COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY POWER COMPANY FOR (1) A GENERAL ADJUSTMENT OF ITS RATES FOR ELECTRIC SERVICE; (2) AN ORDER APPROVING ITS 2017 ENVIRONMENTAL COMPLIANCE PLAN; (3) AN ORDER APPROVING ITS TARIFFS AND RIDERS; (4) AN ORDER APPROVING ACCOUNTING PRACTICES TO ESTABLISH REGULATORY ASSETS AND LIABILITIES; AND (5) AN ORDER GRANTING ALL OTHER REQUIRED APPROVALS AND RELIEF

CASE NO. 2017-00179

ORDER

On August 28, 2017, Kentucky Power Company ("Kentucky Power") filed a motion, pursuant to KRS 61.878 and 807 KAR 5:001, Section 13, requesting that the Commission grant confidential protection to designated materials contained in Kentucky Power's responses to Commission Staff's Second Request for Information ("Staff Request"), the Attorney General's Initial Data Request ("AG Request"), Kentucky Industrial Utility Customers, Inc.'s First Data Request ("KIUC Request"), and Kentucky School Board Association's First Request for Information ("KSBA Request").

The designated materials and time period for which confidential protection is requested, and the basis for the petition, are as follows:

1. <u>Staff Request 2-17, Attachments 1 and 2; AG Request 1-86, Attachment 1</u> <u>and 1-294, Attachment 1.</u> The designated information is more particularly described as non-public employee compensation information and compensation studies conducted by third parties. Kentucky Power requests that the information be held confidential for a period of five years. In support of its motion, Kentucky Power asserts that public disclosure of non-public employee compensation information would benefit competitors who recruit Kentucky Power personnel and would result in greater compensation demands when negotiating employees' compensation packages, which in turn would likely result in increased costs to Kentucky Power and its customers. Kentucky Power also asserts that the third-party compensation studies are subject to non-disclosure agreements and/or intellectual property rights agreements.

2. <u>Staff Request 2-45, Attachments 4 and 6; AG Request 1-23, Attachment 1</u>. The designated information is more particularly described as timing of planned maintenance outages for Kentucky Power's generation units. Kentucky Power requests that the information be held confidential for an indefinite period until the outage periods are complete. Kentucky Power asserts that the public disclosure of dates of planned generation unit outages could provide a competitive advantage to its competitors. Competing energy marketers and traders with advance knowledge of planned outages can raise their generation offers to Kentucky Power in tandem with the dates of the planned outages, which would likely result in increased costs to Kentucky Power and its customers.

3. <u>AG Request 1-20, Attachment 1</u>. The designated information is more particularly described as Kentucky Power's vegetation management contracts with thirdparty vendors. Kentucky Power requests that the information be held confidential for a period of ten years. In support of its motion, Kentucky Power states that the designated information includes volume discounts that are not generally available. Kentucky Power contends that allowing competing companies to see each other's prices removes the

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incentive to provide competitive bids, which would likely result in increased costs to Kentucky Power and its customers.

4. <u>AG Request 1-26, Attachment 1; KIUC Request 1-7, Attachment 1, and 1-8, Attachment 1</u>. The designated information is more particularly described as projected generation performance data for Kentucky Power's generation units. Kentucky Power requests that the information be held confidential for a period of ten years. In support of its motion, Kentucky Power asserts that public disclosure of the information could affect its ability to obtain favorable terms in future negotiations, which would likely result in increased costs to Kentucky Power and its customers.

5. <u>AG Request 1-88, Attachments 1 and 2</u>. The designated information is more particularly described as Kentucky Power's workers' compensation insurance coverage and premiums. Kentucky Power requests that the information be held confidential for a period of seven years. In support of its motion, Kentucky Power asserts that public disclosure of its workers' compensation insurance coverage and premiums could affect Kentucky Power's ability to receive the best proposals and procure the best contract terms in future negotiations. Kentucky Power further asserts that diminishing its ability to negotiate and contract for the best possible terms would harm Kentucky Power and its customers through increased costs of service.

6. <u>AG Request 1-99, Attachment 1</u>. The designated information is more particularly described as settlement details from lawsuits filed against Kentucky Power. Kentucky Power requests that the information be held confidential for a period of 15 years. In support of its motion, Kentucky Power avers that the designated information could be used by parties to current and future lawsuits against Kentucky Power to determine

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Kentucky Power's settlement strategies, resulting in a larger settlement amount. Increased settlement expense, which would likely result in increased costs to Kentucky Power and its customers.

7. <u>AG Request 1-167, Attachment 1</u>. The designated information is more particularly described as a private letter ruling from the Internal Revenue Service ("IRS"). Kentucky Power requests that the information be held confidential for an indefinite period. In support of its motion, Kentucky Power asserts that public disclosure of the private letter ruling would permit an unfair commercial advantage to Kentucky Power's competitors. Kentucky Power explains that the private letter ruling, which has been afforded confidential treatment by the IRS, contains information regarding Kentucky Power's tax position and strategies that could enable its competitors to determine Kentucky Power's likely tax strategies.

8. <u>AG Request 1-280, Attachment 1; KSBA Request 1-1, Attachments 1a, 1d,</u> <u>and 1f</u>. The designated information is more particularly described as customer-specific billing information for Kentucky Power's ten largest commercial and industrial customers. Kentucky Power requests that the information be held confidential for ten years. In support of its motion, Kentucky Power states that the public disclosure of the billing information could place Kentucky Power's commercial and industrial customers at a competitive disadvantage. As a result, commercial and industrial businesses would be less likely to locate in Kentucky Power's service territory and, consequently, would likely increase costs to Kentucky Power and its customers.

