## STITES & HARBISON PLLC

ATTORNEYS

March 24, 2010

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COMMISSION

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Mark R. Overstreet (502) 209-1219 (502) 223-4387 FAX moverstreet@stites.com

## HAND DELIVERED

Jeff R. Derouen Executive Director Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602-0615

## RE: P.S.C. Case No. 2009-00459 - Kentucky Power Company's Responses to Data Requests

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and ten copies of Kentucky Power Company's Responses to the following Data Requests:

- (a) Third Data Requests by Commission Staff;
- (b) Attorney General's Second Requests for Information; and
- (c) Second Data Requests by Kentucky Industrial Utility Customers, Inc.

Also enclosed is the original and ten copies of the Company's Petition for Confidential Treatment of certain portions of the Company's Responses to data requests propounded by the Attorney General (Confidential AG 2-1 through 2-5 and AG 2-12), and Kentucky Industrial Utility Customers (KIUC 2-1, 2-3 and 2-24), along with a sealed envelope containing the unredacted responses for which confidential treatment is being sought.

Copies of the public Responses are being served on the persons indicated below. In addition, copies of the Responses for which confidential treatment is being sought are being served on the Attorney General, counsel for Kentucky Industrial Utility Customers, Inc. and Mr. Kollen, in accordance with the non-disclosure agreement signed by each.

Please do not hesitate to contact me if you have any questions.

STITES & HARBISON PLLC

ATTORNEYS

Jeff R. Derouen March 24, 2010 Page 2

Very-truly-yours Mark R. Overstreet

cc: Holly Rachel Smith Michael L. Kurtz Dennis G. Howard II Joe F. Childers Richard Hopgood Lane Kollen Steve W. Chris

#### COMMONWEALTH OF KENTUCKY

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MAR 2 4 2010

PUBLIC SERVICE COMMISSION

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

OF ITS RATES

THE APPLICATION OF KENTUCKY)POWER FOR A GENERAL ADJUSTMENT) Case No. 200

) Case No. 2009-00459

## MOTION FOR CONFIDENTIAL TREATMENT

Kentucky Power Company ("Kentucky Power" or "the Company"), moves the Commission pursuant to KRS 61.878(1)(c)(1) and 807 KAR 5:001, Section 7, for an Order granting confidential treatment to information contained within documents included in a response to a data requests issued by the Attorney General (Confidential AG 2-1 through 2-5 and AG 2-12) and Kentucky Industrial Utility Customers ("KIUC") (KIUC 2-1, 2-3 and 2-24). In support of its Motion for Confidential Treatment Kentucky Power states:

1. The information for which confidential treatment is being sought ("Confidential Information") includes:

(a) The Data Requests and the Company's responses with respect to AG2-1 (Confidential) through AG2-5 (Confidential) contain references to previously provided information, typically financial projections, that is the subject of a currently pending motion for confidential treatment in connection with the Company's responses filed on February 26, 2010. The previous responses that are the subject of the pending motion are AG1-47 and AG1-51, Kentucky Power incorporates its previous affidavits and motion seeking confidential treatment of this information filed with the Commission on February 26, 2010. (b) The specific amounts relating to individual insurance premiums. (AG2-12). The Confidential Information included in the response to AG 2-12 is the specific insurance premium amounts that are displayed on the individual declaration pages and/or associated endorsements. These are not aggregate company numbers but the detailed premium amounts paid by AEP in the varying areas concerned.

(c) The Company's response to KIUC 2-1 contains information that is the subject of a currently pending motion for confidential treatment in connection with the Company's responses filed on February 26, 2010. The subject information relates to comparisons of wind costs to internal estimated installed cost, transmission costs, the full load heat rate, variable O&M and fixed O&M of natural gas combined cycle and combustion turbine alternatives. The previous responses that are the subject of the pending motion is KIUC 1-15, Kentucky Power incorporates its previous affidavits and motion seeking confidential treatment of this information filed with the Commission on February 26, 2010.

(d) The Company's response to KIUC 2-3 contains information that is the subject of a currently pending motion for confidential treatment in connection with the Company's responses filed on February 26, 2010. The subject information relates to the redacted portions of the underlying assumptions and data used to create exhibit SCW-3 in this case, an exhibit already granted confidential treatment by the Commission. The previous responses that are the subject of the pending motion is KIUC 1-17, Kentucky Power incorporates its previous affidavits and motion seeking confidential treatment of this information filed with the Commission on February 26, 2010.

(e) Information including forecasted off system sales margins for Kentucky Power and forecasted power prices by MWh over the next four years delineated by month in both peak and off-peak periods. (KIUC 2-24)

2. Pursuant to 807 KAR 5:001, Section, 7, an original of the exhibits for which confidential treatment is sought is filed under seal with this motion. In addition, ten redacted copies of the exhibits are filed in connection with this motion.

