

S. Morris Hadden
William C. Argabrite
Jimmie Carpenter Miller
Mark S. Dessauer
Gregory K. Haden
Michael L. Forrester
Stephen M. Darden
James N. L. Humphreys¹
Michael S. Lattier^{5,6}
Scott T. Powers
Leslie Tentler Ridings
Christopher D. Owens^{1,3}

HUNTER·SMITH·DAVIS
SINCE 1916 LLP

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

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

Jason A. Creech
Meredith Bates Humbert
Joseph B. Harvey⁴
Caroline Ross Williams¹
Marcy E. Walker²
J. Christopher Rose¹
Sydney B. Gilbert
Will A. Ellis
Jordan T. Richardson

Of Counsel:
William C. Bovender
Jeannette Smith Tysinger
John B. Buda⁷

www.hsdlaw.com

Respond to:
Kingsport Office
Joseph B. Harvey
423-378-8854
jharvey@hsdlaw.com

All Attorneys Licensed in Tennessee
Unless Noted

Additional Bar Memberships:
VA¹, NC², KY³, GA⁴, FL⁵, MT⁶, CA only⁷

April 4, 2023

KPOW-13288

VIA EMAIL (tpuc.docketroom@tn.gov) & FEDEX

Herbert H. Hilliard, 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 April 4, 2023 at 2:56 p.m.

Re: IN RE: PETITION OF KINGSFORT POWER
COMPANY d/b/a AEP APPALACHIAN POWER
FOR OCTOBER, 2021 – DECEMBER 2022 ANNUAL
RECOVERY UNDER THE TARGETED RELIABILITY
PLAN AND MAJOR STORM RIDER (“TRP&MS”),
ALTERNATIVE RATE MECHANISMS APPROVED IN
DOCKET NO. 17-00032
DOCKET NO.: 23-00019

Dear Chairman Hilliard:

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

Kingsport Power Company d/b/a AEP Appalachian Power’s Response to Consumer Advocate’s First Discovery Request.

The original, four (4) copies and CD containing exhibits are being sent via Federal Express. The attachments are being provided on the IManage System in both PDF and Excel format.

Very sincerely yours,

HUNTER, SMITH & DAVIS, LLP

Joseph B. Harvey

Enclosure

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

TENNESSEE PUBLIC UTILITY COMMISSION
PETITION OF
Kingsport Power Company
DOCKET NO. TPUC 23-00019
Data Requests and Requests for the Production
of Documents by the THE CONSUMER PROTECTION AND ADVOCATE DIVISION OF
THE ATTORNEY GENERAL'S OFFICE
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To Kingsport Power Company

Data Request 1-1:

Missing Data. Refer to the Company's petition filed March 10, 2023, in TPUC Docket No. 23-00019 ("Petition"). Paragraph 7 of the Petition refers to an "Exhibit 1" containing a letter to the Commission Staff dated November 11, 2022. We are unable to locate this exhibit in the Company's filing. Provide a copy of this exhibit.

Response 1-1:

Please see CA Set 1-1 Attachment 1 for a copy of the Company's letter to the Commission Staff, dated November 11, 2022. Please also see CA Set 1-1 Attachment 2 for a copy of the Company's November 11, 2022 email containing the letter, addressed to Commission Staff and Cc'd: to the Consumer Advocate Division.

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To Kingsport Power Company

Data Request 1-2:

Source & Support. Refer to the testimony of Company witness Robert K. Cope (included in the Petition filing). Identify and provide the source and support for “Figure 1” through “Figure 5” on pages 9–13 of Mr. Cope’s testimony in Excel format, if possible, with all formulas intact.

Response 1-2:

Please see CA 1-2 Attachment 1 for the support for Figures 1 through 5 of Robert Cope’s testimony. The source of the data is the Outage Management System (OMS).

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To Kingsport Power Company

Data Request 1-3:

Source & Support. Refer to “KgPCo Exhibit No. 1” and “KgPCo Exhibit No. 2” to the testimony of Company witness Robert K. Cope (included in the Petition filing). Identify and provide the source and support for these two exhibits in Excel format, if possible, with all formulas intact.

Response 1-3:

Exhibits “KgPCo Exhibit No. 1” and “KgPCo Exhibit No. 2” to the testimony of Company Witness Robert K. Cope, which were submitted with the Company’s Petition, contain the information and metrics required by the Commission’s Order in Docket No. 17-00032 (see Order, pg. 7-8, 11, 12) and which have been submitted in previous filings (see 18-00125; 19-00106; 20-00127; 21-00142). Said exhibits to the Company’s Petition provide the information and metrics required. The Commission’s Order in Docket No. 17-00032 does not require the Company to provide information beyond that included in said Exhibits, including the additional information requested in CA 1-3. However, the Company responds as follows: KgPCo Exhibit No. 1 and KgPCo Exhibit No. 2 are generated outputs of various software packages/data management systems necessary to record and maintain information in a large organization, including but not limited to PowerPlan, DWMS, MACSS, Maximo, GIS Mapping, and the Outage Management System. As a result, there is no linkable source file to provide for each exhibit.

