10:**

Refer to the tariff summary provided in response to MFR 13. Specifically refer to the information provided for OL customers, for which the Company's tariff provides an additional charge of \$1.40 per month for spans over 150 feet. Provide a breakdown of the monthly number of spans that are subject to this charge from December 2015 through June 2021 in the same format as the Company's response to Consumer Advocate DR No. 2-15 in TRA Docket No. 16-00001.

**Response CA 3-10:**

Please see the response and attachment provided in CA 2-30.

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**Data Request CA 3-11:**

Refer to the (KgPCo Exhibit No. 1 (KIW) Revenue Proof) spreadsheet included with the Company's filing. Specifically refer to the "SL" tab of this spreadsheet and provide the following information: a. Provide the source and support for the "Current Billing Units (Lamps)" contained in Column C that total to 126,921 and appear as unreferenced hard-coded numbers. b. Provide the source and support for the "Year-End Customer and Weather Adjusted Billing Units" contained in Column L that total to 127,0321 and appear as unreferenced hard-coded numbers. c. Provide the source and support for the "Current Rate" contained in Column D of this spreadsheet. Specifically, we are having difficulty precisely tying all of the rates contained in this spreadsheet with the Street Lighting contracts contained in response to Consumer Advocate DR No. 1-60. For example, the current rate used in the Company's spreadsheet shows \$8.43 in Cell D18 for the 200 Watt, 22,000 Lumens service on existing poles. However, we are unable to locate this rate on either the City of Kingsport or the Town of Mount Carmel contracts. Reconcile all of the Outdoor Lighting rates used in the Company's spreadsheet with the contract rates. d. Confirm whether or not the existing City of Kingsport or the Town of Mount Carmel contracts represent "all in" contracts that include the wholesale cost of power and other riders that are typically charged separately. If these contracts do not include wholesale costs, then provide an explanation of how that cost is charged to these customers. e. Explain why the Company has not included the impact of a prompt payment discount to SL customers in the going level revenue calculation, even though a provision for a prompt payment discount appears in the Company's proposed SL tariff in MFR 5b. f. Confirm whether or not the costs billed to City of Kingsport or the Town of Mount Carmel currently include surcharges for the FPPAR, TRP&MS Rider or the Tax Rider.

**Response CA 3-11:**

- a) Please see CA 3-11 Attachment 1 for the requested information.
- b) Please see CA 3-11 Attachment 1 for the requested information.
- c) Please see Confidential Attachment CA 1-62 Attachment 2 in order to reconcile the rates. The contract detail provided in 1-60 did not include the latest rates.
- d) Confirmed. These are "all-in" contracts.
- e) The current contract does not include a prompt pay discount. The Company has proposed to serve the street lighting customers under the retail tariff, and as such, they will be offered the same prompt pay discount as all other retail customers.
- f) The contracts are "all-in" and do not currently have an explicit base versus rider rate separation. FPPAR, TRP&MS and tax rider filings consistently allocate a share of costs to the SL class. This ensures that other customers are not paying SL rider-related costs. Since the total SL rate is fixed, the effect of a rider rate change is that the implicit base rates for street lights change in an equal and opposite amount. Including the street light customers in the retail tariff going forward will provide an avenue to set rider rates similar to other retail customers.

	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>	<u>Total</u>
Calculated kWh	540,169	613,190	678,149	789,837	836,298	903,206	886,545	746,273	745,911	631,675	563,648	506,385	8,441,286
Calculated \$	129,626.41	129,618.62	129,651.15	129,646.77	129,571.41	129,588.43	129,667.12	129,699.67	129,761.77	129,795.83	129,838.18	129,820.75	1,556,286.11
T.S. kWh	540,169	613,190	678,149	789,837	836,298	903,206	886,545	746,273	745,911	631,675	563,648	506,385	8,441,286
kWh Difference	-	-	-	-	-	-	(0)	-	-	-	-	(0)	-
YEC kWh	540,894	613,881	678,935	790,624	837,065	904,266	888,421	746,276	746,276	632,483	563,476	506,323	8,448,920
Original Calc kWh	540,257	613,121	678,218	789,768	835,423	902,644	887,580	745,755	746,078	632,497	563,689	506,290	8,441,320
Book to Bill Ratio	0.99984	1.00011	0.99990	1.00009	1.00105	1.00062	0.99883	1.00070	0.99978	0.99870	0.99993	1.00019	1.00000

Row Labels	Lumens	Prices	Perbooks	YEC	Perbooks	YEC	Values	YEC Adj
			Sum of Lamps	Sum of Lamps3	Fixture \$	Fixture \$		
MV	7000	7.62		1368	1368 \$	10,424.16	\$	10,424.16
MV	7000	12.69		312	312 \$	3,959.28	\$	3,959.28
MV	20000	12.85		144	144 \$	1,850.40	\$	1,850.40
MV	20000	17.91		24	24 \$	429.84	\$	429.84
MV	20000	22.99		156	156 \$	3,586.44	\$	3,586.44
SV	9500	3.2		104.09375	108 \$	333.10	\$	345.60
SV	9500	5.22		4524	4524 \$	23,615.28	\$	23,615.28
SV	9500	5.65		27945.06372	27936 \$	157,889.61	\$	157,838.40
SV	9500	6.75		60	60 \$	405.00	\$	405.00
SV	9500	6.79		1104	1104 \$	7,496.16	\$	7,496.16
SV	9500	7.34		15903.40463	15900 \$	116,730.99	\$	116,706.00
SV	9500	10.71		13500	13500 \$	144,585.00	\$	144,585.00
SV	9500	12.71		72	72 \$	915.12	\$	915.12
SV	9500	13.93		9198.466619	9192 \$	128,134.64	\$	128,044.56
SV	9500	15.79		132	132 \$	2,084.28	\$	2,084.28
SV	9500	16.54		156	156 \$	2,580.24	\$	2,580.24
SV	16000	6.6		3251.033333	3252 \$	21,456.82	\$	21,463.20
SV	16000	8.58		5990.432401	6000 \$	51,397.91	\$	51,480.00
SV	16000	11.53		324	324 \$	3,735.72	\$	3,735.72
SV	16000	11.66		1343.367067	1344 \$	15,663.66	\$	15,671.04
SV	16000	13.58		9232.033137	9348 \$	125,371.01	\$	126,945.84
SV	16000	15.17		1068	1068 \$	16,201.56	\$	16,201.56
SV	16000	23.44		468	468 \$	10,969.92	\$	10,969.92
SV	22000	6.39		408	408 \$	2,607.12	\$	2,607.12
SV	22000	8.43		6552.266904	6564 \$	55,235.61	\$	55,334.52
SV	22000	10.96		1464	1464 \$	16,045.44	\$	16,045.44
SV	22000	13.49		780	780 \$	10,522.20	\$	10,522.20
SV	22000	17.55		360	360 \$	6,318.00	\$	6,318.00
SV	22000	18.57		12	12 \$	222.84	\$	222.84
SV	22000	45.26		84	84 \$	3,801.84	\$	3,801.84
SV	28000	9.33		1406.533762	1380 \$	13,122.96	\$	12,875.40
SV	28000	12.12		1176	1176 \$	14,253.12	\$	14,253.12
SV	28000	14.39		276	276 \$	3,971.64	\$	3,971.64
SV	28000	18.71		84	84 \$	1,571.64	\$	1,571.64
SV	28000	19.47		1920	1920 \$	37,382.40	\$	37,382.40
SV	28000	25.31		204	204 \$	5,163.24	\$	5,163.24
SV	28000	25.81		1783.066641	1788 \$	46,020.95	\$	46,148.28
SV	28000	26.17		60	60 \$	1,570.20	\$	1,570.20
SV	28000	35.22		660	660 \$	23,245.20	\$	23,245.20
SV	28000	35.71		252	252 \$	8,998.92	\$	8,998.92
SV	28000	46.42		1800	1800 \$	83,556.00	\$	83,556.00
SV	50000	12.73		2436	2436 \$	31,010.28	\$	31,010.28
SV	50000	16.55		771.9667674	780 \$	12,776.05	\$	12,909.00
SV	50000	17.8		504	504 \$	8,971.20	\$	8,971.20
SV	50000	22.87		1032	1032 \$	23,601.84	\$	23,601.84
SV	50000	29.74		516	516 \$	15,345.84	\$	15,345.84
SV	50000	39.12		1416	1416 \$	55,393.92	\$	55,393.92
SV	50000	39.65		204	204 \$	8,088.60	\$	8,088.60
SV	50000	50.85		2508	2508 \$	127,531.80	\$	127,531.80
SV	50000	23.14		60	60 \$	1,388.40	\$	1,388.40
SV	140000	24.46		1152	1152 \$	28,177.92	\$	28,177.92
SV	140000	91.78		660	660 \$	60,574.80	\$	60,574.80
Grand Total			126,922	127,032		\$ 1,556,286.11	\$	1,557,914.64



**TENNESSEE PUBLIC UTILITY COMMISSION  
PETITION OF  
Kingsport Power Company  
DOCKET NO. TPUC 21-00107 Rate Case Discovery  
Data Requests and Requests for the Production  
of Documents by the CONSUMER ADVOCATE DIVISION  
CA Set 3  
To Kingsport Power Company**

**Data Request CA 3-12:**

Refer to the Company's response to Consumer Advocate DR No. 1-61 regarding street lighting bills. This item requested the Company to provide this information in the same format (Excel) as its supplemental response to Consumer Advocate DR No. 2-17 in TRA Docket No. 16-00001. Instead, the Company only provided monthly data for 2021 in PDF format. As a result, we find it necessary to repeat our original request to provide a copy of all monthly Street Lighting bills from December 2015 through June 2021 in the same format (Excel) as the Company's response to Consumer Advocate DR No. 2-17 in TRA Docket No. 16-00001.

**Response CA 3-12:**

This response contains confidential information and is being provided pursuant to the Protective Order dated September 17, 2021 in this docket.

Please see Confidential Attachment CA 3-12 Attachment 1 for data spanning January 2019 through June 2021. Readily accessible data is only saved in a rolling 3 year history.

CA 3-12 Confidential Attachment 1  
CONFIDENTIAL – PRODUCED SUBJECT TO PROTECTIVE ORDER

**TENNESSEE PUBLIC UTILITY COMMISSION  
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To Kingsport Power Company**

**Data Request CA 3-13:**

Provide a copy of all communication with the City of Kingsport and the Town of Mount Carmel related to street lighting rates since January 1, 2016.

**Response CA 3-13:**

Please see CA 3-13 Attachments 1 and 2 for the requested information.



**Appalachian Power**  
420 Riverport Road  
Kingsport, TN 37660-3500  
appalachianpower.com

The Honorable Patrick W. Shull, Mayor  
City of Kingsport, Tennessee  
City Hall  
415 Broad Street  
Kingsport, Tennessee 37660

September 15, 2021

**Notice of Contract Cancellation**

Dear Mayor Shull:

Pursuant to Paragraph 13 of the March 1995 Agreement between Kingsport Power (the "Company") and the City of Kingsport, Kingsport Power is providing written notice of its election to cancel the current agreement.

As you may be aware, the Tennessee Public Utility Commission regulates Kingsport Power and its rates. In its 2016 rate proceeding, the Commission allowed Kingsport Power to recover certain costs from its customers, including street lighting customers. Because the current contract was in force, Kingsport Power did not seek to recover those costs from street lighting customers at that time. The Company will be filing another rate case in October, 2021 and will, at that time seek to have street lighting customers included as part of its regulated, cost-based rate schedules. If this proposal is approved by the Commission, your contract rates will be replaced with tariff rates, subject to periodic revision.

A lot has changed in the 26 years since these rates were last revised, including the development of LED lighting options. The Company sincerely considers it a privilege to have served the City over the decades and looks forward to continuing to do so in the future. If you should have any questions please feel free to reach out to Mary Begley, External Affairs Manager 276-451-8684 or myself at 423-571-1196.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Arnold".

Robert Arnold  
Manager Distribution Systems  
Kingsport, Tn.

cc: Chris McCartt, City Manager Kingsport

BOUNDLESS ENERGY



Appalachian Power  
420 Riverport Road  
Kingsport, TN 37660-3500  
appalachianpower.com

Honorable Pat Stilwell, Mayor  
Town of Mount Carmel, Tennessee  
100 Main Street East  
Mount Carmel, Tennessee 37645

September 15, 2021

**Notice of Contract Cancellation**

Dear Mayor Stilwell:

Pursuant to the March 1997 Agreement between Kingsport Power (the "Company") and the Town of Mount Carmel, Kingsport Power is providing written notice of its election to cancel the current agreement.

As you may be aware, the Tennessee Public Utility Commission regulates Kingsport Power and its rates. In its 2016 rate proceeding, the Commission allowed Kingsport Power to recover certain costs from its customers, including street lighting customers. Because the current contract was in force, Kingsport Power did not seek to recover those costs from street lighting customers at that time. The Company will be filing another rate case in October, 2021 and will, at that time seek to have street lighting customers included as part of its regulated, cost-based rate schedules. If this proposal is approved by the Commission, your contract rates will be replaced with tariff rates, subject to periodic revision.

A lot has changed in the 24 years since these rates were last revised, including the development of LED lighting options. The Company sincerely considers it a privilege to have served the Town over the decades and looks forward to continuing to do so in the future. If you should have any questions please feel free to reach out to Mary Begley, External Affairs Manager 276-451-8684 or myself at 423-571-1196.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Arnold".

Robert Arnold  
Manager Distribution Systems  
Kingsport, Tn.

cc:

Mike Housewright, Town Manager Mt. Carmel

BOUNDLESS ENERGY



**TENNESSEE PUBLIC UTILITY COMMISSION  
PETITION OF  
Kingsport Power Company  
DOCKET NO. TPUC 21-00107 Rate Case Discovery  
Data Requests and Requests for the Production  
of Documents by the CONSUMER ADVOCATE DIVISION  
CA Set 3  
To Kingsport Power Company**

**Data Request CA 3-14:**

Refer to the Company's proposed tariff provided in response to MFR 5b. Specifically refer to Pages 41-43 of this tariff that contain the Company's proposed Rate Schedule for Street Lighting. Provide the source and support for the "Cost of Facilities Included in Rates" amounts that are included in this Rate Schedule.

**Response CA 3-14:**

Please see KIW Workpaper 1 – Rate Design, tab "LED Rate Design," column "E" Estimated Installed Cost, for support of the Cost of Facilities Included in Rates for the new LED offerings.

**TENNESSEE PUBLIC UTILITY COMMISSION**  
**PETITION OF**  
**Kingsport Power Company**  
**DOCKET NO. TPUC 21-00107 Rate Case Discovery**  
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**of Documents by the CONSUMER ADVOCATE DIVISION**  
**CA Set 3**  
**To Kingsport Power Company**

**Data Request CA 3-15:**

Refer to the Company's proposed tariff provided in response to MFR 5b. Specifically refer to Pages 16-20 of this tariff that contain the Company's proposed Fuel and Purchased Power Adjustment Rider. Provide the source and support for the changes in these Rider surcharge rates that include the new initial rates for Outdoor Lighting and Street Lighting.

**Response CA 3-15:**

Please see KIW Workpaper 1 – Rate Design, tab “LED Rate Design,” column “N” FPPAR Rate per Lamp, for support of the FPPAR rates for the new LED offerings. The lamp rates are derived from the energy rate proxy of 0.0338 per kWh as calculated from the Outdoor Lighting class. The derivation of 0.0338 per kWh can be found in KgPCo Exhibit No. 1 (KIW) Revenue Proof, tab “OL” cell E87.

**TENNESSEE PUBLIC UTILITY COMMISSION  
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**Data Request CA 3-16:**

Refer to the tariff summary provided in response to MFR 13. Specifically refer to the information provided for EHG customers, which the Company's tariff provides a demand charge for monthly billing demand in excess of 30 KW. Provide a breakdown of the monthly KW billing demand for EHG customers (separately for Rate Schedules 208 and 209) split between the first 30 KW per month and over 30 KW per month from December 2015 through June 2021.

**Response CA 3-16:**

Please see CA 1-51 Attachment 1 tab "Billed Demand" for billing demand associated with tariff codes 208 and 209. Since the first 30 kW is not billed under this tariff, this data is not stored or maintained through Company records. For the test year differences between metered kW and billed kW, please see KgPCo Exhibit No. 1 (KIW) Revenue Proof excel tab "Test Year Billing Units," specifically rows 151 and 152 for tariff code 208 and rows 163 and 164 for tariff code 209.