3. In accordance with an executed confidentiality agreement Kentucky Power also provided unredacted copies of the documentation to the office of the Attorney General, KIUC, and others signing an agreement.

## Statutory Standard

4. KRS 61.878(1)(c)(1) excludes from the public disclosure requirements of the Open Records Act:

"[r]ecords confidentially disclosed to an agency or required by an agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would present an unfair commercial advantage to competitors of the entity that disclosed the records.

The information for which confidential treatment is sought in this motion satisfies this exception.

The Information Is Generally Recognized As Confidential And Proprietary

5. As Randall Martin, Scott Weaver, and Thomas Myers testify in the attached

affidavits, the Confidential Information is generally considered confidential and proprietary.

Affidavit of Randall Martin at ¶ 5 ("Martin Affidavit"), Affidavit of Scott Weaver at ¶ 5

("Weaver Affidavit"), and Affidavit of Thomas Myers at ¶ 5 ("Myers Affidavit"). The

Confidential Information is not available to, or ascertainable by, persons outside Kentucky

Power or American Electric Power Service Corporation ("AEPSC") by proper means other than

on a confidential basis. Martin Affidavit at ¶7, Weaver Affidavit at ¶7, Myers Affidavit at ¶8.

The Confidential Information derives economic value from the fact it is not generally known to persons who can obtain value from its disclosure. Martin Affidavit at ¶7, Weaver Affidavit at ¶7, Myers Affidavit at ¶8.

6. In light of the confidential and proprietary nature of the information, AEPSC and Kentucky Power take all reasonable efforts to protect it from public disclosure. Martin Affidavit at ¶8, Weaver Affidavit at ¶7, Myers Affidavit at ¶9.. Among the measures taken are limiting access to the information within the Companies to only those persons with a legitimate need to access the information, protecting against disclosure outside the Companies, and entering into confidentiality agreements to protect against disclosure by persons outside the Companies who are afforded access for legitimate purposes. Martin Affidavit at ¶7, Weaver Affidavit at ¶7, Myers Affidavit at ¶9.

## Disclosure Of The Confidential Information Will Result in An Unfair Competitive Advantage To The Competitors Of Kentucky Power and Disrupt Future Negotiations with Underwriters

7. The Confidential Information, if disclosed to competitors of Kentucky Power, or otherwise made publicly available, would provide an unfair competitive advantage to competitors of Kentucky Power. The Confidential Information therefore is entitled to protection from disclosure by the Commission.

8. With respect to AG 2-12, the public disclosure of the Confidential Information would establish benchmarks in future negotiations for insurance premiums, thereby potentially increasing costs incurred by customers of Kentucky Power and its affiliates. Martin Affidavit at ¶6. Disclosure will also provide competitors insight into the benefit of the Company's negotiated bargain and provide notice of its terms to competitors seeking the same level of insurance. Id. Notice to competitors (those persons seeking similar coverage and limits) of the

terms negotiated by the Company potentially could drive up the cost to the Company upon renewal due to the insurer having to adjust rates lower for competitors due to disclosure in this public forum. Id. Additionally, Kentucky Power and its customers will be injured by losing the competitive benefit in future bidding for this insurance by underwriters not currently providing the Company with insurance and who, absent disclosure, will lack knowledge of the terms and pricing negotiated with incumbent underwriters. Id.

9. With respect to KIUC 2-1 and 2-3, disclosure of the Confidential Information would provide the public Kentucky Power's competitive assumptions and/or negotiated contract terms concerning a natural gas combined cycle and combustion turbine. Weaver Affidavit at ¶7. Such disclosure would establish certain benchmarks in future negotiations, thereby potentially increasing costs incurred by customers of Kentucky Power and its affiliates and their customers. Id. Disclosure of the Confidential Information also could be used by other purchasers competing for such contracts to "cherry-pick" the most favorable contracts, thereby depriving Kentucky Power of the ability to obtain the most advantageous prices for its customers. Id. Finally, disclosure of the Confidential Information could impede the ability of Kentucky Power and AEPSC to obtain the most advantageous price for Renewable Energy Certificates it buys and sells. Id. at ¶10.

10. The Commission already granted a similar request to protect the information included in the response to KIUC 2-1 and KIUC 2-3. The Commission issued the order on February 24, 2010, finding that the information in that filing is proprietary and that public disclosure would permit an unfair commercial to Kentucky Power's competitors. The confidential Exhibit SCW-3 includes the same information at issue in the responses to KIUC's

questions. One answer simply provides the same information in an electronic format. Weaver Affidavit at ¶5.