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To Kingsport Power Company

Data Request 1-4:

Source & Support. Refer to “KgPCo Exhibit No. 1” to the testimony of Company witness John A. Stevens (included in the Petition filing) regarding rate design. Provide the source and support for this exhibit including all supporting workpapers in Excel format, if possible, with all formulas intact.

Response 1-4:

Please see the attached CA Set 1-4 Attachment 1 for the Excel workpaper, with formulas intact, which is the source & support for “KgPCo Exhibit No. 1” in the testimony of Company witness John A. Stevens.

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To Kingsport Power Company

Data Request 1-5:

Source & Support. Refer to “KgPCo Exhibit No. 3” to the testimony of Company witness John A. Stevens (included in the Petition filing) regarding bill comparisons. Provide the source and support for this exhibit including all supporting workpapers in Excel format, if possible, with all formulas intact.

Response 1-5:

Please see the attached CA Set 1-5 Attachment 1 for the Excel workpaper, with formulas intact, which is the source & support for “KgPCo Exhibit No. 3” in the testimony of Company witness John A. Stevens.

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To Kingsport Power Company

Data Request 1-6:

Source & Support. Provide a copy of the Company's monthly trial balance in Excel format for all subaccounts from September 2021 through December 2022.

Response 1-6:

Please see CA 1-06 Attachment 1 for the Company's monthly trial balance for the time period September 2021 through December 2022.

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To Kingsport Power Company

Data Request 1-7:

Source & Support. Provide a copy of all third-party invoices for the TRP rider that were recorded and paid in July 2022.

Response 1-7:

Please see CA 1-07 Attachment 1 through CA 1-07 Attachment 5 for the requested third-party invoices.

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To Kingsport Power Company

Data Request 1-8:

Source & Support. Provide a copy of all third-party invoices for the MS rider that were recorded and paid from October 2021 through December 2022.

Response 1-8:

Please see CA 1-08 Attachment 1 and CA 1-08 Attachment 2 for the requested third-party invoices.

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To Kingsport Power Company

Data Request 1-9:

Source & Support. Provide a copy of the monthly entries (for both O&M and capital costs) along with the relevant cost queries for the TRP&MS Rider from October 2021 through December 2022.

Response 1-9:

Please see CA 1-09 Attachments 1 through 32 for a copy of the monthly TRP&MS Rider entries along with the relevant queries.

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To Kingsport Power Company

Data Request 1-10:

Data Confirmation. Confirm that the storm costs requested for recovery in this docket met the IEEE criteria for classification as a major storm.

Response 1-10:

Please see CA 1-10 Attachment 1 for the confirmation that the four major storms reported in 2022 met the IEEE criteria for classification as a major storm.

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To Kingsport Power Company

Data Request 1-11:

Source and Support. Refer to "KgPCo Exhibit No. 1 (MLD)" to the testimony of Company witness Malinda L. Dielman (included in the Petition filing) regarding the TRP&MS Rider costs and recoveries and provide the following information in Excel format with all formulas intact

- a.: Provide the source and support for the monthly TRP O&M Expenses in Column C of the corresponding spreadsheet that are included here as hard-coded numbers;
- b.: Provide the source and support for the monthly TRP Capital Additions in Column E of the corresponding spreadsheet that are included here as hard-coded numbers;
- c.: Provide the source and support for the monthly TRP Accumulated Deferred Income Taxes in Column I of the corresponding spreadsheet that are included here as hard-coded numbers;
- d.: Provide the source and support for the monthly TRP Depreciation Expense in Column Q of the corresponding spreadsheet that are included here as hard-coded numbers;
- e.: Provide the source and support for the monthly MS O&M Expenses in Column Z of the corresponding spreadsheet that are included here as hard-coded numbers;
- f.: Provide the source and support for the monthly TRP&MS Rider Revenues in Column AF of the corresponding spreadsheet that are included here as hard-coded numbers; and
- g.: Provide a copy of all workpapers and supporting documents that were used to prepare this exhibit.

Response 1-11:

- a. Please see CA 1-11 Attachment 1 for the monthly TRP O&M Expense support.
- b. Please see CA 1-11 Attachment 2 for the monthly TRP Capital Additions support.
- c. Please see the "Tax ADIT" tabs of the monthly TRP&MS journal entry support files provided in CA 1-9 Attachments 18 through 32.
- d. Please see CA 1-11 Attachment 2 for the monthly TRP Depreciation Expense support.
- e. Please see CA 1-11 Attachment 3 for the monthly MS O&M Expense support.
- f. Please see "KgPCo Exhibit No. 2 (MLD)" for the monthly TRP&MS Rider Revenue support as well as the detail provided in CA 1-11 Attachments 1 through 60.
- g. The supporting documents are included in the attachments listed above.

