## 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	)	CASE NO.
ENVIRONMENTAL COMPLIANCE PLAN; (3) AN	)	2017-00179
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	)	

## ORDER

On September 20, 2017, Kentucky Power Company (Kentucky Power) filed a motion, pursuant to 807 KAR 5:001, Section 13 and KRS 61.878, requesting that the Commission grant confidential protection to designated materials contained in Kentucky Power's responses to Commission Staff's Third Request for Information (Staff's Third Request) and the Attorney General's Second Data Request (Attorney General's Second Request).

The information and materials Kentucky Power sought to exempt from disclosure and the period for which it requests confidential protection are as follows:

1. The designated materials in Kentucky Power's Response to Staff's Third Request, Items 16 and 18 contain projected costs associated with the overhaul of certain generators and turbines, which reveals generating unit scheduled outages. Kentucky Power argued that public disclosure of the designated materials would place Kentucky

Power at an unfair competitive disadvantage because competitors would have advance knowledge of Kentucky Power's increased need for energy during the overhauls, which would affect Kentucky Power's ability to minimize costs. Kentucky Power requested that the designated information be held confidential until January 1, 2026.

- 2. The designated material in Kentucky Power's Response to the Attorney General's Second Request, Item 14 contains detailed information regarding the location of its transmission facilities, which is critical electric infrastructure information that is protected from disclosure pursuant to KRS 61.878(1)(m)(1)(f). Kentucky Power argued that the designated material should be held confidential until the facilities are retired.
- 3. The designated materials in Kentucky Power's Response to the Attorney General's Second Request, Items 71 and 101 contain federal Securities and Exchange Commission (SEC) filings with compensation information for executives that, under federal law, is treated as confidential until the information is included in public SEC filings. The designated material also contains compensation information for employees, other than executive officers, which is separate from the SEC filings. Kentucky Power asserted that public disclosure the compensation information contained in the non-SEC filings could allow Kentucky Power's competitors to recruit talented and specialized personnel by giving them an advantage in negotiating salaries with those personnel. Kentucky Power argued that the designated information should be exempt from disclosure pursuant to KRS 61.878(c)(1). Kentucky Power requested that the SEC filings be held confidential until March 2018, when the filings are made public, and that the remaining personnel compensation information be held confidential for a period of five years.

- 4. The designated materials in the Kentucky Power's Response to the Attorney General's Second Request, Items 84 through 99, contain tax returns and information derived from tax returns. Kentucky Power asserted that KRS 61.878(1)(k) exempts from disclosure "[a]II public records or information the disclosure of which is prohibited by federal law or regulation" and that federal law, in turn, prohibits the disclosure of federal income tax returns and related information. Kentucky Power argued that the designated materials should be exempt from disclosure for an indefinite period.
- 5. The designated materials in Kentucky Power's Response to the Attorney General's Second Request, Item 100, contains information regarding workers compensation insurance premium rates negotiated by Kentucky Power's parent company. Kentucky Power alleged that this information could be used to its disadvantage when negotiating rates in the future. Kentucky Power argued that the designated materials should be exempt from disclosure, pursuant to KRS 61.878(c)(1), for a period of seven years at which point the information will be outdated.

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

- Kentucky Power's request for confidential treatment its Response to the Attorney General's Second Request, Items 71 and 101 that contain the SEC filings should be denied as most because the designated materials became publicly available in March 2018.
- 2. Kentucky Power's request for confidential treatment for its Response to Staff's Third Request, Items 16 and 18; its Response to the Attorney General's Second Request, Items 71 and 101 that contain personnel compensation information other than

the SEC filing; and its Response to the Attorney General's Second Request, Item 100, should be granted because the designated materials contain confidential information that is exempt from public disclosure under KRS 61.878(1)(c)(1).

- 3. Kentucky Power's request for confidential treatment for its Response to the Attorney General's Second Request, Item 14 should be granted because the designated materials contain critical electric infrastructure information that is exempt from public disclosure pursuant to KRS 61.878(1)(m)(1)(f).
- 4. Kentucky Power's request for confidential treatment for its Response to the Attorney General's Second Request, Items 84 through 99 should be granted because the designated materials contain confidential information that is exempt from public disclosure under KRS 61.878(1)(k).

### IT IS THEREFORE ORDERED that:

- Kentucky Power's September 20, 2017 Motion for Confidential Treatment is granted in part and denied in part.
- 2. Kentucky Power's request for confidential treatment for its Responses to Staff's Third Request, Items 16 and 18; its Response to the Attorney General's Second Request, Items 71 and 101 that contain personnel compensation information other than the SEC filing; and its Response to the Attorney General's Second Request, Items 14, 84 through 99, and 100, is granted.
- 3. Kentucky Power's request for confidential treatment of its Response to the Attorney General's Second Request, Items 71 and 101 that contain the SEC filings is denied as moot. Pursuant to 807 KAR 5:001, Section 13(5), these materials shall not be

placed in the public record for the period permitted to request rehearing or bring an action for review.

- 4. Within 30 days of the date of entry of this Order, Kentucky Power shall file a revised Response to the Attorney General's Second Request, Items 71 and 101 that contain the SEC filings, reflecting as unredacted the information that has been denied confidential treatment.
- 5. The designated materials contained in Kentucky Power's Response to Staff's Third Request, Items 16 and 18 shall not be placed in the public record until January 1, 2026, or until further Order of this Commission.
- 6. The designated materials contained in Kentucky Power's Response to the Attorney General's Second Request, Items 14, and 84 through 99 shall not be placed in the public record for an indefinite period of time, or until further Order of this Commission.
- 7. The designated materials contained in Kentucky Power's Response to the Attorney General's Second Request, Items 71 and 101 that contain personnel compensation information other than the SEC filing shall not be placed in the public record for a period of five years, or until further Order of this Commission.
- 8. The designated materials contained in Kentucky Power's Response to the Attorney General's Second Request, Item100 shall not be placed in the public record for a period of seven years, or until further Order of this Commission.
- 9. The use of materials granted confidential treatment in any Commission proceeding shall comply with 807 KAR 5:001, Section 13(9).

- 10. Kentucky Power shall inform the Commission if the materials granted confidential protection become publicly available or no longer qualify for confidential treatment.
- 11. 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, Kentucky Power shall have 20 days from 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.
- 12. 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** 

JUL 20 2018

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

**Executive Director** 

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