

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION
AT NASHVILLE, TENNESSEE**

IN RE:)	
)	
PETITION OF KINGSPORT POWER)	
COMPANY D/B/A AEP APPALACHIAN FOR)	
JANUARY, 2024 - DECEMBER, 2024)	
ANNUAL RECOVERY UNDER THE)	DOCKET NO. 25-00022
TARGETED RELIABILITY PLAN AND)	
MAJOR STORM RIDER ("TRP&MS"),)	
ALTERNATIVE RATE MECHANISMS)	
APPROVED IN DOCKET NO. 17-00032)	
)	

**CONSUMER ADVOCATE'S FIRST SET OF DISCOVERY
REQUESTS TO KINGSPORT POWER COMPANY**

In accordance with Rules 26, 33, 34, and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Regs. 1220-01-02-.11, the Consumer Advocate Division in the Office of the Tennessee Attorney General ("Consumer Advocate"), by and through counsel, hereby propounds this First Set of Discovery Requests upon Kingsport Power Company ("Kingsport" or the "Company"). Full and complete responses shall be produced at the Office of the Tennessee Attorney General and Reporter, Consumer Advocate Division, John Sevier Building, 500 Dr. Martin L. King Jr. Blvd., Nashville, Tennessee 37243, c/o Shilina B. Brown by April 25, 2025 at 2 p.m. Central.

PRELIMINARY MATTERS AND DEFINITIONS

1. **Continuing Request.** These discovery requests are to be considered continuing in nature and are to be supplemented from time to time as information is received by the Company and any of its affiliates which would make a prior response inaccurate, incomplete, or incorrect.

2. **Clear References.** To the extent that the data or information requested is incorporated or contained in a document, identify the document including page/line number if applicable.

3. **Format of Responses.** Provide all responses in the format in which they were created or maintained, for example, Microsoft Word or Microsoft Excel format with all cells and formulas intact and in working order. If a document (including without limitation a financial or other spreadsheet or work paper) is not created or maintained in Microsoft Excel format, convert the document to Microsoft Excel format or provide the document in a format that enables or permits functionality like or similar to Microsoft Excel (including without limitation the functionality of working cells and formulas), or provide the software program(s) that will enable the Consumer Advocate to audit and analyze the data and information in the same manner as would be enabled or permitted if the document were provided in Microsoft Excel format.

4. **Objections.** If any objections to this discovery are raised on the basis of privilege or immunity, include in your response a complete explanation concerning the privilege or immunity asserted. If you claim a document is privileged, identify the document and state the basis for the privilege or immunity asserted. If you contend that you are entitled to refuse to fully answer any of this discovery, state the exact legal basis for each such refusal.

5. **Singular/Plural.** The singular shall include the plural, and vice-versa, where appropriate.

6. **Definitions.** As used in this Request:

(a) “You,” “Your,” “Company,” “KgPCo,” or “Kingsport” shall mean Kingsport Power Company and all employees, agents, attorneys, representatives or any other person acting or purporting to act on its behalf.

(b) “Affiliate” shall mean any entity who, directly or indirectly, is in control of, is controlled by, or is under common control with the Company. For greater

clarification, “control” is the ownership of 20% or more of the shares of stock entitled to vote for the election of directors in the case of a corporation, or 20% or more of the equity interest in the case of any other type of entity, or status as a director or officer of a corporation or limited liability company, or status as a partner of a partnership, or status as an owner of a sole proprietorship, or any other arrangement whereby a person has the power to choose, direct, or manage the board of directors or equivalent governing body, officers, managers, employees, proxies, or agents of another person. In addition, the term “Affiliate” shall mean any entity that directly or indirectly provides management or operational services to the Company or any affiliate (as defined in the preceding sentence) of the Company, or to which the Company provides management or operational services. Further, the payment of money to the Company or receipt by the Company of money from an entity with which the Company has any relationship, other than such payment or receipt, shall include the payor or recipient of such money as an “Affiliate”.

(c) “Communication” shall mean any transmission of information by oral, graphic, written, pictorial or otherwise perceptible means, including but not limited to personal conversations, telephone conversations, letters, memoranda, telegrams, electronic mail, newsletters, recorded or handwritten messages, meetings and personal conversations, or otherwise.

(d) “Document” shall have the broadest possible meaning under applicable law. “Document” shall mean any medium upon which intelligence or information can be recorded or retrieved, such as any written, printed, typed, drawn, filmed, taped, or recorded medium in any manner, however produced or reproduced, including but not limited to any writing, drawing, graph, chart, form, letter, note, report, electronic mail, memorandum (including memoranda, electronic mail, report, or note of a meeting or communication), work paper, spreadsheet, photograph, videotape, audio tape, computer disk or record, or any other data compilation in any form without limitation, which is in your possession, custody or control. If any such document was, but no longer is, in your possession, custody or control, state what disposition was made of the document and when it was made.

(e) “Person” shall mean any natural person, corporation, firm, company, proprietorship, partnership, business, unincorporated association, or other business or legal entity of any sort whatsoever.