**TENNESSEE PUBLIC UTILITY COMMISSION  
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**Data Request CA 3-17:**

Refer to the (KgPCo Exhibit No. 1 (KIW) Revenue Proof) spreadsheet included with the Company's filing. Specifically refer to Column G of the "SUMMARY PROPOSED" tab which shows the Company's calculation of Adjusted Going Level Revenue to be \$22,606,637 (this same amount is also included on line 1 of "KgPCo Exhibit 1-b (KMJ)" of the Company's filing). It appears that the Company has deducted the pass-through Tax Rider charges for each tariff in the calculation of the base rate revenues. For example, for Residential (011, 015) on the "SUMMARY PROPOSED" tab, the Company appears to make the following calculation:

Amount

Base Revenue \$8,534,771

Less Prompt Payment Discount -982,316

Less Tax Rider Revenue -460,476

Going Level Revenue \$7,091,979

Typically, pass-through rider charges are excluded from the calculation of base rate revenues. Therefore, explain the Company's rationale for including Tax Rider Revenue in the calculation of the Going Level Revenue amounts.

**Response CA 3-17:**

The Federal Tax Rate Adjustment Rider (FTRAR), which credits customer bills due to tax reform, is being incorporated into base rates and therefore must be included in going-level base revenue, please see witness Castle's testimony at pages 3 and 13 as well as witness Walsh's testimony at page 6. Similarly the prompt pay discount is a revenue reduction which must be included to accurately reflect going level revenue.

**TENNESSEE PUBLIC UTILITY COMMISSION  
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To Kingsport Power Company**

**Data Request CA 3-18:**

Refer to the (KgPCo Exhibit No. 1 (KIW) Revenue Proof) spreadsheet included with the Company's filing. Specifically refer to Cell G36 of the "SUMMARY PROPOSED" tab which shows the Company's calculation of Adjusted Going Level Revenue for the IP Transmission Rate Schedule to be \$1,556,741. It appears that the Company has omitted the Backup Reservation Charge revenue from this calculation. Explain the Company's rationale for excluding Backup Reservation Charge revenue from the Going Level Revenue amounts.

**Response CA 3-18:**

Cell G36 reflects base revenue only. The back-up service revenue resulting in \$1,556,741 in schedule IP Transmission is recovered through the Fuel and Purchased Power Rider (FPPAR).

**TENNESSEE PUBLIC UTILITY COMMISSION  
PETITION OF  
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CA Set 3  
To Kingsport Power Company**

**Data Request CA 3-19:**

Refer to Cell D177 of the “JCOS Detail 2-a” tab in the (Exhibits 1a-4c Kingsport JCOS CCOS (KMH-MHW)) spreadsheet included with the Company’s filing that provides the test period amount for Miscellaneous Service Revenue (Account 4510001) of \$200,176. Provide the following information related to this spreadsheet: a. Identify and provide the monthly billing determinants from December 2015 to June 2021 that are used to calculate the monthly amounts for Account 4510001. b. Identify in the Company’s tariff and provide the specific billing rates that are charged to calculate the Miscellaneous Service Revenues in Account 4510001.

**Response CA 3-19:**

Refer to CA 3-19 Attachment 1 for the breakdown of Miscellaneous Service Revenue (account 4510001) by both revenue class and revenue description for the period December 2015 to June 2021. As this is a miscellaneous revenue account, standard billing determinants do not apply.

**Kingsport Power Company**  
**Miscellaneous Service Revenue By Revenue Class**

Year/Month	Revenue Class Code							
	0	10	20	211	212	221	222	510
201512		\$ 373.25	\$ 1,912.75	\$ 986.00	\$ 43.75	\$ 8.75	\$ 8.75	
201601		\$ 407.25	\$ 2,461.83	\$ 569.25	\$ 26.25	\$ 8.75	\$ 16.00	
201602		\$ 553.00	\$ 2,365.50	\$ 2,220.50	\$ 77.50	\$ 17.50	\$ 8.75	
201603		\$ 938.50	\$ 6,346.75	\$ 2,531.75	\$ 68.50	\$ (8.75)		
201604		\$ 1,397.25	\$ 6,717.06	\$ 1,100.25	\$ 118.75			
201605		\$ 1,163.00	\$ 5,475.31	\$ 1,982.25	\$ 83.25	\$ 8.75	\$ 16.00	
201606	\$ 109.00	\$ 1,203.00	\$ 5,861.59	\$ 2,541.25	\$ 118.50	\$ 8.75		\$ 7.50
201607		\$ 893.00	\$ 4,408.00	\$ 605.75	\$ 102.25			
201608		\$ 1,009.25	\$ 5,033.00	\$ 3,581.00	\$ 127.25			
201609		\$ 1,224.29	\$ 5,024.00	\$ 2,618.75	\$ 103.75	\$ 8.75	\$ 8.75	
201610		\$ 1,084.75	\$ 5,556.00	\$ 2,301.00	\$ 102.25	\$ 17.50		
201611		\$ 1,077.00	\$ 4,371.00	\$ 939.00	\$ 136.00		\$ 8.75	
201612		\$ 703.50	\$ 3,516.25	\$ 690.50	\$ 182.25	\$ 8.75		
201701		\$ 1,367.00	\$ 6,183.75	\$ 1,277.25	\$ 291.00	\$ 8.75		
201702		\$ (1,407.75)	\$ (7,068.17)	\$ 1,086.00	\$ (460.00)	\$ (43.75)	\$ (17.50)	
201703		\$ 862.50	\$ 5,135.84	\$ 1,256.00	\$ 157.50			
201704		\$ 1,370.00	\$ 6,437.50	\$ 2,679.50	\$ 7.50			
201705		\$ 1,655.00	\$ 6,762.50	\$ 632.50	\$ 100.00			
201706		\$ 1,712.50	\$ 7,842.50	\$ 737.50	\$ 22.50			
201707		\$ 1,132.50	\$ 6,457.50	\$ 1,673.50				
201708		\$ 1,107.50	\$ 7,268.23	\$ 1,273.00	\$ 107.50			
201709		\$ 1,327.50	\$ 5,910.00	\$ 1,102.50	\$ 50.00			
201710		\$ 715.73	\$ 5,331.46	\$ 2,663.00	\$ 7.50			
201711		\$ 1,162.50	\$ 5,332.50	\$ 1,093.50	\$ 50.00			
201712		\$ 192.50	\$ 845.00	\$ 1,318.00	\$ 50.00			
201801		\$ 682.50	\$ 1,767.50	\$ 599.00	\$ 15.00			
201802	\$ 158.00	\$ 597.50	\$ 2,517.50	\$ 1,524.00	\$ 80.00			
201803		\$ 502.50	\$ 1,420.00	\$ 881.00				
201804		\$ 1,255.00	\$ 4,122.18	\$ 1,343.50	\$ 15.00			
201805		\$ 1,332.50	\$ 5,897.50	\$ 2,578.00	\$ 50.00			
201806		\$ 997.50	\$ 5,905.00	\$ 824.50	\$ 30.00	\$ 7.50		
201807		\$ 1,040.00	\$ 5,021.00	\$ 1,991.50	\$ 7.50			
201808		\$ 1,387.50	\$ 3,677.50	\$ 1,583.50	\$ 115.00			
201809		\$ 405.00	\$ 2,932.50	\$ 848.50	\$ 72.50			
201810		\$ 1,089.92	\$ 4,531.85	\$ 1,360.50	\$ 22.50			
201811	\$ 316.00	\$ 412.50	\$ 1,447.50	\$ 953.50	\$ 137.50			
201812	\$ 474.00	\$ 125.00	\$ 442.50	\$ 320.00	\$ -			
201901		\$ 340.50	\$ 1,442.50	\$ 2,107.00	\$ 165.00			
201902		\$ 155.00	\$ 932.50	\$ 350.50	\$ 7.50			
201903	\$ 109.00	\$ 1,390.00	\$ 7,722.50	\$ 266.50	\$ 72.50			
201904	\$ -	\$ 7,897.50	\$ 37,580.00	\$ 1,821.00	\$ 157.50			
201905		\$ 6,920.00	\$ 35,515.00	\$ 3,848.00	\$ 215.00			
201906		\$ 5,457.50	\$ 27,692.50	\$ 645.50	\$ 57.50			
201907		\$ 4,720.00	\$ 22,820.00	\$ 210.00	\$ 250.00		\$ 50.00	
201908		\$ 5,870.00	\$ 26,692.50	\$ 729.50	\$ 107.50			
201909		\$ 5,312.50	\$ 22,730.00	\$ 2,135.50	\$ 150.00			
201910		\$ 5,297.50	\$ 24,035.00	\$ 888.00	\$ 157.50			
201911	\$ 109.00	\$ 4,720.00	\$ 17,450.00	\$ 981.50	\$ 107.50			
201912	\$ 158.00	\$ 1,562.00	\$ 5,477.50	\$ 576.00	\$ 115.00			
202001		\$ 3,972.50	\$ 18,529.59	\$ 882.50	\$ 280.00			
202002		\$ 3,130.00	\$ 16,645.00	\$ 632.00	\$ 200.00	\$ 7.50		
202003		\$ 4,045.00	\$ 19,305.00	\$ 2,118.50	\$ 130.00			
202004		\$ 52.50	\$ 668.60	\$ 2,200.00	\$ 15.00			
202005		\$ 45.00	\$ 367.50	\$ 1,918.00	\$ 37.50			
202006		\$ 60.00	\$ 322.50	\$ 1,015.50	\$ 7.50			
202007		\$ 127.50	\$ 340.00	\$ 1,312.00	\$ 7.50			
202008		\$ 67.50	\$ 697.50	\$ 849.50	\$ 7.50			
202009		\$ 112.50	\$ 570.00	\$ 774.50	\$ -			
202010		\$ 5,627.50	\$ 24,687.50	\$ 1,469.50	\$ 250.00		\$ 22.50	
202011		\$ 4,247.50	\$ 15,760.83	\$ 2,431.50	\$ 150.00			
202012		\$ 197.50	\$ 752.50	\$ 2,893.50	\$ 100.00			
202101		\$ 335.00	\$ 1,862.50	\$ 1,126.50	\$ 215.00			
202102		\$ 2,355.00	\$ 12,477.50	\$ 1,654.00	\$ 257.50			
202103		\$ 5,750.00	\$ 19,780.00	\$ 2,532.00	\$ 407.50			
202104		\$ 6,617.50	\$ 34,275.25	\$ 2,960.50	\$ 207.50			
202105	\$ 109.00	\$ 6,920.00	\$ 27,770.00	\$ 2,463.50	\$ 207.50			
202106		\$ 6,247.50	\$ 24,277.50	\$ 1,322.50	\$ 272.50			
Total	\$ 1,542.00	\$ 132,604.44	\$ 604,349.45	\$ 99,382.00	\$ 6,533.75	\$ 58.75	\$ 122.00	\$ 7.50

**Kingsport Power Company**  
**Miscellaneous Service Revenue By Description**

Year/Month	Disconnect Trip Charge	Energy Diversion	Reconnect Charge	Returned Check Charge	Temporary Service	Temporary Facilities	Miscellaneous
201512	\$ 1,006.25		\$ 1,136.00	\$ 390.00	\$ 801.00	\$ (2,106.74)	
201601	\$ 2,318.75	\$ 181.58	\$ 144.00	\$ 420.00	\$ 425.00	\$ (2,219.61)	\$ 50.00
201602	\$ 2,231.25		\$ 752.00	\$ 352.50	\$ 1,907.00	\$ (381.43)	
201603	\$ 1,478.75		\$ 5,632.00	\$ 510.00	\$ 2,256.00	\$ (990.55)	
201604	\$ 2,520.00	\$ 90.81	\$ 5,408.00	\$ 562.50	\$ 752.00	\$ (719.42)	
201605	\$ 2,161.25	\$ 90.81	\$ 4,320.00	\$ 592.50	\$ 1,564.00	\$ (1,052.30)	
201606	\$ 2,651.25	\$ 180.84	\$ 4,048.00	\$ 637.50	\$ 2,332.00	\$ (1,225.51)	
201607	\$ 2,117.50		\$ 3,024.00	\$ 442.50	\$ 425.00	\$ (704.93)	
201608	\$ 3,115.00		\$ 2,736.00	\$ 502.50	\$ 3,397.00	\$ (2,713.57)	
201609	\$ 3,718.75	\$ 96.04	\$ 2,144.00	\$ 637.50	\$ 2,392.00	\$ (426.61)	
201610	\$ 3,780.00		\$ 2,576.00	\$ 607.50	\$ 2,098.00	\$ (2,813.69)	\$ 50.00
201611	\$ 2,511.25		\$ 2,608.00	\$ 682.50	\$ 730.00	\$ (3,836.32)	
201612	\$ 2,616.25		\$ 1,520.00	\$ 600.00	\$ 365.00	\$ (5,085.50)	
201701	\$ 2,336.25		\$ 5,252.00	\$ 727.50	\$ 812.00	\$ (2,660.23)	
201702	\$ (14,901.25)	\$ 192.08	\$ 4,514.00	\$ 660.00	\$ 1,624.00	\$ (2,298.62)	
201703		\$ 183.34	\$ 6,000.00	\$ 487.50	\$ 741.00	\$ (1,695.45)	
201704			\$ 7,300.00	\$ 622.50	\$ 2,572.00	\$ (1,771.53)	
201705			\$ 8,200.00	\$ 525.00	\$ 425.00	\$ (2,894.51)	\$ 50.00
201706			\$ 9,200.00	\$ 630.00	\$ 485.00	\$ (206.41)	
201707			\$ 7,250.00	\$ 547.50	\$ 1,466.00	\$ (1,434.95)	
201708		\$ 100.73	\$ 7,650.00	\$ 877.50	\$ 1,128.00	\$ (3,310.39)	\$ 50.00
201709			\$ 6,700.00	\$ 660.00	\$ 1,030.00	\$ (1,468.70)	\$ 100.00
201710		\$ 692.19	\$ 4,700.00	\$ 742.50	\$ 2,583.00	\$ 9,709.45	
201711			\$ 6,050.00	\$ 667.50	\$ 921.00	\$ (9,405.02)	
201712			\$ 700.00	\$ 637.50	\$ 1,068.00	\$ (1,405.63)	
201801			\$ 1,900.00	\$ 630.00	\$ 534.00	\$ (2,500.30)	
201802			\$ 2,750.00	\$ 645.00	\$ 1,482.00	\$ (2,469.34)	
201803			\$ 1,500.00	\$ 502.50	\$ 801.00	\$ (1,526.61)	
201804		\$ 12.18	\$ 4,800.00	\$ 637.50	\$ 1,286.00	\$ (2,461.46)	\$ 50.00
201805			\$ 6,750.00	\$ 645.00	\$ 2,463.00	\$ (962.56)	
201806			\$ 6,300.00	\$ 712.50	\$ 752.00	\$ (1,943.19)	\$ 50.00
201807			\$ 5,516.00	\$ 675.00	\$ 1,869.00	\$ (2,759.27)	
201808			\$ 4,675.00	\$ 742.50	\$ 1,346.00	\$ (1,831.54)	
201809			\$ 3,000.00	\$ 517.50	\$ 741.00	\$ (1,126.90)	\$ 100.00
201810		\$ 349.27	\$ 4,800.00	\$ 667.50	\$ 1,188.00	\$ (1,321.43)	\$ 50.00
201811			\$ 1,516.00	\$ 585.00	\$ 1,166.00	\$ (908.58)	
201812			\$ 50.00	\$ 532.50	\$ 779.00	\$ (1,177.67)	\$ 50.00
201901			\$ 1,150.00	\$ 720.00	\$ 2,185.00	\$ (5,168.64)	
201902			\$ 650.00	\$ 517.50	\$ 278.00	\$ (1,452.89)	
201903			\$ 8,750.00	\$ 592.50	\$ 218.00	\$ (1,047.04)	\$ 100.00
201904			\$ 45,450.00	\$ 600.00	\$ 1,406.00	\$ (2,864.27)	
201905			\$ 42,800.00	\$ 750.00	\$ 2,948.00	\$ (1,468.21)	\$ 600.00
201906			\$ 32,900.00	\$ 615.00	\$ 338.00	\$ (1,354.76)	
201907			\$ 27,650.00	\$ 705.00	\$ (305.00)	\$ (1,229.52)	\$ 100.00
201908			\$ 32,450.00	\$ 735.00	\$ 214.50	\$ (1,909.82)	
201909			\$ 28,100.00	\$ 615.00	\$ 1,613.00	\$ (1,447.71)	\$ 50.00
201910			\$ 29,650.00	\$ 570.00	\$ 158.00	\$ (2,973.93)	\$ 100.00
201911			\$ 22,050.00	\$ 615.00	\$ 703.00	\$ (1,503.88)	
201912			\$ 6,800.00	\$ 592.50	\$ 496.00	\$ (4,831.13)	\$ 100.00
202001		\$ 197.09	\$ 22,000.00	\$ 922.50	\$ 545.00	\$ (575.53)	
202002			\$ 19,650.00	\$ 697.50	\$ 267.00	\$ (3,458.70)	\$ 50.00
202003			\$ 23,107.50	\$ 660.00	\$ 1,831.00	\$ (752.21)	
202004		\$ 132.10		\$ 510.00	\$ 2,294.00	\$ (1,775.30)	
202005				\$ 450.00	\$ 1,918.00	\$ (2,172.57)	
202006				\$ 397.50	\$ 1,008.00	\$ (2,002.61)	
202007			\$ (50.00)	\$ 540.00	\$ 1,297.00	\$ (509.16)	
202008			\$ -	\$ 810.00	\$ 812.00	\$ (1,213.97)	
202009				\$ 705.00	\$ 752.00	\$ (2,460.82)	
202010			\$ 30,300.00	\$ 945.00	\$ 812.00	\$ 125.16	\$ 100.00
202011		\$ 218.33	\$ 19,850.00	\$ 592.50	\$ 1,929.00	\$ (3,314.32)	
202012			\$ 1,200.00	\$ 607.50	\$ 2,136.00	\$ (4,884.26)	\$ 50.00
202101			\$ 2,300.00	\$ 585.00	\$ 654.00	\$ (1,427.22)	
202102			\$ 15,050.00	\$ 555.00	\$ 1,139.00	\$ (2,409.78)	
202103			\$ 25,700.00	\$ 682.50	\$ 2,087.00	\$ (1,615.16)	
202104		\$ 217.75	\$ 41,250.00	\$ 555.00	\$ 2,038.00	\$ (2,420.21)	
202105			\$ 34,700.00	\$ 720.00	\$ 2,050.00	\$ (4,036.26)	
202106			\$ 30,700.00	\$ 570.00	\$ 850.00	\$ (1,667.84)	
Total	\$ 19,661.25	\$ 2,935.14	\$ 697,278.50	\$ 41,347.50	\$ 83,377.50	\$ (127,929.58)	\$ 1,850.00



