HUNTER•SMITH•DA S. Morris Hadden **Kingsport Office**

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}

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

All Attorneys Licensed in Tennessee Unless Noted

Additional Bar Memberships: VA1, NC2, KY3, GA4, FL5, MT6, CA only7, NC only (TN pending)8 May 23, 2023

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 Laura Medlin Mickel⁸

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

www.hsdlaw.com

Respond to:

Kingsport Office William C. Bovender 423-378-8858, 423-534-7897 (mobile) bovender@hsdlaw.com

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 May 23, 2023 at 12:08 p.m.

IN RE: PETITION OF KINGSPORT POWER Re:

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 Kingsport Power Company d/b/a AEP Appalachian Power's Response to Request for Additional Information by Staff.

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

Very sincerely yours,

HUNTER, SMITH & DAVIS, LLP

William C. Bovender

Enclosure

Kelly Grams, General Counsel (w/enc.) cc:

David Foster (w/enc.)

Via U.S. Mail and Email: Kelly.Grams@tn.gov

Via U.S. Mail and Email: david.foster@tn.gov

Monica L. Smith-Ashford, Esq. (w/enc.)

Michael J. Quinan, Esq. (w/enc.) Edward L. Petrini, Esq. (w/enc.) Karen H. Stachowski, Esq. (w/enc.)

Mason C. Rush, Esq. (w/enc.) James R. Bacha, Esq. (w/enc.) Joseph B. Harvey, Esq. (w/enc.) Via U.S. Mail and Email: monica.smith-ashford@tn.gov Via U.S. Mail and Email: mquinan@t-mlaw.com Via U.S. Mail and Email: epetrini@cblaw.com

Via U.S. Mail and Email: Karen.Stachowski@ag.tn.gov Via U.S. Mail and Email: Mason.Rush@ag.tn.gov Via Email: jrbacha@aep.com Via Email: jharvey@hsdlaw.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 TENNESSEE PUBLIC UTILITY COMMISSION Staff Set 1

To Kingsport Power Company

Data Request Staff 1-1:

Refer to Excel file KgPCo Exhibit No. 1 (MLD).xlsx, cell AH16. Please provide an explanation for why the beginning 9/30/21 unrecovered rider balance is shown as (\$6,011,424) and not (\$5,996,015). The Commission-approved balance at 9/30/21 in the Company's most recent TRP & MS Rider filing, docket 21-00142, is (\$5,575,629). This Commission-approved amount reflects the Company's (\$6,011,424) balance at 9/30/21 in that most recent docket, reduced by (a) \$420,386 related to Street Lighting customers and (b) \$15,410 for the net correction of errors as addressed in the Company's responses to Consumer Advocate's data requests 3-8 and 4-5. The notes shown in KgPCo Exhibit No. 1 (MLD) in the current Company filing indicate the \$420,386 Street Lighting adjustment was made in September and December 2022. However, the net \$15,410 reduction for the correction of errors does not appear to be reflected in the Company's calculations.

Response Staff 1-1:

The beginning 9/30/21 unrecovered rider balance is shown as (\$6,011,424) on Exhibit No. 1 (MLD) to reflect the balance on the Company's general ledger at that time. The responses provided in Consumer Advocate's data request 3-8 Attachment 3 and Consumer Advocate's data request 4-5 Attachment 2 in Docket No. 21-00142 were not intended to restate Exhibit 1. Those spreadsheets were provided for the sole purpose of calculating and reflecting revised revenue requirements in the prior TRP&MS docket.

The Company made adjustments on its books between June 2022 and July 2022 for several years of ADIT changes as shown in Consumer Advocate's data request 3-8 Attachment 2 in Docket No. 21-00142. Isolating the twelve month period October 2020 through September 2021, these ADIT changes resulted in a reduction to the revenue requirement of \$17,059. This \$17,059 is included in the \$47,374 referenced in Note 1 of Exhibit No. 1 (MLD) in the current TRP&MS docket. The vast majority of the \$17,059 reduction is the \$15,410 for the net correction of errors mentioned in this request. The \$15,410 reduction to the revenue requirement consisted of the changes reflected in Consumer Advocate's data request 3-8 as well as the change reflected in Consumer Advocate's data request 4-5, which was attributable to the cell reference error that included plant additions through December 2021 in the last docket. There were no additional entries necessary for this correction in 2022 because at that point the total 2021 plant additions should've been included in the calculation of ADIT for purposes of determining the TRP&MS costs.