9. <u>KIUC Request 1-9, Attachment 1, and 1-16, Attachment 1</u>. The designated information is more particularly described as capacity that Kentucky Power has bid or sold

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in PJM interconnection, LLC. ("PJM") markets. Kentucky Power requests that information for PJM Planning Year 2018–19 be held confidential until June 1, 2018; the information for PJM Planning Year 2019–20 be held confidential until June 1, 2019; and the information for PJM Planning Year 2020–21 be held confidential until June 1, 2020. In support of its motion, Kentucky Power asserts that public disclosure of the information would cause unfair commercial advantage to competitors, who could bid their capacity at prices lower than Kentucky Power's bid prices. Kentucky Power further asserts that it would lose out on capacity sales, which would reduce Kentucky Power's auction revenue and cause financial harm to Kentucky Power.

Having carefully considered the petition and the materials at issue, the Commission finds that:

1. The designated materials contained in Kentucky Power's responses to Staff Request 2-17, Attachments 1 and 2, and 2-45, Attachments 4 and 6; AG Request 1-20, Attachment 1, 1-23, Attachment 1, 1-26, Attachment 1, 1-86, Attachment 1, 1-88, Attachments 1 and 2, 1-99, Attachment 1, 1-167, Attachment 1, 1-280, Attachment 1, and 1-294, Attachment 1; KIUC Request 1-7, Attachment 1, 1-8, Attachment 1, 1-9, Attachment 1, and 1-16, Attachment 1; and KSBA Request 1-1, Attachments 1a, 1d, and 1f, meet the criteria for confidential treatment and are exempted from public disclosure pursuant to KRS 61.878(1)(c)(1) and 807 KAR 5:001, Section 13.

2. The designated materials contained in Kentucky Power's responses to Staff Request 2-17, Attachments 1 and 2, and 2-45, Attachments 4 and 6; AG Request 1-20, Attachment 1, 1-23, Attachment 1, 1-26, Attachment 1, 1-86, Attachment 1, 1-88, Attachments 1 and 2, 1-99, Attachment 1, 1-167, Attachment 1, 1-280, Attachment 1, and

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1-294, Attachment 1; KIUC Request 1-7, Attachment 1, 1-8, Attachment 1, 1-9, Attachment 1, and 1-16, Attachment 1; and KSBA Request 1-1, Attachments 1a, 1d, and 1f, should not be placed in the public record or made available for public inspection for a period of time set forth in the Appendix to this Order.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's motion for confidential protection for its responses to Staff Request 2-17, Attachments 1 and 2, and 2-45, Attachments 4 and 6; AG Request 1-20, Attachment 1, 1-23, Attachment 1, 1-26, Attachment 1, 1-86, Attachment 1, 1-88, Attachments 1 and 2, 1-99, Attachment 1, 1-167, Attachment 1, 1-280, Attachment 1, and 1-294, Attachment 1; KIUC Request 1-7, Attachment 1, 1-8, Attachment 1, 1-9, Attachment 1, and 1-16, Attachment 1; and KSBA Request 1-1, Attachments 1a, 1d, and 1f, is granted.

2. The materials for which Kentucky Power's request for confidential treatment has been granted shall neither be placed in the public record nor made available for public inspection for a period of time set forth in the Appendix to this Order, or until further Orders of this Commission.

3. Use of the materials in question in any Commission proceeding shall comply with 807 KAR 5:001, Section 13(9).

4. Kentucky Power shall inform the Commission if the materials in question become publicly available or no longer qualify for confidential treatment.

5. If a non-party to this proceeding requests to inspect materials granted confidential treatment by this Order and the period during which the materials have been granted confidential treatment has not run, then Kentucky Power shall have 20 days from

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receipt of written notice of the request to demonstrate that the materials still fall within the exclusions from disclosure requirements established in KRS 61.878. If Kentucky Power is unable to make such demonstration, the requested materials shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

6. The Commission shall not make the requested materials available for inspection for 20 days following an Order finding that the materials no longer qualify for confidential treatment in order to allow Kentucky Power to seek a remedy afforded by law.

By the Commission

ENTERED

OCT 0 5 2017 KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

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Executive Director

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APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00179 DATED OCT 0 5 2017

ITEM	TIME PERIOD FOR CONFIDENTIAL TREATMENT
Staff Request 2-17, Attachments 1 and 2	Five Years
Staff Request 2-45, Attachments 4 and 6	Indefinitely
AG Request 1-20, Attachment 1	Ten Years
AG Request 1-23, Attachment 1	Indefinitely
AG Request 1-26, Attachment 1	Ten Years
AG Request 1-86, Attachment 1	Five Years
AG Request 1-88, Attachments 1 and 2	Seven Years
AG Request 1-99, Attachment 1	Fifteen Years
AG Request 1-167, Attachment 1	Indefinitely
AG Request 1-280, Attachment 1	Ten Years
AG Request 1-294, Attachment 1	Five Years
KIUC Request 1-7, Attachment 1	Ten Years
KIUC Request 1-8, Attachment 1	Ten Years
KIUC Request 1-9, Attachment 1	Through June 1, 2018 for PJM Planning
	Year 2018-19 data;
	Through June 1, 2019 for PJM Planning
	Year 2019-20 data;
	Through June 1, 2020 for PJM Planning
	Year 2020-21 data
KIUC Request 1-16, Attachment 1	Through June 1, 2018 for PJM Planning
140	Year 2018-19 data;
	Through June 1, 2019 for PJM Planning
	Year 2019-20 data;
	Through June 1, 2020 for PJM Planning
	Year 2020-21 data
KSBA Request 1-1, Attachments 1a, 1d, and 1f	Ten Years

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