**TENNESSEE PUBLIC UTILITY COMMISSION  
PETITION OF  
Kingsport Power Company  
DOCKET NO. TPUC 21-00107 Rate Case Discovery  
Data Requests and Requests for the Production  
of Documents by the CONSUMER ADVOCATE DIVISION  
CA Set 3  
To Kingsport Power Company**

**Data Request CA 3-20:**

Refer to Cell H178 of the “JCOS Detail 2-a” tab in the (Exhibits 1a-4c Kingsport JCOS CCOS (KMH-MHW)) spreadsheet included with the Company’s filing that provides the attrition adjustment for Miscellaneous Service Revenue-Reconnect Fee Adjustment of \$-174,600 which is further identified as Adjustment OR-9. Provide the source and support for the adjustment along with a narrative describing the rationale for making this adjustment.

**Response CA 3-20:**

This adjustment is the incremental annual revenue calculation for the difference in the Company's current service reconnect fee of \$50 and its proposed \$20 service reconnect fee. Support for this calculation is provided in KgPCo Exhibit No. 2 (EKK) and CA 3-20 Attachment 1.

**KINGSPORT TN**  
**TOTAL NUMBER OF RECONNECT ORDERS GENERATED**

	2018	2019	2020
JAN	37	21	458
FEB	52	16	410
MAR	28	190	487
APR	88	952	
MAY	128	882	
JUN	115	689	
JUL	104	570	
AUG	86	674	
SEPT	54	600	
OCT	95	623	651
NOV	26	455	419
DEC		148	29
TOTAL	813	5820	2454

**TENNESSEE PUBLIC UTILITY COMMISSION**  
**PETITION OF**  
**Kingsport Power Company**  
**DOCKET NO. TPUC 21-00107 Rate Case Discovery**  
**Data Requests and Requests for the Production**  
**of Documents by the CONSUMER ADVOCATE DIVISION**  
**CA Set 3**  
**To Kingsport Power Company**

**Data Request CA 3-21:**

Refer to the (KMH – Workpaper 5 – JCOS KgPCo 454 Rent Revenues) spreadsheet included with the Company’s filing that provides the test period source data for Rent Revenues from Electric Property. Provide the following information related to this spreadsheet: a. Provide the monthly rental amounts for accounts 4540001, 4540002, 4540004 and 4540005 from December 2015 to June 2021 that also includes the “Unit” and “Affiliate” codes to properly segregate these revenues between transmission and distribution classifications. b. Provide the monthly billing determinants from December 2015 to June 2021 that are used to calculate the monthly amounts for Accounts 4540001, 4540002, 4540004 and 4540005. c. Identify and provide a copy of the source for the monthly billing rates for Rent Revenues from Electric Property.

**Response CA 3-21:**

a) Monthly rental amounts from December 2015 - June 2021 that includes the "unit" and "affiliate" codes are attached as CA 3-21 Attachment 1.

b) & c) Refer to CA 3-21 Attachment 2 for the calculation of monthly rent revenues from affiliates in account 4540001 for the period 2015 to 2021.

Refer to CA 3-21 Attachment 3 for a copy of the lease agreement between KgPCo and Tennessee Eastman Company showing an annual rent amount of \$6,000 (\$500/monthly) as reflected in account 4540002. Since these revenues are related to the Transmission function, they are not included in the Distribution function cost of service.

Refer to CA 3-21 Attachment 4 for the calculation of rent revenues for land rental reflected in account 4540004 for the period December 2015 to June 2021. Since these revenues are related to the Transmission function, they are not included in the Distribution function cost of service.

Refer to CA 3-21 Attachment 5 for the support and calculation of rent revenues in account 4540005 for the period December 2015 to June 2021. The pole attachments are invoiced annually in July. Journal entry CAD055 records cable attachment revenues which are amortized from July to June following their annual billing period. Journal entry CAD056 is the accrual for CenturyLink attachment revenues which have a rental period of January to December but are invoiced the following June resulting in a prior period adjustment (journal entry CA056AJE).

Kingsport Power Company  
Monthly Rental Amounts - Account 4540001

Business Unit 230 - Kingsport Power Company - Distribution

	Affiliate			Total
	103 AEP Service Corporation	140 Appalachian Power Company - Distribution	260 Kingsport Power Company - Transmission	
Dec-15	(1,858.26)	(1,981.98)	(4,407.59)	(8,247.83)
Jan-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Feb-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Mar-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Apr-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
May-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Jun-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Jul-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Aug-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Sep-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Oct-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Nov-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Dec-16	(2,525.98)	(2,029.96)	(3,867.39)	(8,423.33)
Jan-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Feb-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Mar-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Apr-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
May-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Jun-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Jul-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Aug-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Sep-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Oct-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Nov-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Dec-17	(3,256.07)	(2,182.59)	(3,618.01)	(9,056.67)
Jan-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Feb-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Mar-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Apr-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
May-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Jun-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Jul-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Aug-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Sep-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Oct-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Nov-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Dec-18	(3,667.81)	(2,457.89)	(4,073.75)	(10,199.45)
Jan-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Feb-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Mar-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Apr-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
May-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Jun-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Jul-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Aug-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Sep-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Oct-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Nov-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Dec-19	(2,079.48)	(1,058.41)	(2,180.48)	(5,318.37)
Jan-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Feb-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Mar-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Apr-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
May-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Jun-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Jul-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Aug-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Sep-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Oct-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Nov-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Dec-20	(2,621.10)	(1,113.59)	(2,144.86)	(5,879.55)
Jan-21	(3,045.40)	(1,332.75)	(2,567.68)	(6,945.83)
Feb-21	(3,045.40)	(1,332.75)	(2,567.68)	(6,945.83)
Mar-21	(3,045.40)	(1,332.75)	(2,567.68)	(6,945.83)
Apr-21	(3,045.40)	(1,332.75)	(2,567.68)	(6,945.83)
May-21	(3,045.40)	(1,332.75)	(2,567.68)	(6,945.83)
Jun-21	(3,045.40)	(1,332.75)	(2,567.68)	(6,945.83)

Kingsport Power Company  
Monthly Rental Amounts - Account 4540002 (Non-Affiliated)

	Business Unit		Total
	230 - KgPCo - Distribution	260 - KgPCo - Transmission	
Dec-15	-	(500.00)	(500.00)
Jan-16	-	(500.00)	(500.00)
Feb-16	-	(500.00)	(500.00)
Mar-16	-	(500.00)	(500.00)
Apr-16	(600.00)	(500.00)	(1,100.00)
May-16	-	(600.00)	(600.00)
Jun-16	-	(500.00)	(500.00)
Jul-16	-	(500.00)	(500.00)
Aug-16	-	(500.00)	(500.00)
Sep-16	-	(500.00)	(500.00)
Oct-16	-	(500.00)	(500.00)
Nov-16	-	(500.00)	(500.00)
Dec-16	-	(500.00)	(500.00)
Jan-17	-	(500.00)	(500.00)
Feb-17	-	(500.00)	(500.00)
Mar-17	-	(500.00)	(500.00)
Apr-17	-	(500.00)	(500.00)
May-17	-	(600.00)	(600.00)
Jun-17	-	(500.00)	(500.00)
Jul-17	-	(500.00)	(500.00)
Aug-17	-	(500.00)	(500.00)
Sep-17	-	(500.00)	(500.00)
Oct-17	-	(500.00)	(500.00)
Nov-17	-	(500.00)	(500.00)
Dec-17	-	(500.00)	(500.00)
Jan-18	-	(500.00)	(500.00)
Feb-18	-	(500.00)	(500.00)
Mar-18	-	(500.00)	(500.00)
Apr-18	-	(500.00)	(500.00)
May-18	-	(600.00)	(600.00)
Jun-18	-	(500.00)	(500.00)
Jul-18	-	(500.00)	(500.00)
Aug-18	-	(500.00)	(500.00)
Sep-18	-	(500.00)	(500.00)
Oct-18	-	(500.00)	(500.00)
Nov-18	-	(500.00)	(500.00)
Dec-18	-	(500.00)	(500.00)
Jan-19	-	(500.00)	(500.00)
Feb-19	-	(500.00)	(500.00)
Mar-19	-	(500.00)	(500.00)
Apr-19	-	(500.00)	(500.00)
May-19	-	(500.00)	(500.00)
Jun-19	-	(625.00)	(625.00)
Jul-19	-	(500.00)	(500.00)
Aug-19	-	(500.00)	(500.00)
Sep-19	-	(500.00)	(500.00)
Oct-19	-	(500.00)	(500.00)
Nov-19	-	(500.00)	(500.00)
Dec-19	-	(500.00)	(500.00)
Jan-20	-	(500.00)	(500.00)
Feb-20	-	(500.00)	(500.00)
Mar-20	-	(500.00)	(500.00)
Apr-20	-	(500.00)	(500.00)
May-20	-	(625.00)	(625.00)
Jun-20	-	(500.00)	(500.00)
Jul-20	-	(500.00)	(500.00)
Aug-20	-	(500.00)	(500.00)
Sep-20	-	(500.00)	(500.00)
Oct-20	-	(500.00)	(500.00)
Nov-20	-	(500.00)	(500.00)
Dec-20	-	(500.00)	(500.00)
Jan-21	-	(500.00)	(500.00)
Feb-21	-	(500.00)	(500.00)
Mar-21	-	(500.00)	(500.00)
Apr-21	-	(500.00)	(500.00)
May-21	-	(625.00)	(625.00)
Jun-21	-	(500.00)	(500.00)

Kingsport Power Company  
Monthly Rental Amounts - Account 4540004 (Non-Affiliated)

	Business Unit		Total
	230 - KgPCo - Distribution	260 - KgPCo - Transmission	
Dec-15	-	-	-
Jan-16	-	(39,556.28)	(39,556.28)
Feb-16	-	-	-
Mar-16	-	-	-
Apr-16	-	-	-
May-16	-	-	-
Jun-16	-	-	-
Jul-16	-	-	-
Aug-16	-	-	-
Sep-16	-	-	-
Oct-16	-	-	-
Nov-16	-	-	-
Dec-16	-	-	-
Jan-17	-	(40,742.96)	(40,742.96)
Feb-17	-	-	-
Mar-17	-	-	-
Apr-17	-	-	-
May-17	-	-	-
Jun-17	-	-	-
Jul-17	-	-	-
Aug-17	-	-	-
Sep-17	-	-	-
Oct-17	-	-	-
Nov-17	-	-	-
Dec-17	-	-	-
Jan-18	-	(31,473.93)	(31,473.93)
Feb-18	-	-	-
Mar-18	-	-	-
Apr-18	-	-	-
May-18	-	-	-
Jun-18	-	-	-
Jul-18	-	-	-
Aug-18	-	-	-
Sep-18	-	-	-
Oct-18	-	-	-
Nov-18	-	-	-
Dec-18	-	-	-
Jan-19	-	(32,418.18)	(32,418.18)
Feb-19	-	-	-
Mar-19	-	-	-
Apr-19	-	-	-
May-19	-	-	-
Jun-19	-	-	-
Jul-19	-	-	-
Aug-19	-	-	-
Sep-19	-	(30,000.00)	(30,000.00)
Oct-19	-	-	-
Nov-19	-	-	-
Dec-19	-	-	-
Jan-20	-	(33,390.72)	(33,390.72)
Feb-20	-	-	-
Mar-20	-	-	-
Apr-20	-	-	-
May-20	-	-	-
Jun-20	-	-	-
Jul-20	-	-	-
Aug-20	-	-	-
Sep-20	-	-	-
Oct-20	-	-	-
Nov-20	-	-	-
Dec-20	-	-	-
Jan-21	-	-	-
Feb-21	-	(34,392.45)	(34,392.45)
Mar-21	-	-	-
Apr-21	-	-	-
May-21	-	-	-
Jun-21	-	-	-

Kingsport Power Company  
Monthly Rental Amounts - Account 4540005 (Non-Affiliated)