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To Kingsport Power Company

Data Request 1-12:

Source and Support. Refer to “KgPCo Exhibit No. 2 (MLD)” to the testimony of Company witness Malinda L. Dielman (included in the Petition filing) regarding the TRP&MS Rider revenues and provide the following information in Excel format with all formulas intact
a.: Provide the source and support for the monthly Billed Surcharges in Column B of the corresponding spreadsheet that are included here as hard-coded numbers;
b.: Provide the source and support for the monthly Billed KWH in Column C of the corresponding spreadsheet that are included here as hard-coded numbers;
c.: Provide the source and support for the estimated KWH in Column E of the corresponding spreadsheet that are included here as hard-coded numbers;
d.: Provide the source and support for the Unbilled KWH in Column F of the corresponding spreadsheet that are included here as hard-coded numbers; and
e.: Provide a copy of all workpapers and supporting documents that were used to prepare this exhibit.

Response 1-12:

Within the attached file, please see CA 1-12 Attachments 1 through 15 for the monthly Billed Surcharges, CA 1-12 Attachments 16 through 30 for the monthly Billed KWH, CA 1-12 Attachments 31 through 45 for the Estimated KWH, and CA 1-12 Attachments 46 through 60 for the Unbilled KWH.

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To Kingsport Power Company

Data Request 1-13:

Source and Support. Refer to “KgPCo Exhibit No. 7 (MLD)” to the testimony of Company witness Malinda L. Dielman (included in the Petition filing) regarding the repairs percentage calculation and provide the following information in Excel format with all formulas intact

a.: Refer to the “2021_51013C” tab of this spreadsheet. Provide the source and support for the data included in Columns C, D, E and F of the corresponding spreadsheet that are included here as hard-coded numbers;

b.: Refer to the “2022 Provision” tab of this spreadsheet. Provide the source and support for the data included in Columns E, G and H of the corresponding spreadsheet that are included here as hard-coded numbers;

c.: Refer to the “2022 Forecast Adds” tab of this spreadsheet. Provide the source and support for the data included in Columns I - N of the corresponding spreadsheet that are included here as hard-coded numbers; and

d.: Provide a copy of all workpapers and supporting documents that were used to prepare this exhibit.

Response 1-13:

a.-d. In Kingsport’s last TRP&MS case, Docket No. 21-00142, the Consumer Advocate recommended that the Commission require the Company to provide the source data for its Repair Allowance percentage calculations. On page 2 of his rebuttal testimony, Company witness Allen stated that, in future TRP&MS filings, the Company will provide support for Repair Allowances using the following ratio: REPAIRS DEDUCTION divided by ADDITIONS. Mr. Allen further indicated as follows: The source of the REPAIRS DEDUCTION will be a report from Power Plan, KgPCo’s tax subledger system, which outlines Schedule M line item 532C Repairs Deduction; and the source of the ADDITIONS will be a Power Tax additions report that outlines additions in General Ledger accounts 1010001 and 1060001, excluding intangible plant, land, land rights, and Asset Retirement Obligations. The Repair Allowance percentages will be based on forecasted data until such time that the Company’s final tax return is filed for each respective year.

At its January 17, 2023 conference, during which it issued its decision in Docket No. 21-00142, the TPUC ruled that, in future TRP&MS filings, the Company is directed to submit the repairs allowance calculation with the supporting documentation as outlined by company witness Wayne Allen on page 2 of his rebuttal testimony. That required documentation was provided for

both 2021 and 2022 repairs deductions as part of KgPCo Exhibit No. 7 (MLD), which was submitted electronically with the Company's filing on March 10, 2023.

See page 2 or tab 2021_51013C for the first report, and page 1 or tab 2021_1042 for the second report referenced in Mr. Allen's rebuttal testimony for the 2021 calculation. Page 2 provides the 532C repairs deduction for the 2021 tax return year (row 32), which supports the "Repairs Deduction per 2021 return" on page 1 of KgPCo Exhibit No. 7 (MLD). Page 1 also contains the data from the Power Tax system which outlines the additions in General Ledger accounts 1010001 and 1060001, excluding intangible plant, land, land rights, and Asset Retirement Obligations.

The 2022 calculation is based on forecasted information, as approved by TPUC in Docket No 21-00142, until such time that the 2022 tax return is filed. See CA 1-13 Attachment 1 for the first report, page 4 or tab 2022 9 Mo_1042 for the second report, and page 5 or tab 2022 Forecast Adds for third report referenced in Mr. Allen's rebuttal testimony for the 2022 calculation. On Page 3 or tab 2022 Provision, the summary computation of the 2022 repairs deduction, Column G ties to =SUM('2022 9 Mo_1042'!K3:K61,'2022 9 Mo_1042'!M3:M61) and Column H ties to =+'2022 Forecast Adds'!P4 of "KgPCo Exhibit No. 7 (MLD)". CA 1-13, Attachment 1 is the 2022 Provision 51013C report from Power Plan, KgPCO's tax subledger system, which outlines the 532C repairs deduction of \$4,613,949. Page 4 or Tab 2022 9 Mo_1042 contains the data from the Power Tax system which outlines the additions in General Ledger accounts 1010001 and 1060001, excluding intangible plant, land, land rights, and Asset Retirement Obligations. Page 5 or Tab 2022 Forecast Adds is a forecast additions report from the forecast software.