

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

**THE APPLICATION OF KENTUCKY
POWER COMPANY FOR: (1) A
CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY
AUTHORIZING THE COMPANY TO
CONVERT BIG SANDY UNIT 1 TO A
NATURAL GAS-FIRED UNIT; AND (2)
FOR ALL OTHER REQUIRED
APPROVALS AND RELIEF**

CASE NO. 2013-00430

RECEIVED

FEB 12 2014

**PUBLIC SERVICE
COMMISSION**

**MOTION OF KENTUCKY POWER COMPANY
FOR CONFIDENTIAL TREATMENT**

Kentucky Power Company moves the Public Service Commission of Kentucky pursuant to 807 KAR 5:001, Section 13(2), for an Order granting confidential treatment to the identified portions of the Company's response to Commission Staff Data Request 1-10(c).

Pursuant to 807 KAR 5:001, Section 13, Kentucky Power is filing under seal those portions of its response to Commission Staff Data Request 1-10(c) with the confidential portions highlighted in yellow. Kentucky Power is also filing the original and ten copies of the redacted version of the same. Kentucky Power will notify the Commission when it determines the information for which confidential treatment is sought is no longer confidential.

A. The Requests And The Statutory Standard.

Kentucky Power does not object to filing the identified information for which it is seeking confidential treatment, but requests that the identified portions of the attachment be excluded from the public record and public disclosure.

KRS 61.878(1)(c)(1) excludes from the Open Records Act:

Upon and after July 15, 1992, records confidentially disclosed to an agency or required to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records.

This exception applies to the following information for which Kentucky Power is seeking confidential treatment:

(a) **Commission Staff Data Request 1-10(c).**

Kentucky Power's response to Commission Staff Data Request 10c includes the forecasted unit-specific heat rate information for Big Sandy Unit 1 following the proposed conversion to natural gas. Forecasted, unit-specific heat rate information can be used to derive the costs of producing electricity from that unit. If the forecasted unit-specific heat rate information became publicly available, parties with which Kentucky Power or its affiliates may negotiate for the sale of energy from such units could use the production costs derived from the specific heat rates to the detriment of Kentucky Power, its customers, and Kentucky Power's affiliates. Knowledge of these units specific costs by other parties would establish benchmarks in negotiations, thereby reducing the possible benefits of the transaction to the utilities and their ratepayers.

Kentucky Power seeks confidential treatment of the identified information until such time as the Company provides the data to the Commission as part of its monthly fuel adjustment clause filings. Based on the current construction schedule for the Big Sandy Unit 1 gas conversion project, the first filing is estimated to occur in September 2016. After that time, the information will be public.

B. The Identified Information is Generally Recognized As Confidential and Proprietary and Public Disclosure Of It Will Result In An Unfair Commercial Advantage for Kentucky Power’s Competitors.

The identified information required to be disclosed by Kentucky Power in response to Commission Staff Data Request 1-10(c) is highly confidential. The confidential information is not generally known or readily ascertainable by other parties through normal or proper means. No reasonable amount of legitimate independent research could yield this confidential information to other parties. Dissemination of the information for which confidential treatment is being requested is restricted by Kentucky Power, its affiliated operating companies, AEP, and AEPSC (the “AEP Entities”). The AEP Entities take all reasonable measures to prevent its disclosure to the public as well as persons within the AEP Entities who do not have a need for the information. The information is not disclosed to persons outside the AEP Entities. Within those organizations, the information is available only upon a confidential need-to-know basis that does not extend beyond those employees with a legitimate business need to know and act upon the identified information.

C. The Identified Information Is Required To Be Disclosed To An Agency.

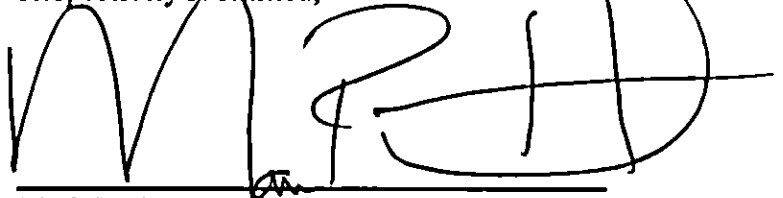
The identified information is by the terms of the Commission’s Order required to be disclosed to the Commission. The Commission is a “public agency” as that term is defined at KRS 61.870(1). Any filing should be subject to a confidentiality order and any party requesting such information should be required to enter into an appropriate confidentiality agreement.

WHEREFORE, Kentucky Power Company respectfully requests the Commission to enter an Order:

1. According confidential status to and withholding from public inspection the identified information; and

2. Granting Kentucky Power all further relief to which it may be entitled.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'MRO', is written over a horizontal line. The signature is stylized and somewhat cursive.

Mark R. Overstreet
STITES & HARBISON PLLC
421 West Main Street
P. O. Box 634
Frankfort, Kentucky 40602-0634
Telephone: (502) 223-3477

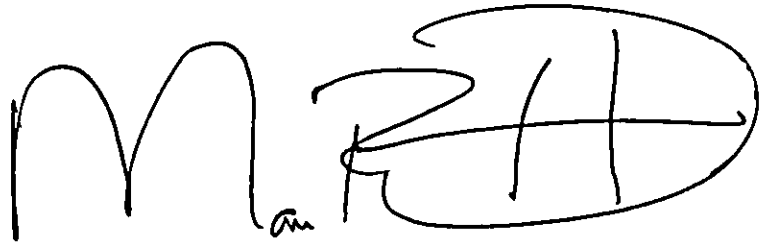
Kenneth J. Gish, Jr.
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250 West Main Street, Suite 2300
Lexington, Kentucky 40507
Telephone: (859) 226-2300

COUNSEL FOR KENTUCKY POWER
COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by overnight delivery upon the following parties, this 12th day of February, 2014.

Michael L. Kurtz
Jody Kyler Cohn
Boehm, Kurtz & Lowry
Suite 1510
36 East Seventh Street
Cincinnati, OH 45202

A handwritten signature in black ink, appearing to read 'Mark R. Overstreet'. The signature is written in a cursive style with a large 'M' and 'R' and a stylized 'O'. A horizontal line is drawn below the signature.

Mark R. Overstreet

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(1) A Certificate Of Public Convenience And Necessity)
Authorizing The Company To Convert Big Sandy Unit 1) Case No. 2013-00430
To A Natural Gas-Fired Unit; And (2) For All Other)
Required Approvals And Relief)

CONFIDENTIAL

CONFIDENTIAL INFORMATION TO
RESPONSE TO COMMISSION STAFF DATA REQUEST 1-10(c)

CONFIDENTIAL