	Business Unit		Total
	230 - KgPCo - Distribution	260 - KgPCo - Transmission	
Dec-15	(72,225.66)	-	(72,225.66)
Jan-16	(85,636.76)	-	(85,636.76)
Feb-16	(85,636.76)	-	(85,636.76)
Mar-16	(85,636.76)	-	(85,636.76)
Apr-16	(85,636.76)	-	(85,636.76)
May-16	(85,641.76)	-	(85,641.76)
Jun-16	(421,462.87)	-	(421,462.87)
Jul-16	(114,294.13)	-	(114,294.13)
Aug-16	(113,218.58)	-	(113,218.58)
Sep-16	(113,218.58)	-	(113,218.58)
Oct-16	(113,230.58)	-	(113,230.58)
Nov-16	(113,218.58)	-	(113,218.58)
Dec-16	(113,218.55)	-	(113,218.55)
Jan-17	(94,402.99)	-	(94,402.99)
Feb-17	(94,402.99)	-	(94,402.99)
Mar-17	(254,152.01)	-	(254,152.01)
Apr-17	(94,402.99)	-	(94,402.99)
May-17	(94,407.99)	-	(94,407.99)
Jun-17	(94,402.93)	-	(94,402.93)
Jul-17	(11,513.33)	-	(11,513.33)
Aug-17	(120,075.91)	-	(120,075.91)
Sep-17	(111,688.57)	-	(111,688.57)
Oct-17	(117,279.93)	-	(117,279.93)
Nov-17	(107,042.94)	-	(107,042.94)
Dec-17	(117,240.13)	-	(117,240.13)
Jan-18	(104,308.08)	-	(104,308.08)
Feb-18	(104,308.08)	-	(104,308.08)
Mar-18	(104,308.08)	-	(104,308.08)
Apr-18	(104,308.08)	-	(104,308.08)
May-18	(104,521.09)	-	(104,521.09)
Jun-18	(81,039.10)	-	(81,039.10)
Jul-18	(113,075.08)	-	(113,075.08)
Aug-18	(108,944.74)	-	(108,944.74)
Sep-18	(108,444.74)	-	(108,444.74)
Oct-18	(108,444.74)	-	(108,444.74)
Nov-18	(108,444.74)	-	(108,444.74)
Dec-18	(108,444.73)	-	(108,444.73)
Jan-19	(108,375.40)	-	(108,375.40)
Feb-19	(108,375.40)	-	(108,375.40)
Mar-19	(108,375.40)	-	(108,375.40)
Apr-19	(108,375.40)	-	(108,375.40)
May-19	(108,375.40)	-	(108,375.40)
Jun-19	(97,704.19)	-	(97,704.19)
Jul-19	(111,028.75)	-	(111,028.75)
Aug-19	(108,742.59)	-	(108,742.59)
Sep-19	(108,742.59)	-	(108,742.59)
Oct-19	(108,742.59)	-	(108,742.59)
Nov-19	(108,742.59)	-	(108,742.59)
Dec-19	(97,450.83)	(11,291.79)	(108,742.62)
Jan-20	(108,742.59)	(0.00)	(108,742.59)
Feb-20	(107,668.78)	(1,073.81)	(108,742.59)
Mar-20	(107,668.78)	(1,073.81)	(108,742.59)
Apr-20	(41,758.95)	(487.94)	(42,246.89)
May-20	(41,758.95)	(487.94)	(42,246.89)
Jun-20	(41,759.03)	(487.94)	(42,246.97)
Jul-20	(31,998.71)	(452.12)	(32,450.83)
Aug-20	(41,581.63)	(452.12)	(42,033.75)
Sep-20	(41,581.63)	(452.12)	(42,033.75)
Oct-20	(41,581.63)	(452.12)	(42,033.75)
Nov-20	(41,581.63)	(452.12)	(42,033.75)
Dec-20	(41,581.66)	(452.15)	(42,033.81)
Jan-21	(58,059.09)	(598.59)	(58,657.68)
Feb-21	(58,059.09)	(598.59)	(58,657.68)
Mar-21	(58,059.09)	(598.59)	(58,657.68)
Apr-21	(58,059.09)	(598.59)	(58,657.68)
May-21	(58,059.09)	(598.59)	(58,657.68)
Jun-21	(58,059.13)	(598.59)	(58,657.72)

Kingsport Power Company  
Account 4540001 - Rent Revenues From Electric Property - Affiliated

Year	Bld Num	Name	Using BU	Using BU Name	Owner BU	Owner BU Name	SF Used	Rentable SF	% Sq Ft Used	Direct	Lease	Tax	Insur	Depreciation Expense	Total Direct Costs	NBV as of 9/2008	Rate of Return %	Return Amount	Return Amount Billed	Direct Costs Billed	Total Costs Billed	Monthly Amount Billed
2015	1750	Kingsport Service Center	103	AEPSC	230	KGPCO - D	1,487	42,602	0.034904293	228,395.81	313,550.31	50,350.79	2,438.23	19,604.71	614,339.85	188,944.58	0.1298	24,525.01	856.03	21,443.10	22,299.13	1,858.26
	1750	Kingsport Service Center	140	APCO - D	230	KGPCO - D	1,586	42,602	0.037228116	228,395.81	313,550.31	50,350.79	2,438.23	19,604.71	614,339.85	188,944.58	0.1298	24,525.01	913.02	22,870.71	23,783.73	1,981.98
	1750	Kingsport Service Center	260	KGPCO - T	230	KGPCO - D	3,527	42,602	0.082789132	228,395.81	313,550.31	50,350.79	2,438.23	19,604.71	614,339.85	188,944.58	0.1298	24,525.01	2,030.40	50,860.66	52,891.07	4,407.59
2016	1750	Kingsport Service Center	103	AEPSC	230	KGPCO - D	1,981	42,602	0.046499935	244,346.20	310,185.00	51,893.00	2,276.18	21,488.46	630,188.84	167,394.52	0.1295	21,677.59	1,008.01	29,303.74	30,311.75	2,525.98
	1750	Kingsport Service Center	140	APCO - D	230	KGPCO - D	1,592	42,602	0.037368953	244,346.20	310,185.00	51,893.00	2,276.18	21,488.46	630,188.84	167,394.52	0.1295	21,677.59	810.07	23,549.50	24,359.57	2,029.96
	1750	Kingsport Service Center	260	KGPCO - T	230	KGPCO - D	3,033	42,602	0.07119349	244,346.20	310,185.00	51,893.00	2,276.18	21,488.46	630,188.84	167,394.52	0.1295	21,677.59	1,543.30	44,865.34	46,408.65	3,867.39
2017	1750	Kingsport Service Center	103	AEPSC	230	KGPCO - D	2,375	42,602	0.055748282	228,908.08	310,185.00	55,095.61	1,281.64	69,363.48	664,833.81	317,863.09	0.1134	36,045.67	2,009.48	37,063.34	39,072.83	3,256.07
	1750	Kingsport Service Center	140	APCO - D	230	KGPCO - D	1,592	42,602	0.037368953	228,908.08	310,185.00	55,095.61	1,281.64	69,363.48	664,833.81	317,863.09	0.1134	36,045.67	1,346.99	24,844.14	26,191.13	2,182.59
	1750	Kingsport Service Center	260	KGPCO - T	230	KGPCO - D	2,639	42,602	0.061945143	228,908.08	310,185.00	55,095.61	1,281.64	69,363.48	664,833.81	317,863.09	0.1134	36,045.67	2,232.85	41,183.23	43,416.08	3,618.01
2018	1750	Kingsport Service Center	103	AEPSC	230	KGPCO - D	2,313	42,369	0.054591749	287,609.17	310,185.00	55,096.00	35.00	123,710.87	776,636.04	355,733.06	0.0832	29,596.99	1,615.75	42,397.92	44,013.67	3,667.81
	1750	Kingsport Service Center	140	APCO - D	230	KGPCO - D	1,550	42,369	0.036583316	287,609.17	310,185.00	55,096.00	35.00	123,710.87	776,636.04	355,733.06	0.0832	29,596.99	1,082.76	28,411.92	29,494.68	2,457.89
	1750	Kingsport Service Center	260	KGPCO - T	230	KGPCO - D	2,569	42,369	0.060633897	287,609.17	310,185.00	55,096.00	35.00	123,710.87	776,636.04	355,733.06	0.0832	29,596.99	1,794.58	47,090.47	48,885.05	4,073.75
2019	1750	Kingsport Service Center	103	AEPSC	230	KGPCO - D	2,450	42,369	0.057825242	229,730.86		65,126.00	29.00	115,028.05	409,913.91	258,966.21	0.0835	21,623.68	1,250.39	23,703.37	24,953.77	2,079.48
	1750	Kingsport Service Center	140	APCO - D	230	KGPCO - D	1,247	42,369	0.029431868	229,730.86		65,126.00	29.00	115,028.05	409,913.91	258,966.21	0.0835	21,623.68	636.43	12,064.53	12,700.96	1,058.41
	1750	Kingsport Service Center	260	KGPCO - T	230	KGPCO - D	2,569	42,369	0.060633897	229,730.86		65,126.00	29.00	115,028.05	409,913.91	258,966.21	0.0835	21,623.68	1,311.13	24,854.68	26,165.81	2,180.48
2020	1750	Kingsport Service Center	103	AEPSC	230	KGPCO - D	2,961	42,703	0.069338855	341,592.66		65,126.00	1,466.00	18,318.32	426,502.98	323,158.69	0.0839	27,113.01	1,879.99	29,573.23	31,453.21	2,621.10
	1750	Kingsport Service Center	140	APCO - D	230	KGPCO - D	1,258	42,703	0.029459061	341,592.66		65,126.00	1,466.00	18,318.32	426,502.98	323,158.69	0.0839	27,113.01	798.72	12,564.38	13,363.10	1,113.59
	1750	Kingsport Service Center	260	KGPCO - T	230	KGPCO - D	2,423	42,703	0.056740306	341,592.66		65,126.00	1,466.00	18,318.32	426,502.98	323,158.69	0.0839	27,113.01	1,538.40	24,199.91	25,738.31	2,144.86
2021	1750	Kingsport Service Center	103	AEPSC	230	KGPCO - D	2,874	42,703	0.067300372	242,737.02		149,252.00	2,066.88	35,414.73	429,470.63	1,306,549.44	0.0869	113,539.15	7,641.23	28,903.53	36,544.76	3,045.40
	1750	Kingsport Service Center	140	APCO - D	230	KGPCO - D	1,258	42,703	0.029452504	242,737.02		149,252.00	2,066.88	35,414.73	429,470.63	1,306,549.44	0.0869	113,539.15	3,344.01	12,648.99	15,993.00	1,332.75
	1750	Kingsport Service Center	260	KGPCO - T	230	KGPCO - D	2,423	42,703	0.05674335	242,737.02		149,252.00	2,066.88	35,414.73	429,470.63	1,306,549.44	0.0869	113,539.15	6,442.59	24,369.60	30,812.19	2,567.68



FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement, made and entered into this 23rd day of January, 1991, by and between Kingsport Power Company, a Virginia public service corporation duly authorized to transact business in Tennessee, having its principal place of business in Kingsport, Sullivan County, Tennessee (hereinafter called "Lessor") and Tennessee Eastman Company, a division of Eastman Kodak Company, a New Jersey corporation duly authorized to transact business in Tennessee, having its principal office located in Kingsport, Sullivan County, Tennessee (hereinafter called "Lessee").

W I T N E S S E T H

WHEREAS, Lessor and Lessee have heretofore entered into that certain Lease Agreement dated December 26, 1973 (the "Lease Agreement") whereby Lessor leased certain real property to Lessee; and

WHEREAS, Lessor and Lessee desire to amend the Lease Agreement as more particularly set forth hereinafter.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual promises and covenants contained herein, and other good and valuable considerations, the receipt and legal sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby amend the Lease Agreement as follows:

1. Section 1 of the Lease Agreement is hereby amended to delete the property description contained therein in its entirety and substitute in its place and stead the following:

"BEGINNING at the southwesterly corner of the Holston Substation site, thence N. 33° 40' W., 154 feet to a point on Holston Substation property line; thence leaving said property line of Holston Substation and running with a new line through said lands of Holston Substation

the following courses and distances: N. 13° 43' E. 68.00 feet to a point; thence N. 56° 20' E., 220 feet to a point; thence S. 78° 40' E., 70.71 feet to a point; thence S. 33° 40' E., 150 feet to a point; thence S. 56° 20' W., 320 feet along the property line of Holston Substation to the point of BEGINNING, containing 1.41 acres, more or less, as shown on Lessor's drawing No. 5000-R-1218, attached hereto as Exhibit A and made a part hereof by this reference, together with the right of ingress and egress upon and over the premises of Lessor to be designated for such use during the continuation of this Agreement or any extension hereof. Also including an underground easement for conductor and duct work to be located during construction by agreement between Lessor and Lessee and an as-built drawing to be attached to this agreement subsequent to construction locating said easement."

2. The first sentence of Section 2 of the Lease Agreement is hereby deleted in its entirety and the following is substituted in its place and stead:

"To hold the premises demised unto Lessee for a period of five (5) years, beginning on the date hereof, with continued occupancy by Lessee for a period of time running concurrently with a contract dated January 23, 1991, for electric power service delivered to the site, which provides and extends to the Lessee continued service, at its option, for a period of years as defined in said contract.

3. Section 3 of the Lease Agreement is hereby deleted in its entirety and the following shall be substituted in its place and stead:

"Lessee shall pay for the occupancy and use of the leased premises an annual rent of Six Thousand Dollars (\$6,000.00), payable in advance, or at its option in equal month installments of Five Hundred Dollars (\$500.00), payable on the seventh (7th) day of each month in advance. Lessor will continue to pay city and county taxes assessed against the 1.41 acres, more or less; like taxes assessed against the improvements and facilities on the leased premises are assumed and will be paid by the Lessee."

4. Except as herein amended, the Lease Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused this document to be duly executed and delivered on their behalf by their duly authorized officers as of the day and year first hereinabove written.

KINGSPORT POWER COMPANY

By: *W. A. Koenig*  
Title: *President*

"LESSOR"

TENNESSEE EASTMAN COMPANY,  
a Division of Eastman Kodak  
Company

By: *E. C. Hunt*  
Title: *S. V. P.*

"LESSEE"

STATE OF TENNESSEE

COUNTY OF SULLIVAN

Before me, the undersigned, a Notary Public in, and for the State and County aforesaid, personally appeared *W. A. Koenig*, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be *President* of Kingsport Power Company, the within named bargainer, a Virginia corporation, and that he as such *President* executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as *President*.

WITNESS my hand and official seal, at office in Kingsport, Tennessee, this the *1st* day of *January*, 1991.

*Mark*

*Mark*  
NOTARY PUBLIC

My commission expires:

*5/11/94*

STATE OF TENNESSEE

COUNTY OF SULLIVAN

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared R. C. Hart, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be Senior Vice Pres. of Tennessee Eastman Company, a division of Eastman Kodak Company, the within named bargainer, a New Jersey corporation, and that he as such Senior Vice Pres. executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Senior Vice Pres.

WITNESS my hand and official seal, at office in Kingsport, Tennessee, this the 1st day of ~~January~~ March, 1991.

Janis H. Mullins  
NOTARY PUBLIC

My commission expires:

Jan. 21, 1992

KR/HSTAS/2149

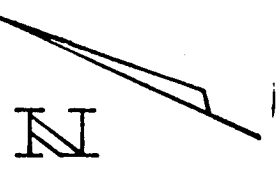
GO. \_\_\_\_\_  
W.O. \_\_\_\_\_  
BK. \_\_\_\_\_ PG. \_\_\_\_\_  
PROFILE \_\_\_\_\_  
MAP NO \_\_\_\_\_

TAX DISTRICT 501010 DRAWING NO 3000-R  
KINGSPORT POWER COMPANY  
ENGINEERING DEPARTMENT  
KINGSPORT, TENNESSEE

CA 3-21  
Attachment 3  
Page 5 of 5

DATE 11-7-90  
SCALE 1"=50'  
DRAWN BY T. HENSLEY  
CHECKED BY \_\_\_\_\_  
APPROVED BY \_\_\_\_\_

RW MAP SHOWING THE SECTION OF THE HOLSTON  
SUB-STATION SITE TO BE LEASED TO EASTMAN KODAK CO  
LOCATED IN SULLIVAN CO, TENNESSEE



HOLSTON  
SUB-STATION

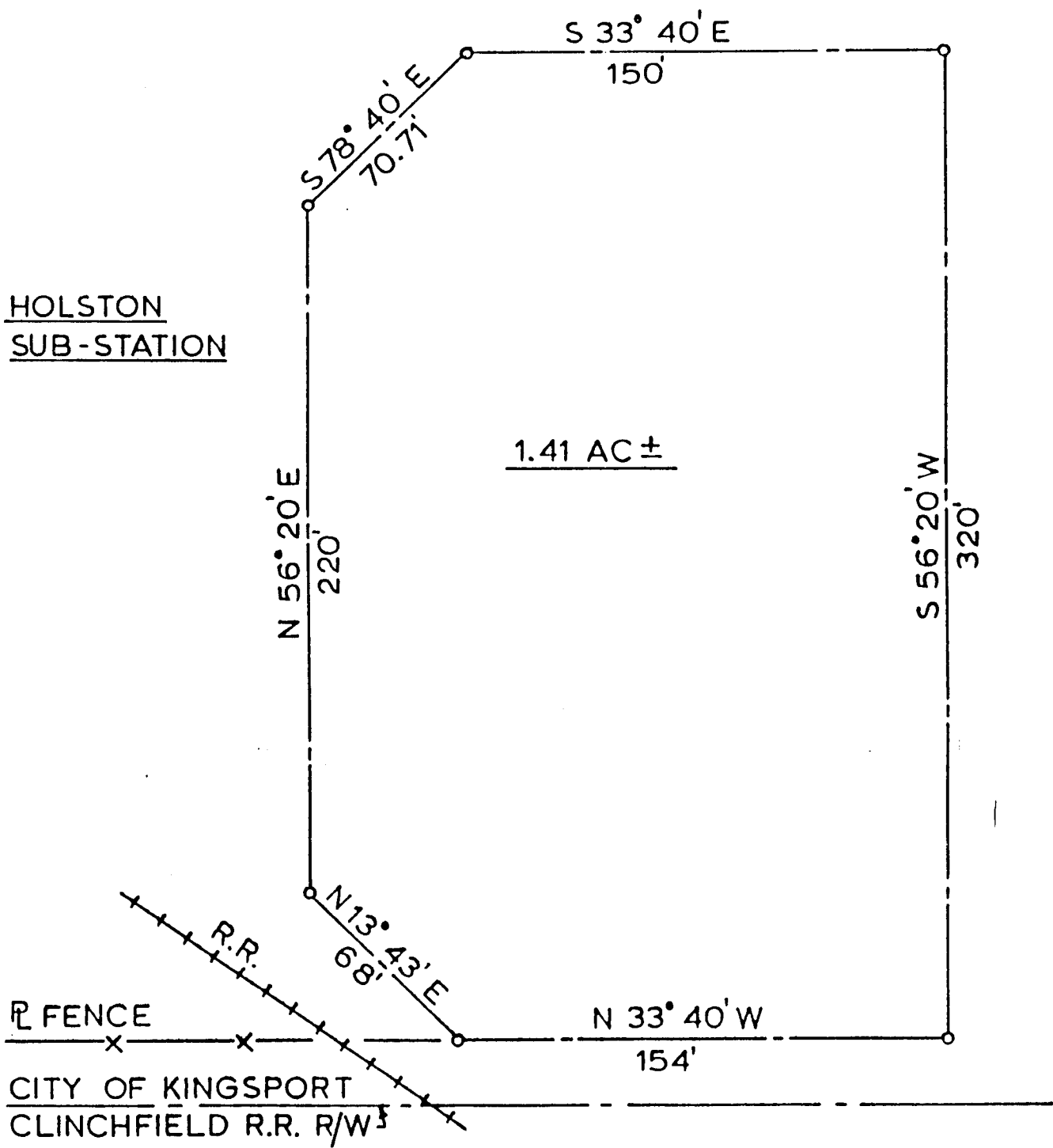


EXHIBIT 'A'

**Kingsport Power Company**  
**Account 4540004 - Rent Revenues From Electric Property - ABD**

The revenue in this account is from American Tower for billings of land rentals in KgPCo territory.  
Per the contract with American Tower, site rentals increase by 3% each year.

