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**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

Re: IN RE: PETITION OF KINGSFORT POWER  
COMPANY d/b/a AEP APPALACHIAN POWER FOR  
OCTOBER, 2020 – SEPTEMBER, 2021 ANNUAL  
RECOVERY UNDER THE TARGETED RELIABILITY  
PLAN AND MAJOR STORM RIDER (“TRP&MS”),  
ALTERNATIVE RATE MECHANISMS APPROVED IN  
DOCKET NO. 17-00032  
DOCKET NO.: 21-00142

Dear Chairman Hill:

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

Rebuttal Testimony of William K. Castle  
Rebuttal Testimony of A. Wayne Allen

The attachment is being provided in both PDF and Excel format. The original and four (4) copies are being sent via Federal Express.

Very Sincerely Yours

**HUNTER, SMITH & DAVIS, LLP**

  
William C. Bovender

Enclosure

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**REBUTTAL TESTIMONY OF  
A. WAYNE ALLEN  
ON BEHALF OF KINGSPORT POWER COMPANY  
D/B/A AEP APPALACHIAN POWER  
BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
DOCKET NO. 21-00142**

1   **Q.    PLEASE STATE YOUR NAME.**

2   A.    My name is A. Wayne Allen.

3   **Q.    ARE YOU THE SAME A. WAYNE ALLEN WHO SUBMITTED DIRECT**  
4       **TESTIMONY IN THIS PROCEEDING?**

5   A.    Yes.

6   **Q.    WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

7   A.    My rebuttal testimony responds to the recommendation presented in the direct testimony  
8       of the Consumer Advocate Unit (“Consumer Advocate” or “CA”) of the Office of the  
9       Tennessee Attorney General witness William H. Novak related to the Repair Allowance  
10      component of the deferred tax calculation for the TRP&MS Rider.

11   **I.    REPAIR ALLOWANCE PERCENTAGE (Novak, pp. 17-18)**

12   **Q.    WHAT DOES THE CONSUMER ADVOCATE RECOMMEND RELATED TO**  
13       **REPAIR ALLOWANCES?**

14   A.    On page 18 of CA witness Novak’s testimony, Mr. Novak recommends that “the  
15       Commission accept the Company's revised Repair Allowance percentage calculations  
16       without source data verification. However, for future TRP&MS dockets, I recommend  
17       that the Commission require the Company to provide the source data for this calculation.”

1    **Q.    DO YOU HAVE ANY COMMENTS REGARDING THIS RECOMMENDATION?**

2    A.    Yes. In future TRP&MS filings, the Company will provide support for Repair

3    Allowances using the following ratio: **REPAIRS DEDUCTION divided by**

4    **ADDITIONS.**

5           The source of the REPAIRS DEDUCTION will be a report from Power Plan,

6    KgPCo's tax subledger system, which outlines Schedule M line item 532C Repairs

7    Deduction.

8           The source of the ADDITIONS will be a Power Tax additions report that outlines

9    additions in General Ledger accounts 1010001 and 1060001, excluding intangible plant,

10   land, land rights, and Asset Retirement Obligations.

11          The Repair Allowance percentages will be based on forecasted data until such

12   time that the Company's final tax return is filed for each respective year.

13   **Q.    DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

14   A.    Yes.