(f) “Identify” with respect to:

- i. Any natural person, means to state the full name, telephone number, email address and the current or last known business address of the person (if no business address or email address is available provide any address known to you) and that person’s relationship, whether business, commercial, professional, or personal with you;

- ii. Any legal person, business entity or association, means to state the full name, the name of your contact person with the entity, all trade name(s), doing business as name(s), telephone number(s), email address(es), and current or last known business address of such person or entity (if no business address is available provide any address known to you);
 - iii. Any document, means to state the type of document (e.g., letter), the title, identify the author, the subject matter, the date the document bears and the date it was written; and
 - iv. Any oral communication, means to state the date when and the place where it was made, identify the person who made it, identify the person or persons who were present or who heard it, and the substance of it.
- (g) “And” and “or” shall be construed conjunctively or disjunctively as necessary to make the discovery request inclusive rather than exclusive.
- (h) “Including” shall be construed to mean including but not limited to.

FIRST SET OF DISCOVERY REQUESTS

1-1. Refer to the *Direct Testimony of Jason E. Baker*, starting on page 6, discussing major storm events. Provide the definitions, information, and values used to determine Major Event Days and the calculations used to exclude major events for SAIDI and SAIFI.

RESPONSE:

1-2. Refer to the *Direct Testimony of Jason E. Baker*, on page 7, and provide the SAIFI and SAIFI values for the years 2008 through 2024.

RESPONSE:

1-3. For each of the last two years (2023 and 2024) provide a list of the capital investments that Kingsport made to its system that have not been included in the TRP&MS rider.

RESPONSE:

1-4. The Commission’s order in TPUC Docket No. 21-00107 approved a Rate Base of \$134,543,375, representing the Rate Base underlying the Company’s existing base rates.¹ The Company is seeking to recover a return and depreciation on TRP Capital editions that average \$16,306,936 during 2024, and which includes a December balance of \$17,543,162, producing a “compensated” Rate Base equivalent of \$150,850,311. Provide the Company’s actual Rate Base, as of December 2024, calculated consistent with the Commission’s Rate Base determination in TPUC Docket No. 21-00107. Also, provide the supporting data for the 2024 Rate Base calculation.

RESPONSE:

1-5. The Commission’s order in TPUC Docket No. 21-00107 approved O&M cost recovery of \$125,630,628 as set out in the table below:²

Operating and Maintenance Expenses Adopted in Docket 21-00107		
Exclusive of Purchased Power		
Source: Attachment A / Schedule 4		
Item		Amount
Purchased Power		\$ 119,726,361
Transmission Expense		\$ -
Distribution Expense		\$ 3,263,042
Customer Accounts Expense		\$ 1,204,751
Customer Service and Information Expense		\$ 106,950
Sales Expense		\$ 5,082
Administrative and General Expense		\$ 1,136,400
Other O&M Expense		\$ 188,042
Total O&M, Exclusive of Purchased Power Costs		\$ 125,630,628

¹ *Order Approving Stipulation And Settlement Agreement*, TPUC Docket No. 21-00107, Attachment A, Schedule 2, (October 25, 2022).

² *Id.* at Attachment A, Schedule 4.

Provide the 2024 balances of the cost categories shown above, exclusive of the Monthly O&M (column a) and Monthly O&M (Major Storms, column l) as reflected in Kingsport Exhibit <KgPCo Exhibit No. 1 (MLD).xlsx>. Also provide supporting documents such as a 2024 Income Statement and/or Trial Balance supporting the amounts reflected as 2024 O&M costs.

RESPONSE:

- 1-6.** Provide the calculation of Kingsport's earned return on equity based upon its 2024 results of operations. Also, provide the supporting documentation for this calculation.

RESPONSE:

- 1-7.** Refer to the *Direct Testimony of Jason E. Baker*, page 8, lines 3 – 8 and respond to the following:

- a. Why are the Hurricane Helene Distribution costs through December 31, 2024 identified as estimates?
 - i. When will such costs be known?
- b. Identify the process used by the Company to differentiate between capitalized and O&M costs incurred by "Outside Services," presumably third party contractors. Provide any documentation provided to outside service providers to ensure the underlying accounting designation between Capital and O&M are accurate.

RESPONSE:

- 1-8.** Refer to Kingsport's Exhibit <KgPCo Exhibit No. 4 (MLD).xlsx>, Tab "O&M Summary Pivots." Respond to the following:

- a. Provide a general discussion of the nature of the net credits recorded in the months of January and March associated with Major Storms O&M.
- b. Provide a definition for the following cost labels:
 - i. Cont, Forestry Major Storm (09) vs. Cont Forestry Major Storm (07);
 - ii. CUA WORKORDER SPLIT;

- iii. Non-Labor CU allocations; and
- iv. QSI INC.

RESPONSE:

1-9. Refer to Kingsport's Exhibit <KgPCo Exhibit No. 5 (MLD).xlsx>. Respond to the following:

- a. Many line items listed within this schedule are referenced as "Rec Unvoudhrd Liability Accrls". Provide a discussion as to whether these values represent cost estimates and if so, identify the manner in which the estimates were derived; and
- b. Provide a copy of all source documentation supporting Journal ID UVLACC5388.

RESPONSE:

Respectfully submitted,



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CERTIFICATE OF SERVICE

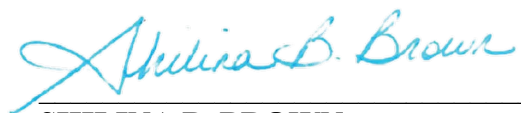
I hereby certify that a true and correct copy of the foregoing was served via electronic mail, with a copy provided via U.S. Mail upon request, to the following:

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On this 17th day of April 2025.



SHILINA B. BROWN

Senior Assistant Attorney General