Invoice Date	Invoice Number	Number of Sites	Revenue per Site	Total Revenue
1/8/2016	260-20966560	4	9,889.07	39,556.28
1/17/2017	260-21037521	4	10,185.74	40,742.96
1/26/2018	260-21106997	3	10,491.31	31,473.93
1/22/2019	260-21169007	3	10,806.05	32,418.18
9/4/2019	260-21207570	Site Renewal - 3	10,000.00	30,000.00
1/7/2020	260-21230161	3	11,130.23	33,390.72
2/25/2021	260-21296414	3	11,464.14	34,392.45



**KINGSPORT POWER**  
**CALCULATION OF ANNUAL POLE COST - JOINT USE**  
**2014 DATA (2015 RATE)**  
NET CALCULATION

Final

Line	Description	Acct. Ref.	Report Reference or Formula	\$	Line
1	Gross Investment				1
2	Poles	364	FORM 1; Page 207 (g)Ln64	22,149,498	2 x
3	Conductor	365	FORM 1; Page 207 (g)Ln65	25,590,009	3 x
4	Services	369	FORM 1; Page 207 (g)Ln69	11,019,556	4 x
5	Total Overhead Accts		Sum Accts 364,365,369	58,759,063	5
6	Total Dist. Plant		FORM 1; Page 207 (g)Ln75	130,967,502	6 x
7	Total Utility Plant		FORM 1; Page 200 (b)Ln8	165,627,295	7 x
8					8
9	Deprec. Reserve				9
10	Poles		(L2/L6)*L12	8,510,906	10
11	Overhead Accts		(L5/L6)*L12	22,578,067	11
12	Total Dist. Plant		FORM 1; Page 219 (c)Ln26	50,324,033	12 x
13	Total Utility Plant		FORM 1; Page 200 (b)Ln14	63,736,410	13 x
14					14
15	Deferred Taxes				15
16	Poles		(L2-L10)/(L7-L13)*L23	2,993,209	16
17	Overhead Accts		(L5-L11)/(L7-L13)*L23	7,940,504	17
18	Total Utility Plant				18
19	For Accel. Amort. Ppty	281	FORM 1; Page 273 (k)Ln8	0	19
20	For Other Ppty	282	FORM 1; Page 275 (k)Ln2	20,357,471	20 GLR2200V In341 2821001
21	Deferred FIT-Other	283	FORM 1; Page 277 (k)Ln9	938,363	21 GLR2200V In346 2831001
22	Deferred Taxes	190	FORM 1; Page 234 (c)Ln8	-1,065,767	22 GLR2200V In166 1901001
23	Deferred Taxes Tot. Plt.		Sum Accts 281,282,283 Less 190	22,361,601	23
24					24
25	Net Pole Investment		L2-L10-L16	10,645,383	25
26	Net Overhead Accts		L5-L11-L17	28,240,492	26
27	Net Plant Investment		L7-L13-L23	79,529,284	27
28					28
29	Appurt. Elimination Rate		Rate for Electric Company	15.00%	29
30	Number of Poles		Company Records	30,855	30 x
31	Net Cost of a Bare Pole		(L25*(1-L29))/L30	293.26	31
32					32
33	Deprec. Rate - Poles		Annual Deprec. Rate	3.45%	33
34	Administrative Exp.		FORM 1; Page 323 (b)Ln 197	1,907,672	34 GLR3030V In197
35	Pole Maintenance Exp		L25/L26*L36	702,338	35
36	Mainten. of Overhead Lines	593	FORM 1; Page 322 (b)Ln 149	1,863,190	36 GLR3030V In149
37	Operating Taxes				37
38	Taxes Other Than Income	408	FORM 1; Page 114 (c)Ln 14	6,117,775	38 x
39	Income Taxes - Federal	409.1a	FORM 1; Page 114 (c)Ln 15	-1,072,298	39 x
40	Income Taxes - Other	409.1b	FORM 1; Page 114 (c)Ln 16	-123,597	40 x
41	Provision for Def. Inc. Tax	410.1	FORM 1; Page 114 (c)Ln 17	3,782,280	41 x
42	Provision for Def. Inc. Tax (cr.)	411.1	FORM 1; Page 114 (c)Ln 18	-2,012,974	42 x
				INTCOM5231	TN
43	Investment Tax Cr. Adj. - Net	411.4	FORM 1; Page 114 (c)Ln 19	0	43 x
44	Operating Taxes - Total			6,691,186	44
45					45
46	Depreciation Expense Factor		(L33*L2)/L25	7.18%	46
47	Admin. Factor		L34/L27	2.40%	47
48	Pole Mainten. Factor		L35/L25	6.60%	48
49	Tax Expense Factor		L44/L27	8.41%	49
50	Rate of Return		Commission Order	11.25%	50
51	Annual Cost Factor		L46+L47+L48+L49+L50	35.84%	51
52	Annual Net Pole Cost		L51*L31	\$105.10	52
54	CATV Co. Space %		1FT/13.5FT	7.41%	54
	CATV Co. Attachment Fee		L54*L52	\$7.78	

Updated 04/14/2015  
Last rate case 20+ years, so default 11.25% used



**KINGSPORT POWER**  
**CALCULATION OF ANNUAL POLE COST - JOINT USE**  
**2015 DATA (2016 RATE)**  
NET CALCULATION

Final

Line	Description	Acct. Ref.	Report Reference or Formula	\$	Line
1	Gross Investment				1
2	Poles	364	FORM 1; Page 207 (g)Ln64	23,267,956	2 x
3	Conductor	365	FORM 1; Page 207 (g)Ln65	27,266,273	3 x
4	Services	369	FORM 1; Page 207 (g)Ln69	11,302,696	4 x
5	Total Overhead Accts		Sum Accts 364,365,369	61,836,925	5
6	Total Dist. Plant		FORM 1; Page 207 (g)Ln75	141,614,957	6 x
7	Total Utility Plant		FORM 1; Page 200 (b)Ln8	117,295,980	7 x
8					8
9	Deprec. Reserve				9
10	Poles		(L2/L6)*L12	8,722,029	10
11	Overhead Accts		(L5/L6)*L12	23,179,666	11
12	Total Dist. Plant		FORM 1; Page 219 (c)Ln26	53,084,583	12 x
13	Total Utility Plant		FORM 1; Page 200 (b)Ln14	66,938,176	13 x
14					14
15	Deferred Taxes				15
16	Poles		(L2-L10)/(L7-L13)*L23	7,006,947	16
17	Overhead Accts		(L5-L11)/(L7-L13)*L23	18,621,665	17
18	Total Utility Plant				18
19	For Accel. Amort. Ppty	281	FORM 1; Page 273 (k)Ln8	0	19
20	For Other Ppty	282	FORM 1; Page 275 (k)Ln2	22,448,028	20 GLR2200V In341 2821001
21	Deferred FIT-Other	283	FORM 1; Page 277 (k)Ln9	1,189,467	21 GLR2200V In346 2831001
22	Deferred Taxes	190	FORM 1; Page 234 (c)Ln8	-620,463	22 GLR2200V In166 1901001
23	Deferred Taxes Tot. Plt.		Sum Accts 281,282,283 Less 190	24,257,958	23
24					24
25	Net Pole Investment		L2-L10-L16	7,538,980	25
26	Net Overhead Accts		L5-L11-L17	20,035,594	26
27	Net Plant Investment		L7-L13-L23	26,099,846	27
28					28
29	Appurt. Elimination Rate		Rate for Electric Company	15.00%	29
30	Number of Poles		Company Records	30,889	30 x
31	Net Cost of a Bare Pole		(L25*(1-L29))/L30	207.46	31
32					32
33	Deprec. Rate - Poles		Annual Deprec. Rate	3.36%	33
34	Administrative Exp.		FORM 1; Page 323 (b)Ln 197	2,925,272	34 GLR3030V In197
35	Pole Maintenance Exp		L25/L26*L36	738,106	35
36	Mainten. of Overhead Lines	593	FORM 1; Page 322 (b)Ln 149	1,961,591	36 GLR3030V In149
37	Operating Taxes				37
38	Taxes Other Than Income	408	FORM 1; Page 114 (c)Ln 14	6,601,635	38 x
39	Income Taxes - Federal	409.1a	FORM 1; Page 114 (c)Ln 15	-2,714,804	39 x
40	Income Taxes - Other	409.1b	FORM 1; Page 114 (c)Ln 16	-297,037	40 x
41	Provision for Def. Inc. Tax	410.1	FORM 1; Page 114 (c)Ln 17	4,555,993	41 x
42	Provision for Def. Inc. Tax (cr.)	411.1	FORM 1; Page 114 (c)Ln 18	-2,659,635	42 x
			INTCOM5231		TN
43	Investment Tax Cr. Adj. - Net	411.4	FORM 1; Page 114 (c)Ln 19	0	43 x
44	Operating Taxes - Total			5,486,152	44
45					45
46	Depreciation Expense Factor		(L33*L2)/L25	10.37%	46
47	Admin. Factor		L34/L27	11.21%	47
48	Pole Mainten. Factor		L35/L25	9.79%	48
49	Tax Expense Factor		L44/L27	21.02%	49
50	Rate of Return		Commission Order	11.25%	50
51	Annual Cost Factor		L46+L47+L48+L49+L50	63.64%	51
52	Annual Net Pole Cost		L51*L31	\$132.03	52
54	CATV Co. Space %		1FT/13.5FT	7.41%	54
	CATV Co. Attachment Fee		L54*L52	\$9.78	

Updated 04/18/2016  
Last rate case 20+ years, so default 11.25% used

**KINGSPORT POWER**  
**CALCULATION OF ANNUAL POLE COST - JOINT USE**  
**2016 DATA (2017 RATE)**  
NET CALCULATION

Final

Line	Description	Acct. Ref.	Report Reference or Formula	\$	Line
1	Gross Investment				1
2	Poles	364	FORM 1; Page 207 (g)Ln64	24,219,320	2 x
3	Conductor	365	FORM 1; Page 207 (g)Ln65	29,186,945	3 x
4	Services	369	FORM 1; Page 207 (g)Ln69	11,651,572	4 x
5	Total Overhead Accts		Sum Accts 364,365,369	65,057,837	5
6	Total Dist. Plant		FORM 1; Page 207 (g)Ln75	148,779,895	6 x
7	Total Utility Plant		FORM 1; Page 200 (b)Ln8	185,829,630	7 x
8					8
9	Deprec. Reserve				9
10	Poles		(L2/L6)*L12	9,205,245	10
11	Overhead Accts		(L5/L6)*L12	24,727,092	11
12	Total Dist. Plant		FORM 1; Page 219 (c)Ln26	56,548,055	12 x
13	Total Utility Plant		FORM 1; Page 200 (b)Ln14	71,254,960	13 x
14					14
15	Deferred Taxes				15
16	Poles		(L2-L10)/(L7-L13)*L23	3,405,159	16
17	Overhead Accts		(L5-L11)/(L7-L13)*L23	9,146,924	17
18	Total Utility Plant				18
19	For Accel. Amort. Ppty	281	FORM 1; Page 273 (k)Ln8	0	19
20	For Other Ppty	282	FORM 1; Page 275 (k)Ln2	24,371,115	20 GLR2200V In341 2821001
21	Deferred FIT-Other	283	FORM 1; Page 277 (k)Ln9	1,392,918	21 GLR2200V In346 2831001
22	Deferred Taxes	190	FORM 1; Page 234 (c)Ln8	-221,249	22 GLR2200V In166 1901001
23	Deferred Taxes Tot. Plt.		Sum Accts 281,282,283 Less 190	25,985,282	23
24					24
25	Net Pole Investment		L2-L10-L16	11,608,916	25
26	Net Overhead Accts		L5-L11-L17	31,183,821	26
27	Net Plant Investment		L7-L13-L23	88,589,388	27
28					28
29	Appurt. Elimination Rate		Rate for Electric Company	15.00%	29
30	Number of Poles		Company Records	30,830	30 x
31	Net Cost of a Bare Pole		(L25*(1-L29))/L30	320.06	31
32					32
33	Deprec. Rate - Poles		Annual Deprec. Rate	3.52%	33
34	Administrative Exp.		FORM 1; Page 323 (b)Ln 197	2,572,438	34 GLR3030V In197
35	Pole Maintenance Exp		L25/L26*L36	954,892	35
36	Mainten. of Overhead Lines	593	FORM 1; Page 322 (b)Ln 149	2,565,026	36 GLR3030V In149
37	Operating Taxes				37
38	Taxes Other Than Income	408	FORM 1; Page 114 (c)Ln 14	8,384,684	38 x
39	Income Taxes - Federal	409.1a	FORM 1; Page 114 (c)Ln 15	-1,088,119	39 x
40	Income Taxes - Other	409.1b	FORM 1; Page 114 (c)Ln 16	-100,010	40 x
41	Provision for Def. Inc. Tax	410.1	FORM 1; Page 114 (c)Ln 17	3,698,507	41 x
42	Provision for Def. Inc. Tax (cr.)	411.1	FORM 1; Page 114 (c)Ln 18	-1,971,184	42 x
			INTCOM5231		TN
43	Investment Tax Cr. Adj. - Net	411.4	FORM 1; Page 114 (c)Ln 19	0	43 x
44	Operating Taxes - Total			8,923,878	44
45					45
46	Depreciation Expense Factor		(L33*L2)/L25	7.34%	46
47	Admin. Factor		L34/L27	2.90%	47
48	Pole Mainten. Factor		L35/L25	8.23%	48
49	Tax Expense Factor		L44/L27	10.07%	49
50	Rate of Return		Commission Order	11.25%	50
51	Annual Cost Factor		L46+L47+L48+L49+L50	39.79%	51
52	Annual Net Pole Cost		L51*L31	\$127.35	52
54	CATV Co. Space %		1FT/13.5FT	7.41%	54
	CATV Co. Attachment Fee		L54*L52	\$9.43	

