

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE  
COMMISSION

In the Matter of:

Notice of Kentucky Power Company Pursuant To )  
807 KAR 5:080 Of Establishment Of A New ) Case No. 2014-00420  
Nonregulated Activity )

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Kentucky Power Company ("Kentucky Power" or "Company") moves the Public Service Commission of Kentucky pursuant to 807 KAR 5:001, Section 13(2), for an Order granting confidential treatment to certain financial terms of the Homeserve USA Corp. Master Services Agreement between Homeserve USA Corp. and American Electric Power Service Corporation ("AEPSC") (Agreement 027040870000X103).

Pursuant to 807 KAR 5:001, Section 13, Kentucky Power is filing under seal a copy of those portions of the Master Agreement for which confidential treatment is being sought. In addition, ten copies of the Master Agreement, with the confidential information redacted also is being filed. Kentucky Power will notify the Commission when it determines the information for which confidential treatment is sought is no longer confidential.

A. The Statutory Standard.

Kentucky Power does not object to filing the information for which it is seeking confidential treatment, but requests that the identified portions of the Master Agreement 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) Attachment 1 to Kentucky Power's Response to Commission Staff's Informal Conference Data Request.

The Master Agreement is the result of negotiations following a Request for Proposal. The commission rates, performance standards and liability limits are the result of competitive negotiations. As such, the information would not be commonly known in the marketplace. Public disclosure of the financial information allows other market participants to unfairly compete with the winning bidder, thereby limiting the number of competitors willing to respond to future Kentucky Power or AEPSC RFPs. In addition, it would tend to establish a floor for bids.

- 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 is highly confidential. Dissemination of the information for which confidential treatment is being requested is restricted by Kentucky Power, its parent, AEP, and its affiliates (including AEPSC) and Homeserve. The Company, AEP, and its affiliates, along with Homeserve, take all reasonable measures to prevent its disclosure to the public as well as persons within the Company who do not have a need for the information. The information is not disclosed to persons outside of Homeserve or Kentucky Power, AEP, or its affiliates. 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. In addition, AEPSC has further limited the availability of the information to ensure the integrity of the RFP process.

The confidential information should be kept confidential for the ten year contract period (five year contract with an additional five year "run-off period). Prior disclosure could jeopardize future RFPs.

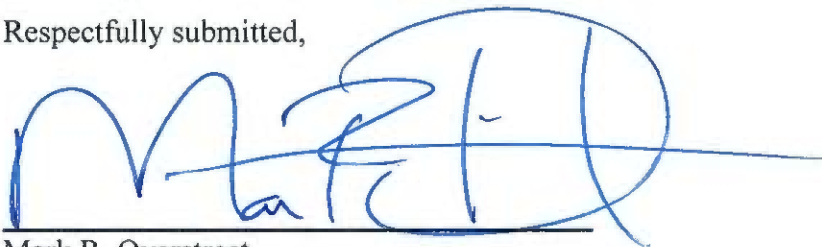
C. The Identified Information Is Required To Be Disclosed To An Agency.

The identified information is being disclosed in response to a Staff request. Kentucky Power believes that if it refused to permit the information a Commission Order likely would issue requiring its disclosure. The Commission is a "public agency" as that term is defined at KRS 61.870(1).

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,



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