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July 19, 2024

Electronically Filed in TPUC Docket Room on July 19, 2024 at 2:25 p.m.

Hon. David F. Jones, Chair c/o Ectory Lawless Tennessee Public Utility Commission 502 Deaderick Street, 4th Floor Nashville, TN 37243

Via Email and FedEx Delivery

RE: Petition of Kingsport Power Company d/b/a AEP Appalachian Power for January, 2023 -December, 2023 Annual Recovery Under the Targeted Reliability Plan and Major Storm Rider ("TRP&MS"), Alternative Rate Mechanisms Approved in Docket No. 17-00032, TPUC Docket No. 24-00010

## Dear Chairman Jones:

Since the submission of Kingsport Power Company's ("Kingsport" or "Company") Petition in the above-referenced matter on March 5, 2024, Kingsport and the Consumer Advocate Division ("Consumer Advocate") have been involved in cooperative discussions and have exchanged various types of information related to the Petition. With the submission of discovery responses by Kingsport; the submission of Kingsport's Testimony of Jason E. Baker, J. David Spring, and John A. Stevens; the Consumer Advocate's Testimony of William H. Novak; the Consumer Advocate's discovery responses, and Kingsport's Rebuttal Testimony of Mr. Baker and Mr. Stevens, the Parties hereby jointly represent that there are no outstanding procedural matters requiring resolution by the Hearing Officer.

The parties agree to the following: a revenue requirement of \$5,914,416, which reflects the Consumer Advocate's proposed revenue requirement, and the Consumer Advocate's revenue allocation and rate design, for purposes of this proceeding only, all of which are embodied in the accompanying rate schedule. In addition, the parties agree that, as indicated in Mr. Stevens' rebuttal testimony, the Company will make available all supporting workpapers contemporaneously with future TRP & MS filings, including a set of workpapers in Excel format.

Moreover, after considering the entire record, it is the joint position of the Parties that this matter is ripe for consideration on the merits by the Tennessee Public Utility Commission. At this time, there remain no outstanding disputes between the Parties with respect to this Docket, as clarified by and through discovery, the Parties' pre-filed testimony, and the Parties' subsequent discussions. After the filing of Mr.

Stevens's and Mr. Baker's Rebuttal Testimony, the Parties met and agreed that there are no contested issues between the Parties on the merits of this case.

There remains, however, one issue to be resolved by the Commission. Specifically, Kingsport proposed either a 4-year or 6-year cycle level of spending for the TRP. In his pre-filed testimony, Consumer Advocate witness Mr. Novak testified that "it is difficult for [him] to make any recommendations to the Commission," but "if the Commission desires to maintain the original plan for the continuing four-year vegetation management cycle that was adopted in Docket No. 17-00032, then the Company's proposed four-year cycle budget should be adopted." (See Pre-filed Testimony of Consumer Advocate Witness William H. Novak, pp. 19-20.) Kingsport agrees that a four-cycle for vegetation management is consistent with the original plan adopted in Docket No. 17-00032. Kingsport and the Consumer Advocate agree that the evidence necessary to make a determination regarding this question is presented in the pre-filed testimony of the witnesses in the case. There are no other disputed issues for the Commission to determine.

Consistent with agency practice, the Parties hereby jointly request that the entire official record in this Docket, including discovery, be made part of the evidentiary record.

With the foregoing in mind, unless otherwise requested by the Commission, the Parties hereby waive both opening statements and cross-examination of witnesses by the Parties. Kingsport's witnesses, Jason E. Baker, J. David Spring, and John A. Stevens, and the Consumer Advocate witness, William H. Novak, will provide summaries of pre-filed testimony and will be available for questions by the Commissioners or Commission Staff at the Hearing scheduled for August 12, 2024.

As required, an original of this filing along with four hard copies will follow. Should you have any questions concerning this filing or need additional information, please do not hesitate to contact me.

Jøseph B. Harvey

Via Email Shilina B. Brown, Esq. cc: Vance L. Broemel, Esq. Via Email Via Email Kelly Grams, General Counsel Via Email David Foster Via Email Monica L. Smith-Ashford, Esq. William K. Castle, Director, Regulatory Services VA/TN Via Email Christen M. Blend, Esq. Via Email Via Email Michael J. Quinan, Esq. William C. Bovender, Esq. Via Email

## Kingsport Power Company TRP & MS Rider Revenue Allocation and Rate Calculation

Revenue Allocation Factor by Tariff Subclass (a)		Revenue (b) Requirement (2)		Billing (c) Determinan (3)	Energy (e)/kWh	Rate/Charge Demand (S)/KW or KVA (4) = (2/3)		Customer (\$)/Customer	
Residential - 011, 015, 018, 030, 051	33.21%	S	1,964,178	510,383				\$	3.85
Small General Service (SGS) - 231, 232, 233	5.52%	S	326,476	47,523				s	6.87
Medium General Service (MGS) Secondary - 235	15.12%	S	894,260	366,712		S	2.44		
General Service Time-of-Day (GS-TOD) - 229	0.02%	\$	1,183	332,419	0.356				
Medium General Service (MGS) Primary - 237	0.00%	S		0		S	2.39		
Large General Service (LGS) Secondary - 240, 242	20.19%	\$	1,194,121	471,876		S	2.53		
Large General Service (LGS) Primary - 244, 246	3.96%	S	234,211	104,679		\$	2.24		
LGS Subtransmission/Transmission - 248	0.00%	\$	-	0		\$	2.20		
Industrial Power (IP) Secondary - 327	0.00%	\$		0		S	1.28		
Industrial Power (IP) Primary - 322	1.92%	\$	113,557	91.299		S	1.24		
Industrial Power (IP) Subtransmission/Transmission - 323, 3	10.20%	S	603,270	834,537		\$	0.72		
Church Service (CS) - 221	1.39%	\$	82,210	8,549,481	0.96158				
Public Schools (PS) - 640, 641, 642	1.03%	\$	60,918	26,732,113	0.22789				
Electric Heating General (EHG) - 208, 209	3.48%	\$	205,822	122,463		\$	1.68		
Outdoor Lighting (OL) - 094 - 126	3.14%	\$	185,713	66,868				\$	2.78
Street Lighting (SL)	0.82%	\$	48,498	127,025				\$	0.38
Total	100.00%	S	5,914,416						

 <sup>(</sup>a) Allocation factors derived from Attachment A, Schedule 13, and Attachment C of the Settlement Agreement in Docket No. 21-00107.
 (b) Excludes Prompt Payment discount per Consumer Advocate Witness Novak's recommendation.
 (c) 12 months billing determinants from Docket No. 21-00107, Settlement Attachment C, Schedules 1-10