Updated 05/02/2017  
Last rate case 20+ years, so default 11.25% used

**KINGSPORT POWER**  
**CALCULATION OF ANNUAL POLE COST - JOINT USE**  
**2017 DATA (2018 RATE)**  
NET CALCULATION

Final

Line	Description	Acct. Ref.	Report Reference or Formula	\$	Line
1	Gross Investment				1
2	Poles	364	FORM 1; Page 207 (g)Ln64	25,406,623	2 x
3	Conductor	365	FORM 1; Page 207 (g)Ln65	30,700,978	3 x
4	Services	369	FORM 1; Page 207 (g)Ln69	12,041,337	4 x
5	Total Overhead Accts		Sum Accts 364,365,369	68,148,938	5
6	Total Dist. Plant		FORM 1; Page 207 (g)Ln75	156,495,812	6 x
7	Total Utility Plant		FORM 1; Page 200 (b)Ln8	201,361,539	7 x
8					8
9	Deprec. Reserve				9
10	Poles		(L2/L6)*L12	9,685,354	10
11	Overhead Accts		(L5/L6)*L12	25,979,312	11
12	Total Dist. Plant		FORM 1; Page 219 (c)Ln26	59,658,356	12 x
13	Total Utility Plant		FORM 1; Page 200 (b)Ln14	74,711,245	13 x
14					14
15	Deferred Taxes				15
16	Poles		(L2-L10)/(L7-L13)*L23	4,175,917	16
17	Overhead Accts		(L5-L11)/(L7-L13)*L23	11,201,187	17
18	Total Utility Plant				18
19	For Accel. Amort. Ppty	281	FORM 1; Page 273 (k)Ln8	0	19
20	For Other Ppty	282	FORM 1; Page 275 (k)Ln2	29,612,981	20 GLR2200V In341 2821001
21	Deferred FIT-Other	283	FORM 1; Page 277 (k)Ln9	3,324,727	21 GLR2200V In346 2831001
22	Deferred Taxes	190	FORM 1; Page 234 (c)Ln8	-703,417	22 GLR2200V In166 1901001
23	Deferred Taxes Tot. Plt.		Sum Accts 281,282,283 Less 190	33,641,125	23
24					24
25	Net Pole Investment		L2-L10-L16	11,545,352	25
26	Net Overhead Accts		L5-L11-L17	30,968,439	26
27	Net Plant Investment		L7-L13-L23	93,009,169	27
28					28
29	Appurt. Elimination Rate		Rate for Electric Company	15.00%	29
30	Number of Poles		Company Records	30,893	30 x
31	Net Cost of a Bare Pole		(L25*(1-L29))/L30	317.66	31
32					32
33	Deprec. Rate - Poles		Annual Deprec. Rate	3.62%	33
34	Administrative Exp.		FORM 1; Page 323 (b)Ln 197	2,505,088	34 GLR3030V In197
35	Pole Maintenance Exp		L25/L26*L36	853,978	35
36	Mainten. of Overhead Lines	593	FORM 1; Page 322 (b)Ln 149	2,290,651	36 GLR3030V In149
37	Operating Taxes				37
38	Taxes Other Than Income	408	FORM 1; Page 114 (c)Ln 14	10,576,380	38 x
39	Income Taxes - Federal	409.1a	FORM 1; Page 114 (c)Ln 15	-4,902,283	39 x
40	Income Taxes - Other	409.1b	FORM 1; Page 114 (c)Ln 16	510,070	40 x
41	Provision for Def. Inc. Tax	410.1	FORM 1; Page 114 (c)Ln 17	13,152,859	41 x
42	Provision for Def. Inc. Tax (cr.)	411.1	FORM 1; Page 114 (c)Ln 18	-7,167,561	42 x
			INTCOM5231		TN
43	Investment Tax Cr. Adj. - Net	411.4	FORM 1; Page 114 (c)Ln 19	0	43 x
44	Operating Taxes - Total			12,169,465	44
45					45
46	Depreciation Expense Factor		(L33*L2)/L25	7.97%	46
47	Admin. Factor		L34/L27	2.69%	47
48	Pole Mainten. Factor		L35/L25	7.40%	48
49	Tax Expense Factor		L44/L27	13.08%	49
50	Rate of Return		Commission Order	6.18%	50
51	Annual Cost Factor		L46+L47+L48+L49+L50	37.32%	51
52	Annual Net Pole Cost		L51*L31	\$118.53	52
54	CATV Co. Space %		1FT/13.5FT	7.41%	54
	CATV Co. Attachment Fee		L54*L52	\$8.78	

Updated 4/23/2018  
2017 used 11.25% default because last rate case 20+ years

**KINGSPORT POWER**  
**CALCULATION OF ANNUAL POLE COST - JOINT USE**  
**2018 DATA (2019 RATE)**  
NET CALCULATION

**FINAL**

Line	Description	Acct. Ref.	Report Reference or Formula	\$	Line
1	Gross Investment				1
2	Poles	364	FORM 1; Page 207 (g)Ln64	26,965,701	2 x
3	Conductor	365	FORM 1; Page 207 (g)Ln65	34,658,241	3 x
4	Services	369	FORM 1; Page 207 (g)Ln69	12,415,325	4 x
5	Total Overhead Accts		Sum Accts 364,365,369	74,039,267	5
6	Total Dist. Plant		FORM 1; Page 207 (g)Ln75	173,592,355	6 x
7	Total Utility Plant		FORM 1; Page 200 (b)Ln8	220,928,311	7 x
8					8
9	Deprec. Reserve				9
10	Poles		(L2/L6)*L12	9,847,739	10
11	Overhead Accts		(L5/L6)*L12	27,038,769	11
12	Total Dist. Plant		FORM 1; Page 219 (c)Ln26	63,395,057	12 x
13	Total Utility Plant		FORM 1; Page 200 (b)Ln14	79,213,958	13 x
14					14
15	Deferred Taxes				15
16	Poles		(L2-L10)/(L7-L13)*L23	3,713,011	16
17	Overhead Accts		(L5-L11)/(L7-L13)*L23	10,194,752	17
18	Total Utility Plant				18
19	For Accel. Amort. Ppty	281	FORM 1; Page 273 (k)Ln8	0	19
20	For Other Ppty	282	FORM 1; Page 275 (k)Ln2	27,527,831	20
21	Deferred FIT-Other	283	FORM 1; Page 277 (k)Ln9	3,278,592	21
22	Deferred Taxes	190	FORM 1; Page 234 (c)Ln8	67,543	22
23	Deferred Taxes Tot. Plt.		Sum Accts 281,282,283 Less 190	30,738,880	23
24					24
25	Net Pole Investment		L2-L10-L16	13,404,951	25
26	Net Overhead Accts		L5-L11-L17	36,805,746	26
27	Net Plant Investment		L7-L13-L23	110,975,473	27
28					28
29	Appurt. Elimination Rate		Rate for Electric Company	15.00%	29
30	Number of Poles		Company Records	31,032	30 x
31	Net Cost of a Bare Pole		(L25*(1-L29))/L30	367.18	31
32					32
33	Deprec. Rate - Poles		Annual Deprec. Rate	3.43%	33
34	Administrative Exp.		FORM 1; Page 323 (b)Ln 197	1,892,148	34
35	Pole Maintenance Exp		L25/L26*L36	1,355,388	35
36	Mainten. of Overhead Lines	593	FORM 1; Page 322 (b)Ln 149	3,721,466	36
37	Operating Taxes				37
38	Taxes Other Than Income	408	FORM 1; Page 114 (c)Ln 14	11,016,305	38 x
39	Income Taxes - Federal	409.1a	FORM 1; Page 114 (c)Ln 15	303,642	39 x
40	Income Taxes - Other	409.1b	FORM 1; Page 114 (c)Ln 16	16,612	40 x
41	Provision for Def. Inc. Tax	410.1	FORM 1; Page 114 (c)Ln 17	29,142,331	41 x
42	Provision for Def. Inc. Tax (cr.)	411.1	FORM 1; Page 114 (c)Ln 18	-31,875,636	42 x
			INTCOM5231		TN
43	Investment Tax Cr. Adj. - Net	411.4	FORM 1; Page 114 (c)Ln 19	0	43 x
44	Operating Taxes - Total			8,603,254	44
45					45
46	Depreciation Expense Factor		(L33*L2)/L25	6.90%	46
47	Admin. Factor		L34/L27	1.71%	47
48	Pole Mainten. Factor		L35/L25	10.11%	48
49	Tax Expense Factor		L44/L27	7.75%	49
50	Rate of Return		Commission Order 16-00001	6.18%	50
51	Annual Cost Factor		L46+L47+L48+L49+L50	32.65%	51
52	Annual Net Pole Cost		L51*L31	\$119.87	52
54	CATV Co. Space %		1FT/13.5FT	7.41%	54
	CATV Co. Attachment Fee		L54*L52	\$8.88	

Updated 4/29/19  
2017 used 11.25% default because last rate case 20+ years

**KINGSPORT POWER**  
**CALCULATION OF ANNUAL POLE COST - JOINT USE**  
**2019 DATA (2020 RATE)**  
NET CALCULATION

**FINAL**

Line	Description	Acct. Ref.	Report Reference or Formula	\$	Line
1	Gross Investment				1
2	Poles	364	FORM 1; Page 207 (g)Ln64	28,629,875	2 x
3	Conductor	365	FORM 1; Page 207 (g)Ln65	36,417,190	3 x
4	Services	369	FORM 1; Page 207 (g)Ln69	12,982,485	4 x
5	Total Overhead Accts		Sum Accts 364,365,369	78,029,550	5
6	Total Dist. Plant		FORM 1; Page 207 (g)Ln75	189,225,740	6 x
7	Total Utility Plant		FORM 1; Page 200 (b)Ln8	243,899,507	7 x
8					8
9	Deprec. Reserve				9
10	Poles		(L2/L6)*L12	10,150,068	10
11	Overhead Accts		(L5/L6)*L12	27,663,593	11
12	Total Dist. Plant		FORM 1; Page 219 (c)Ln26	67,085,661	12 x
13	Total Utility Plant		FORM 1; Page 200 (b)Ln14	83,538,185	13 x
14					14
15	Deferred Taxes				15
16	Poles		(L2-L10)/(L7-L13)*L23	3,733,779	16
17	Overhead Accts		(L5-L11)/(L7-L13)*L23	10,176,262	17
18	Total Utility Plant				18
19	For Accel. Amort. Ppty	281	FORM 1; Page 273 (k)Ln8	0	19
20	For Other Ppty	282	FORM 1; Page 275 (k)Ln2	28,828,312	20 GLR2200V In341 2821001
21	Deferred FIT-Other	283	FORM 1; Page 277 (k)Ln9	3,765,371	21 GLR2200V In346 2831001
22	Deferred Taxes	190	FORM 1; Page 234 (c)Ln8	193,251	22 GLR2200V In166 1901001
23	Deferred Taxes Tot. Plt.		Sum Accts 281,282,283 Less 190	32,400,432	23
24					24
25	Net Pole Investment		L2-L10-L16	14,746,028	25
26	Net Overhead Accts		L5-L11-L17	40,189,695	26
27	Net Plant Investment		L7-L13-L23	127,960,890	27
28					28
29	Appurt. Elimination Rate		Rate for Electric Company	15.00%	29
30	Number of Poles		Company Records	31,167	30 x
31	Net Cost of a Bare Pole		(L25*(1-L29))/L30	402.16	31
32					32
33	Deprec. Rate - Poles		Annual Deprec. Rate	3.49%	33
34	Administrative Exp.		FORM 1; Page 323 (b)Ln 197	1,724,270	34 GLR3030V In197
35	Pole Maintenance Exp		L25/L26*L36	1,274,762	35
36	Mainten. of Overhead Lines	593	FORM 1; Page 322 (b)Ln 149	3,474,311	36 GLR3030V In149
37	Operating Taxes				37
38	Taxes Other Than Income	408	FORM 1; Page 114 (c)Ln 14	11,016,305	38 x
39	Income Taxes - Federal	409.1a	FORM 1; Page 114 (c)Ln 15	303,642	39 x
40	Income Taxes - Other	409.1b	FORM 1; Page 114 (c)Ln 16	16,612	40 x
41	Provision for Def. Inc. Tax	410.1	FORM 1; Page 114 (c)Ln 17	29,142,331	41 x
42	Provision for Def. Inc. Tax (cr.)	411.1	FORM 1; Page 114 (c)Ln 18	-31,875,636	42 x
			INTCOM5231		TN
43	Investment Tax Cr. Adj. - Net	411.4	FORM 1; Page 114 (c)Ln 19	0	43 x
44	Operating Taxes - Total			8,603,254	44
45					45
46	Depreciation Expense Factor		(L33*L2)/L25	6.78%	46
47	Admin. Factor		L34/L27	1.35%	47
48	Pole Mainten. Factor		L35/L25	8.64%	48
49	Tax Expense Factor		L44/L27	6.72%	49
50	Rate of Return		Commission Order 16-00001	6.18%	50
51	Annual Cost Factor		L46+L47+L48+L49+L50	29.67%	51
52	Annual Net Pole Cost		L51*L31	\$119.30	52
54	CATV Co. Space %		1FT/13.5FT	7.41%	54
	CATV Co. Attachment Fee		L54*L52	\$8.84	

Updated 4/28/2020 clr  
2017 used 11.25% default because last rate case 20+ years

**KINGSPORT POWER**  
**CALCULATION OF ANNUAL POLE COST - JOINT USE**  
**2020 DATA (2021 RATE)**  
NET CALCULATION

**FINAL**

Line	Description #NAME?	Acct. Ref.	Report Reference or Formula	\$	Line
1	Gross Investment				1
2	Poles	364	FORM 1; Page 207 (g)Ln64	30,263,567	2 x
3	Conductor	365	FORM 1; Page 207 (g)Ln65	42,997,542	3 x
4	Services	369	FORM 1; Page 207 (g)Ln69	13,376,313	4 x
5	Total Overhead Accts		Sum Accts 364,365,369	86,637,422	5
6	Total Dist. Plant		FORM 1; Page 207 (g)Ln75	196,899,423	6 x
7	Total Utility Plant		FORM 1; Page 200 (b)Ln8	261,367,215	7 x
8					8
9	Deprec. Reserve				9
10	Poles		(L2/L6)*L12	10,505,779	10
11	Overhead Accts		(L5/L6)*L12	30,075,556	11
12	Total Dist. Plant		FORM 1; Page 219 (c)Ln26	68,352,215	12 x
13	Total Utility Plant		FORM 1; Page 200 (b)Ln14	85,406,194	13 x
14					14
15	Deferred Taxes				15
16	Poles		(L2-L10)/(L7-L13)*L23	3,542,765	16
17	Overhead Accts		(L5-L11)/(L7-L13)*L23	10,142,096	17
18	Total Utility Plant				18
19	For Accel. Amort. Ppty	281	FORM 1; Page 273 (k)Ln8	0	19
20	For Other Ppty	282	FORM 1; Page 275 (k)Ln2	29,199,016	20 GLR2200V In341 2821001
21	Deferred FIT-Other	283	FORM 1; Page 277 (k)Ln9	2,776,749	21 GLR2200V In346 2831001
22	Deferred Taxes	190	FORM 1; Page 234 (c)Ln8	424,231	22 GLR2200V In166 1901001
23	Deferred Taxes Tot. Plt.		Sum Accts 281,282,283 Less 190	31,551,534	23
24					24
25	Net Pole Investment		L2-L10-L16	16,215,023	25
26	Net Overhead Accts		L5-L11-L17	46,419,770	26
27	Net Plant Investment		L7-L13-L23	144,409,487	27
28					28
29	Appurt. Elimination Rate		Rate for Electric Company	15.00%	29
30	Number of Poles		Company Records	31,170	30 x
31	Net Cost of a Bare Pole		(L25*(1-L29))/L30	442.18	31
32					32
33	Deprec. Rate - Poles		Annual Deprec. Rate	3.48%	33
34	Administrative Exp.		FORM 1; Page 323 (b)Ln 197	1,925,340	34 GLR3030V In197
35	Pole Maintenance Exp		L25/L26*L36	2,088,574	35
36	Mainten. of Overhead Lines	593	FORM 1; Page 322 (b)Ln 149	5,979,094	36 GLR3030V In149
37	Operating Taxes				37
38	Taxes Other Than Income	408	FORM 1; Page 114 (c)Ln 14	10,684,092	38 x
39	Income Taxes - Federal	409.1a	FORM 1; Page 114 (c)Ln 15	526,897	39 x
40	Income Taxes - Other	409.1b	FORM 1; Page 114 (c)Ln 16	-24,158	40 x
41	Provision for Def. Inc. Tax	410.1	FORM 1; Page 114 (c)Ln 17	7,206,866	41 x
42	Provision for Def. Inc. Tax (cr.)	411.1	FORM 1; Page 114 (c)Ln 18	-7,898,321	42 x
			INTCOM5231		TN
43	Investment Tax Cr. Adj. - Net	411.4	FORM 1; Page 114 (c)Ln 19	0	43 x
44	Operating Taxes - Total			10,495,376	44
45					45
46	Depreciation Expense Factor		(L33*L2)/L25	6.50%	46
47	Admin. Factor		L34/L27	1.33%	47
48	Pole Mainten. Factor		L35/L25	12.88%	48
49	Tax Expense Factor		L44/L27	7.27%	49
50	Rate of Return		Commission Order 16-00001	6.18%	50
51	Annual Cost Factor		L46+L47+L48+L49+L50	34.16%	51
52	Annual Net Pole Cost		L51*L31	\$151.03	52
54	CATV Co. Space %		1FT/13.5FT	7.41%	54
	CATV Co. Attachment Fee		L54*L52	\$11.19	

Updated 4/27/2021 clr  
2017 used 11.25% default because last rate case 20+ years

**TENNESSEE PUBLIC UTILITY COMMISSION  
PETITION OF  
Kingsport Power Company  
DOCKET NO. TPUC 21-00107 Rate Case Discovery  
Data Requests and Requests for the Production  
of Documents by the CONSUMER ADVOCATE DIVISION  
CA Set 3  
To Kingsport Power Company**

**Data Request CA 3-22:**

Refer to the (KMH – Workpaper 6 – JCOS KgPCo 456 Other Electric Revenues) spreadsheet included with the Company’s filing that provides the test period source data for Other Revenues from Electric Property. Please provide the following information related to this spreadsheet: a. Provide the monthly other revenue for account 4560015 segregated between transmission and distribution revenue from December 2015 to June 2021 b. Provide the monthly billing determinants from December 2015 to June 2021 that are used to calculate the monthly amounts for Account 4560015 c. Identify and provide a copy of the source for the monthly billing rates for Other Electric Revenues.

**Response CA 3-22:**

a) See CA 3-22 Attachment 1. for monthly other revenues for account 4560015 segregated between transmission and distribution revenue from December 2015 through June 2021.  
b) and c) See CA 3-22 Attachment 2 for monthly revenues related to HomeServe and AllConnect recorded in account 4560015. The Company's customers have the option to sign up with HomeServe for home warranties and Kingsport provides the billing and payment processing for customers. When Kingsport collects the customer payments for HomeServe, the Company keeps a share of the payments and records such share as revenues in Account 4560015. The Company advises new customers about AllConnect who offer move-related services such as cable and internet. AllConnect gets paid by their partner companies, and Kingsport receives a percentage of the payments that is recorded as revenues in Account 4560015. As this is an Other Electric Revenues - Associated Business Development account, standard billing determinants do not apply.

CA 3-22  
Attachment 1

BU 230 = Distribution  
BU 260 = Transmission

Account 4560015

Sum of Sum Amount	Period													
Unit	Year	1	2	3	4	5	6	7	8	9	10	11	12	Grand Total
230	2021	(10,705.25)	(13,253.78)	(14,234.78)	(10,345.12)	(10,747.33)	(11,517.78)							(70,804.04)
	2020	(10,872.63)	(13,142.76)	(9,279.71)	(10,005.13)	(10,195.67)	(10,199.53)	(10,468.66)	(11,182.71)	(11,455.40)	(11,187.84)	(10,730.76)	(17,027.76)	(135,748.56)
	2019	(9,805.47)	(10,802.41)	(14,899.00)	(7,445.97)	(7,696.57)	(98,750.24)	(10,747.38)	(7,456.24)	(9,156.89)	(9,697.22)	(9,614.53)	(12,343.33)	(208,415.25)
	2018	(10,473.41)	(5,797.50)	(5,368.53)	(6,604.13)	(6,630.74)	(6,676.55)	(7,078.44)	(10,784.81)	(12,441.86)	(9,662.99)	(10,479.04)	(9,864.35)	(101,862.35)
	2017	(8,021.78)	(8,420.42)	(7,842.67)	(5,655.60)	(12,347.13)	(5,932.37)	(7,457.41)	(7,970.04)	(7,361.17)	(6,298.60)	(59,906.62)	(10,608.94)	(147,822.75)
	2016	(9,171.65)	(6,142.30)	(3,989.25)	(2,623.08)	(4,019.86)	(5,448.76)	(5,724.10)	(5,849.79)	(7,324.77)	(7,964.98)	(5,800.20)	(7,152.30)	(71,211.04)
	2015												(7,631.48)	(7,631.48)
230 Total		(59,050.19)	(57,559.17)	(55,613.94)	(42,679.03)	(51,637.30)	(138,525.23)	(41,475.99)	(43,243.59)	(47,740.09)	(44,811.63)	(96,531.15)	(64,628.16)	(743,495.47)
260	2021	(2,730.22)	(2,730.22)	(2,730.22)	(2,730.22)	(2,730.22)	(2,730.22)							(16,381.32)
	2020	(1,195.00)	(1,195.00)	(1,195.00)	(1,195.00)	(1,195.00)	(24,255.62)	(36,917.22)	(2,730.22)	(2,730.22)	(2,730.22)	(2,730.22)	(2,730.22)	(80,798.94)
	2019	(1,000.00)	(9,500.00)	(1,000.00)	(1,251.61)	(42,355.00)	(2,390.00)	(29,300.00)	(17,588.00)	(1,195.00)	(1,195.00)	(1,195.00)	(45,570.00)	(153,539.61)
	2018	(1,000.00)	(1,000.00)	(1,000.00)	(1,000.00)	(1,000.00)	(2,500.00)	(30,300.00)	(1,000.00)	(10,302.00)	(1,000.00)	(1,000.00)	(1,000.00)	(52,102.00)
	2017	(1,000.00)	(1,000.00)	(1,000.00)	(9,500.00)	(2,750.00)	(1,000.00)	(60,195.00)	(1,000.00)	(80,683.00)	(8,597.00)	(1,000.00)	(1,000.00)	(168,725.00)
	2016	(1,000.00)	(1,000.00)	(1,000.00)	(1,000.00)	(1,000.00)	(2,500.00)	(17,500.00)	(1,000.00)	(13,800.00)	(1,000.00)	(1,000.00)	(3,500.00)	(45,300.00)
	2015												(1,000.00)	(1,000.00)
260 Total		(7,925.22)	(16,425.22)	(7,925.22)	(16,676.83)	(51,030.22)	(35,375.84)	(174,212.22)	(23,318.22)	(108,710.22)	(14,522.22)	(6,925.22)	(54,800.22)	(517,846.87)
Grand Total		(66,975.41)	(73,984.39)	(63,539.16)	(59,355.86)	(102,667.52)	(173,901.07)	(215,688.21)	(66,561.81)	(156,450.31)	(59,333.85)	(103,456.37)	(119,428.38)	(1,261,342.34)



## Kingsport HomeService Revenues

### AR01551101

Sum of BU Amount	BU		
Row Labels	230	250	Grand Total
<b>2015</b>	<b>(506.32)</b>		<b>(506.32)</b>
12	(506.32)		(506.32)
<b>2016</b>	<b>(44,595.71)</b>		<b>(44,595.71)</b>
1	(7,731.06)		(7,731.06)
2	(1,837.19)		(1,837.19)
3	(2,327.97)		(2,327.97)
4	(2,449.40)		(2,449.40)
5	(2,518.56)		(2,518.56)
6	(3,304.23)		(3,304.23)
7	(3,429.17)		(3,429.17)
8	(4,080.85)		(4,080.85)
9	(4,192.05)		(4,192.05)
10	(4,209.39)		(4,209.39)
11	(4,207.96)		(4,207.96)
12	(4,307.88)		(4,307.88)
<b>2017</b>	<b>(54,815.53)</b>	-	<b>(54,815.53)</b>
1	(4,321.00)		(4,321.00)
2	(4,309.72)		(4,309.72)
3	(4,550.33)	-	(4,550.33)
4	(4,532.37)	-	(4,532.37)
5	(4,467.31)		(4,467.31)
6	(4,388.89)		(4,388.89)
7	(4,590.71)		(4,590.71)
8	(4,644.97)		(4,644.97)
9	(4,685.57)		(4,685.57)
10	(4,696.40)		(4,696.40)
11	(4,755.68)		(4,755.68)
12	(4,872.58)		(4,872.58)
<b>2018</b>	<b>(66,475.72)</b>		<b>(66,475.72)</b>
1	(4,991.35)		(4,991.35)
2	(5,076.12)		(5,076.12)
3	(5,266.09)		(5,266.09)
4	(5,399.79)		(5,399.79)
5	(5,443.82)		(5,443.82)
6	(5,455.34)		(5,455.34)
7	(5,609.48)		(5,609.48)
8	(5,679.64)		(5,679.64)
9	(5,708.76)		(5,708.76)
10	(5,835.45)		(5,835.45)
11	(5,950.52)		(5,950.52)
12	(6,059.36)		(6,059.36)
<b>2019</b>	<b>(83,549.46)</b>	-	<b>(83,549.46)</b>

# **Kingsport HomeService Revenues**

## **AR01551101**

Sum of BU Amount	BU		
Row Labels	230	250	Grand Total
1	(6,159.29)		(6,159.29)
2	(6,105.10)		(6,105.10)
3	(6,368.03)		(6,368.03)
4	(6,597.46)		(6,597.46)
5	(6,646.60)		(6,646.60)
6	(6,889.29)		(6,889.29)
7	(7,093.95)	-	(7,093.95)
8	(7,303.88)	-	(7,303.88)
9	(7,313.41)	-	(7,313.41)
10	(7,542.96)	-	(7,542.96)
11	(7,682.06)	-	(7,682.06)
12	(7,847.43)	-	(7,847.43)
<b>2020</b>	<b>(103,506.79)</b>	-	<b>(103,506.79)</b>
1	(7,852.04)	-	(7,852.04)
2	(8,084.01)	-	(8,084.01)
3	(8,148.59)	-	(8,148.59)
4	(8,251.66)	-	(8,251.66)
5	(8,268.24)	-	(8,268.24)
6	(8,496.07)	-	(8,496.07)
7	(8,715.93)	-	(8,715.93)
8	(8,944.68)	-	(8,944.68)
9	(8,962.01)	-	(8,962.01)
10	(9,121.63)	-	(9,121.63)
11	(9,355.42)	-	(9,355.42)
12	(9,306.51)	-	(9,306.51)
<b>2021</b>	<b>(56,518.73)</b>	-	<b>(56,518.73)</b>
1	(9,326.36)	-	(9,326.36)
2	(9,371.63)	-	(9,371.63)
3	(9,420.71)		(9,420.71)
4	(9,324.01)	-	(9,324.01)
5	(9,467.01)		(9,467.01)
6	(9,609.01)		(9,609.01)
<b>Grand Total</b>	<b>(409,968.26)</b>	-	<b>(409,968.26)</b>

**Kingsport AllConnect Revenues**  
**AR00746101**

Sum of BU Amount Row Labels	BU 230	Grand Total
<b>2015</b>	<b>(1,774.16)</b>	<b>(1,774.16)</b>
12	(1,774.16)	(1,774.16)
<b>2016</b>	<b>(22,200.47)</b>	<b>(22,200.47)</b>
1	(1,440.59)	(1,440.59)
2	(4,305.11)	(4,305.11)
3	(1,661.28)	(1,661.28)
4	(173.68)	(173.68)
5	(1,501.30)	(1,501.30)
6	(2,144.53)	(2,144.53)
7	(2,294.93)	(2,294.93)
8	(1,768.94)	(1,768.94)
9	(1,947.72)	(1,947.72)
10	(2,088.73)	(2,088.73)
11	(1,592.24)	(1,592.24)
12	(1,281.42)	(1,281.42)
<b>2017</b>	<b>(17,234.57)</b>	<b>(17,234.57)</b>
1	(1,361.93)	(1,361.93)
2	(3,885.21)	(3,885.21)
3	(974.04)	(974.04)
4	(1,123.23)	(1,123.23)
5	(1,245.82)	(1,245.82)
6	(1,543.48)	(1,543.48)
7	(1,561.70)	(1,561.70)
8	(2,401.07)	(2,401.07)
9	(158.60)	(158.60)
10	(794.24)	(794.24)
11	(2,045.89)	(2,045.89)
12	(139.36)	(139.36)
<b>2018</b>	<b>(25,196.88)</b>	<b>(25,196.88)</b>
1	(1,458.04)	(1,458.04)
2	(721.38)	(721.38)
3	(102.44)	(102.44)
4	(1,204.34)	(1,204.34)
5	(1,186.92)	(1,186.92)
6	(1,221.21)	(1,221.21)
7	(1,468.96)	(1,468.96)
8	(2,675.46)	(2,675.46)
9	(6,733.10)	(6,733.10)
10	(91.52)	(91.52)
11	(4,528.52)	(4,528.52)
12	(3,804.99)	(3,804.99)

**Kingsport AllConnect Revenues**  
**AR00746101**

Sum of BU Amount Row Labels	BU 230	Grand Total
<b>2019</b>	<b>(28,767.71)</b>	<b>(28,767.71)</b>
1	(3,646.18)	(3,646.18)
2	(1,932.15)	(1,932.15)
3	(5,745.97)	(5,745.97)
4	(848.51)	(848.51)
5	(1,049.97)	(1,049.97)
6	(1,357.95)	(1,357.95)
7	(3,653.43)	(3,653.43)
8	(152.36)	(152.36)
9	(1,843.48)	(1,843.48)
10	(2,154.26)	(2,154.26)
11	(1,932.47)	(1,932.47)
12	(4,450.98)	(4,450.98)
<b>2020</b>	<b>(25,419.11)</b>	<b>(25,419.11)</b>
1	(2,072.71)	(2,072.71)
2	(5,179.63)	(5,179.63)
3	(1,131.12)	(1,131.12)
4	(1,753.47)	(1,753.47)
5	(1,927.43)	(1,927.43)
6	(1,406.35)	(1,406.35)
7	(1,752.73)	(1,752.73)
8	(2,238.03)	(2,238.03)
9	(2,417.19)	(2,417.19)
10	(2,066.21)	(2,066.21)
11	(1,375.34)	(1,375.34)
12	(2,098.90)	(2,098.90)
<b>2021</b>	<b>(11,124.17)</b>	<b>(11,124.17)</b>
1	(1,378.89)	(1,378.89)
2	(3,882.15)	(3,882.15)
3	(1,652.93)	(1,652.93)
4	(1,021.11)	(1,021.11)
5	(1,280.32)	(1,280.32)
6	(1,908.77)	(1,908.77)
<b>Grand Total</b>	<b>(131,717.07)</b>	<b>(131,717.07)</b>

**TENNESSEE PUBLIC UTILITY COMMISSION**  
**PETITION OF**  
**Kingsport Power Company**  
**DOCKET NO. TPUC 21-00107 Rate Case Discovery**  
**Data Requests and Requests for the Production**  
**of Documents by the CONSUMER ADVOCATE DIVISION**  
**CA Set 3**  
**To Kingsport Power Company**

**Data Request CA 3-23:**

Refer to the response to Consumer Advocate DR No. 1-36 (CA\_1-36\_Attachment\_3) and specifically tab “230A”. Provide a complete explanation of the logic of netting the amounts in cells H28 and I29 in arriving at the value in cell J28. Include an explanation for what is represented in cells H 28 and I 28.

**Response CA 3-23:**

As presented in CA 1-36 Attachment 3, row 27, cell H28 represents tax depreciation for January 1, 2021 through June 30, 2021. The six months of tax depreciation is utilized in calculating the book/tax timing difference for accelerated depreciation in tab “Distribution ADFIT” that is in the tax subledger as of June 30, 2021. Cell I28 represents the forecasted full year tax depreciation on assets placed in service before the current year plus tax depreciation on assets placed in service through July 2021. The full year forecast of depreciation included actual additions through July 2021 based on the forecasting process utilized by the Company. Subtracting the \$3.4M from the \$6.1M provides the balance of additional tax depreciation from July 1, 2021 through December 31, 2021 (excluding assets placed in service August 1, 2021 – December 31, 2021). The \$2.7M in cell J28 is multiplied by the 21% tax rate and populates cell J44 of tab “Distribution ADFIT” as one part of the adjustment to the book/tax timing difference on depreciation to bring the ADFIT through the attrition period ending December 31, 2022.

The remaining tax depreciation for assets placed in service from August 2021 through December 31, 2021 is calculated on tab “2021 and 2022 Additions”. The assets placed in service are provided by Company Witness Allen in MFR 09. Line 19, (Cell C28) states “Assets June-December 2021” but that is incorrect. It is a computation on “Assets August-December 2021” and the verbiage in that cell was not updated in the supporting workpapers. Total tax depreciation, Line 42 (cell Q51) is multiplied by the 21% tax rate and populates cell L44 of tab “Distribution ADFIT” as one part of the adjustment to the book/tax timing difference on depreciation to bring the ADFIT through attrition period December 31, 2022.

Finally, tax “X Year 2022” cell C47 represents depreciation in 2022 for vintage year assets placed in service before 2022. Cell C47 is multiplied by the 21% tax rate and populates cell M44 of tab “Distribution ADFIT” as one part of the adjustment to the book/tax timing difference on depreciation to bring the ADFIT through the attrition period ending December 31, 2022.

The above adjustments all account for tax depreciation from July 1, 2021 through December 31, 2022. In tab “Distribution ADFIT”, there is a high level summary of tax depreciation by year in columns R through U to tie to the total adjustment to line 44, 230A ACRS Benefit Normalized.

**Response CA 3-23 cont'd:**

Book depreciation is being utilized from Adjustment AD-39 (Exhibits 1a-4c, tab "JOCS Adjustments 2-b, cell AW139) and multiplied by 21% in order to accurately calculate the book/tax timing difference on depreciation to bring the ADFIT through the attrition period ending December 31, 2022.

The overall adjustment to 230A ACRS Benefit Normalized is (\$580,423), an increase to ADFIT and decrease to Rate Base, as outlined in tab "Exhibit 2" of CA 1-36 Attachment 3 and Exhibit JMC02.

**TENNESSEE PUBLIC UTILITY COMMISSION  
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**Data Request CA 3-24:**

Refer to the response to Consumer Advocate DR No. 1-36 (CA\_1-36\_Attachment\_3) and specifically tabs “X Year 2022” and “Distribution ADFIT”. Respond to the following: a. Provide a comprehensive explanation supporting the logic for basing the value in cell M43 within the “Distribution ADFIT” tab based upon value in cell C 47 within tab “X Year 2022”. This should include a full explanation of what is represented in cell C 47. b. Provide the support for the \$5,828,614 balance reflected in cell C 47 of tab “X Year 2022”, which is a hard coded cell.

**Response CA 3-24:**

- a. See response to CA 3-23.
- b. All numbers on “X Year 2022” are hard coded as this is a report generated from the Company’s forecasting software. Please see CA 3-24(b) Attachment 1 for a PowerTax Report 36 from the fixed assets subledger that contains the calculation of the \$5.8M.





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**To Kingsport Power Company**

**Data Request CA 3-25:**

Refer to the response to Consumer Advocate DR No. 1-36 (CA\_1-36\_Attachment\_3) and specifically tab “JCOS Adj WP”. Provide the support for the value of \$7,203,044 in cell F 126 which is a hard coded number.

**Response CA 3-25:**

Refer to the Company's response to MFR 9 for the workpaper for Adjustments DE-28, AD-39, which shows the calculation of the \$7,203,044 in cell G764. The \$7,203,044 is the Distribution Plant portion of Adjustment AD-39 that increases KgPCo's accumulated provision for depreciation (Account 108) and correspondingly reduces rate base for accumulated depreciation from July 2021 through the 13-month average rate year ending December 31, 2022 based on forecasted net plant in-service additions (i.e. additions less retirements) from July 2021 through November 2022 and the use of currently approved KgPCo depreciation rates for July 2021 through June 2022 and the new proposed depreciation rates for July through December 2022.

**TENNESSEE PUBLIC UTILITY COMMISSION**  
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**To Kingsport Power Company**

**Data Request CA 3-26:**

Has the Company incorporated any 481(a) deductions in projecting its additional ADIT through the 2022 calendar year? If not, provide the amount of 481(a) deductions claimed by tax year for the period 2018 – 2020.

**Response CA 3-26:**

The ADIT presented in this case is as of June 30, 2021 with forecasted changes to the book/tax timing difference related to accelerated depreciation adjusted to the attrition period ending December 31, 2022. 481(a) deductions were not projected through the 2022 calendar year. 481(a) deductions claimed on the as-filed tax return for the periods 2018-2020 are as follows: \$0, \$0, and \$458,377.

On the 2020 tax return, the Company elected to change the method of accounting for software development costs as described in Section 5.01 of Rev. Proc. 2000-50. This election provides for treating software development expenses as capital expenditures recoverable through depreciation pursuant to Section 5.01(2) of Rev. Proc. 2000-50. The costs of developing software will be depreciated using the straight line method over a 36-month period starting on the first day of the month in which the software was placed in service, pursuant to IRC §167(f)(1)(A). For KgPCo, the total adjustment was \$1,833,509 which will be ratably applied to taxable income over a 4-year adjustment period. The 2020 return was not filed until after the filing of this base case.

**TENNESSEE PUBLIC UTILITY COMMISSION  
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**Data Request CA 3-27:**

The response to Consumer Advocate DR No. 2-37 includes an Audit Service Department finding relative to the Corporate Cost Allocation process employed by AEP Service Corporation. However, rather than a complete report detailing the nature of cost allocations and the audit work performed, the response instead appears to be limited to the ratings of high-level work scopes. Provide the complete internal audit report on the AEP Service Corporation Cost Allocation process.

**Response CA 3-27:**

The report provided is the complete report, the audit resulted in a “clean” report there were no audit findings in this audit.

**TENNESSEE PUBLIC UTILITY COMMISSION  
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CA Set 3  
To Kingsport Power Company**

**Data Request CA 3-28:**

Refer to Company's (Adj OM -23) spreadsheet as sponsored by Mr. Allen along with the Company's Response to Consumer Advocate DR No. 1-142. Provide the amount of incentive compensation capitalized by FERC account by month from December 2015 through June 2021 by incentive type. Additionally, separate the amounts capitalized by charging Company/Division.

**Response CA 3-28:**

See CA 3-28 Attachment 1 for Kingsport incentive compensation capitalized by FERC account by month from December 2015 through June 2021.

See CA 3-28 Attachment 2 for AEPSC incentives billed to Kingsport in capital accounts by month from December 2015 through June 2021.

**Kingsport Power Company**  
**Capitalized Incentive Compensation**  
**For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC	Annual Incentives
2015		12 1070	29,442.16
2015		12 1080	4,766.39
2016		1 1070	9,213.94
2016		1 1080	1,988.98
2016		2 1070	13,366.65
2016		2 1080	2,104.86
2016		3 1070	8,086.97
2016		3 1080	1,136.59
2016		4 1070	9,908.43
2016		4 1080	1,331.61
2016		5 1070	10,306.80
2016		5 1080	1,615.84
2016		6 1070	9,806.23
2016		6 1080	1,502.25
2016		7 1070	6,922.98
2016		7 1080	880.62
2016		8 1070	9,881.75
2016		8 1080	1,717.09
2016		9 1070	20,759.75
2016		9 1080	3,912.08
2016		10 1070	11,865.01
2016		10 1080	1,910.24
2016		11 1070	15,222.77
2016		11 1080	2,443.39
2016		12 1070	53,240.83
2016		12 1080	4,518.17
2017		1 1070	15,852.51
2017		1 1080	5,598.69
2017		2 1070	27,938.68
2017		2 1080	4,838.58
2017		3 1070	4,591.98
2017		3 1080	1,773.52
2017		4 1070	6,816.84
2017		4 1080	157.85
2017		5 1070	6,643.39
2017		5 1080	1,135.15
2017		6 1070	7,645.68
2017		6 1080	1,171.54
2017		7 1070	7,310.54
2017		7 1080	871.45

**Kingsport Power Company**  
**Capitalized Incentive Compensation**  
**For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC	Annual Incentives
2017		8 1070	7,809.20
2017		8 1080	1,207.63
2017		9 1070	(2,107.87)
2017		9 1080	998.48
2017		10 1070	1,781.79
2017		10 1080	(703.44)
2017		11 1070	4,349.81
2017		11 1080	475.75
2017		12 1070	41,967.53
2017		12 1080	2,616.74
2018		1 1070	18,711.28
2018		1 1080	3,470.06
2018		2 1070	20,647.78
2018		2 1080	2,678.09
2018		3 1070	10,374.99
2018		3 1080	1,277.17
2018		4 1070	9,938.67
2018		4 1080	1,414.28
2018		5 1070	11,543.47
2018		5 1080	1,714.86
2018		6 1070	20,546.38
2018		6 1080	2,256.57
2018		7 1070	15,817.61
2018		7 1080	2,958.48
2018		8 1070	14,174.85
2018		8 1080	1,928.78
2018		9 1070	21,734.60
2018		9 1080	2,285.10
2018		10 1070	23,725.01
2018		10 1080	3,262.58
2018		11 1070	27,939.49
2018		11 1080	3,142.93
2018		12 1070	13,015.37
2018		12 1080	(4,849.73)
2019		1 1070	29,339.15
2019		1 1080	7,560.61
2019		2 1070	12,872.24
2019		2 1080	1,644.28
2019		3 1070	16,737.68
2019		3 1080	2,217.82

**Kingsport Power Company**  
**Capitalized Incentive Compensation**  
**For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC	Annual Incentives
2019		4 1070	11,971.75
2019		4 1080	1,692.23
2019		5 1070	11,610.12
2019		5 1080	1,876.08
2019		6 1070	5,369.79
2019		6 1080	1,021.20
2019		7 1070	10,571.35
2019		7 1080	1,799.01
2019		8 1070	10,929.75
2019		8 1080	2,235.07
2019		9 1070	35,885.50
2019		9 1080	3,418.43
2019		10 1070	39,576.88
2019		10 1080	9,678.55
2019		11 1070	21,269.30
2019		11 1080	3,041.11
2019		12 1070	81,955.64
2019		12 1080	11,732.35
2020		1 1070	6,694.48
2020		1 1080	1,241.09
2020		2 1070	12,949.91
2020		2 1080	1,920.66
2020		3 1070	1,091.15
2020		3 1080	(58.05)
2020		4 1070	(30,185.24)
2020		4 1080	(5,190.81)
2020		5 1070	5,158.10
2020		5 1080	565.42
2020		6 1070	1,584.56
2020		6 1080	215.35
2020		7 1070	11,139.71
2020		7 1080	1,851.55
2020		8 1070	3,491.83
2020		8 1080	502.76
2020		9 1070	39,926.29
2020		9 1080	7,133.27
2020		10 1070	15,618.44
2020		10 1080	2,263.04
2020		11 1070	22,927.87
2020		11 1080	2,058.55

**Kingsport Power Company**  
**Capitalized Incentive Compensation**  
**For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC	Annual Incentives
2020	12	1070	128,264.65
2020	12	1080	9,578.47
2021	1	1070	55,592.83
2021	1	1080	12,729.25
2021	2	1070	11,195.35
2021	2	1080	2,273.65
2021	3	1070	(164.25)
2021	3	1080	(22.72)
2021	4	1070	14,280.48
2021	4	1080	1,895.31
2021	5	1070	14,778.08
2021	5	1080	2,118.79
2021	6	1070	15,872.49
2021	6	1080	2,287.46



**AEPSC Incentives billed to Kingsport in Capital Accounts by Month  
For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC Account	Annual Incentives	Long-Term Incentives
<b>2015</b>	<b>12</b>	1070	62,320	16,002
		1080	1,561	304
<b>2016</b>	<b>1</b>	1070	10,226	2,699
		1080	328	130
	<b>2</b>	1070	11,012	6,583
		1080	1,414	860
	<b>3</b>	1070	9,514	11,797
		1080	954	911
	<b>4</b>	1070	10,386	4,800
		1080	1,186	507
	<b>5</b>	1070	11,905	1,894
		1080	1,063	163
	<b>6</b>	1070	12,053	2,699
		1080	492	(19)
	<b>7</b>	1070	14,767	8,429
		1080	310	227
	<b>8</b>	1070	15,821	5,233
		1080	286	87
	<b>9</b>	1070	22,690	1,528
		1080	968	(34)
	<b>10</b>	1070	11,589	2,801
		1080	335	140
	<b>11</b>	1070	8,232	1,285
		1080	480	68
	<b>12</b>	1070	66,902	5,587
		1080	2,773	148
<b>2017</b>	<b>1</b>	1070	(1,688)	115
		1080	1,436	145
	<b>2</b>	1070	5,743	1,721
		1080	737	98
	<b>3</b>	1070	722	4,470
		1080	411	253
	<b>4</b>	1070	6,142	2,826
		1080	64	103
	<b>5</b>	1070	7,767	6,820
		1080	626	244
	<b>6</b>	1070	12,083	24,118
		1080	942	1,002
	<b>7</b>	1070	10,240	4,647
		1080	631	207
	<b>8</b>	1070	11,142	8,800
		1080	562	333
	<b>9</b>	1070	4,288	15,983

**AEPSC Incentives billed to Kingsport in Capital Accounts by Month  
For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC Account	Annual Incentives	Long-Term Incentives
		1080	741	493
	10	1070	(2,729)	5,104
		1080	(310)	62
	11	1070	3,935	11,275
		1080	239	306
	12	1070	48,378	16,587
		1080	668	205
<b>2018</b>	1	1070	4,187	2,547
		1080	1,298	80
	2	1070	10,870	2,071
		1080	603	87
	3	1070	10,611	3,731
		1080	345	81
	4	1070	8,449	5,405
		1080	457	123
	5	1070	9,532	3,433
		1080	271	54
	6	1070	15,979	2,510
		1080	293	30
	7	1070	13,329	6,203
		1080	807	150
	8	1070	12,125	7,046
		1080	284	98
	9	1070	23,727	15,223
		1080	709	336
	10	1070	38,455	11,827
		1080	157	16
	11	1070	38,707	11,188
		1080	430	54
	12	1070	25,895	14,059
		1080	(886)	194
<b>2019</b>	1	1070	(1,742)	7,815
		1080	168	9
	2	1070	16,200	3,961
		1080	100	13
	3	1070	34,127	7,515
		1080	255	46
	4	1070	27,312	9,338
		1080	912	200
	5	1070	22,456	6,410
		1080	1,424	318
	6	1070	23,505	6,212
		1080	496	133

**AEPSC Incentives billed to Kingsport in Capital Accounts by Month  
For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC Account	Annual Incentives	Long-Term Incentives
<hr/>	<b>7</b>	1070	19,719	5,548
		1080	807	167
	<b>8</b>	1070	21,765	6,068
		1080	566	144
	<b>9</b>	1070	63,718	5,616
		1080	1,116	247
	<b>10</b>	1070	62,291	7,888
		1080	5,523	360
	<b>11</b>	1070	53,201	10,292
		1080	2,263	392
	<b>12</b>	1070	148,102	15,381
		1080	6,822	660
	<b>2020</b>	1 1070	34,202	4,270
		1080	3,654	287
	<b>2</b>	1070	20,468	4,519
		1080	1,737	299
	<b>3</b>	1070	20,021	9,343
		1080	905	357
	<b>4</b>	1070	(50,657)	3,497
		1080	(3,400)	180
	<b>5</b>	1070	10,106	6,429
		1080	936	629
	<b>6</b>	1070	2,147	5,501
		1080	426	1,125
	<b>7</b>	1070	13,423	3,827
		1080	1,809	545
	<b>8</b>	1070	4,780	3,941
		1080	461	318
	<b>9</b>	1070	32,908	4,023
		1080	4,458	388
	<b>10</b>	1070	12,599	2,798
		1080	2,921	437
	<b>11</b>	1070	26,449	3,753
		1080	2,032	358
	<b>12</b>	1070	123,217	9,290
		1080	9,682	540
<hr/>	<b>2021</b>	1 1070	186,543	8,809
		1080	46,874	2,234
	<b>2</b>	1070	11,126	2,301
		1080	1,535	269
	<b>3</b>	1070	(44,439)	3,519
		1080	(6,284)	502
	<b>4</b>	1070	13,494	4,221

**AEPSC Incentives billed to Kingsport in Capital Accounts by Month  
For Period December 2015-June 2021 by FERC Account**

Year	Period	FERC Account	Annual Incentives	Long-Term Incentives
		1080	1,274	333
	5	1070	12,798	3,701
		1080	1,525	389
	6	1070	13,674	4,141
		1080	1,519	384