11. With respect to KIUC 2-24, disclosure of the Confidential Information would provide other suppliers of electric power an unfair commercial advantage. Knowledge of the Confidential Information would provide competitive power supplier's with AEP's market pricing forecasts, and would thus allow those competitors to undercut AEP's business strategy. Myers Affidavit at ¶6. This forecast information is delineated by month and highlight AEP's pricing forecasts for various dates certain throughout the year. Id. Kentucky Power's forecasted sales margins also provide direct insight into the Company's business plan. Id. This information would provide other electric suppliers with information about Kentucky Power's expected position in the market, and would allow these other suppliers to structure their dealings to best take advantage of the Company's position. Id. Ultimately, disclosure of the Confidential Information will impede the ability of Kentucky Power and AEP to maximize off-system sales, sales which can be advantageous to the Company's customers. Id. at ¶7.

12. With respect to Confidential AG 2-1 through 2-5, Kentucky Power seeks confidential treatment of the information identified as confidential by the Attorney General within his data requests. These data requests pertain to Confidential Information provided by Kentucky Power in response to Kentucky Power to AG 1-47 and AG 1-51. Kentucky Power previously sought confidential treatment for this information and the motion is presently pending before the Commission. Kentucky Power asks that confidential treatment be afforded to portions of its responses to Confidential AG 2-1 through 2-5 for all of the reasons set forth in support of its motion for confidential treatment with respect to AG 1-47 and AG 1-51.

Respectfully submitted,

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

## COUNSEL FOR KENTUCKY POWER COMPANY

#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing<sup>1</sup> was served by first class mail, postage prepaid upon the following parties, this 24th day of March, 2010.

Michael L. Kurtz David F. Boehm Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OH 45202

Joe F Childers Getty & Childers 1900 Lexington Financial Center 250 West Main Street Lexington, KY 40507

Richard Hopgood Wyatt, Tarrant & Combs, LLP 250 West Main Street Suite 1600 Lexington, KY 40507-1746

Lane Kollen Kennedy and Associates 570 Colonial Park Drive Suite 305 Roswell, Georgia 30075 Lawrence W. Cook Dennis Howard II Paul D. Adams Assistant Attorneys General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601-8204

Sam R Collins 470 Main Street, 2nd Floor, Suite 1 Post Office Drawer 1179 Hazard, KY 41702

Holly Rachel Smith Hitt Business Center 3803 Rectortown Road Marshall, VA 20115

R. Benjamin Crittenden

<sup>&</sup>lt;sup>1</sup> The confidential exhibits were served only on those persons signing a Non-Disclosure Agreement.

Thomas M. Myers, first being duly sworn, states:

1. I am of the age of majority and competent to make this affidavit. I have personal knowledge of the matters set forth in this affidavit.

2. I am Vice President- Commercial & Financial Analysis for American Electric Power Service Corporation (AEPSC) a wholly owned subsidiary of American Electric Power (AEP). AEP is the parent company of Kentucky Power Company (KPCo). I am familiar with the content of KPCo's filings in this case and the need to protect certain confidential and proprietary information attached to discovery responses.

3. I have specific personal knowledge of the confidential, proprietary, competitively sensitive and trade secret nature of the confidential information addressed in this Affidavit, including Kentucky Power's forecasted off system sales margins and forecasted prices of power by MWh over the next four years. I gained this knowledge through direct contact with this information and through my investigation with other AEPSC and KPCo employees who work directly with the confidential information. I have personal knowledge of efforts taken by KPCo and AEPSC to maintain the secrecy of the confidential information through direct contact with these efforts and through my investigation of these efforts with other employees who work directly with these procedures. Finally, I have personal knowledge, through my investigation, along with other AEPSC and KPCo employees who work directly with the confidential information of the effect the public disclosure of the confidential information would have on KPCo's competitive efforts in securing such contracts.

## Description of the Confidential Information for Which Protection is Sought

4. KPCO is requesting that certain information related to off system sales pricing and margins referred to in KPCo's discovery responses to the Kentucky Industrials Utilities Customers (KIUC) in attachments to answers in this Cause to be protected from public disclosure pursuant to KRS 61.878(1)(c)(1) (the "Confidential Information").

5. More specifically, the Confidential Information, included on the attachment in response to KIUC 2-24, is the forecasted off system sales margins for Kentucky Power and forecasted power prices by MWh over the next four years delineated by month in both peak and off-peak periods. The information included in the attachments are confidential, proprietary, competitively sensitive and trade secrets.

## Public Disclosure Of The Information For Which Confidential Treatment Is Sought Would Permit An Unfair Commercial Advantage To Kentucky Power's Competitors

6. The Confidential Information contains the highly sensitive forecasted peak and off-peak energy pricing over the next three years. Public disclosure of this closely guarded information would provide other providers of electric power an unfair commercial advantage. Knowledge of the Confidential Information would provide competitive power suppliers with AEP's market forecasts of the pricing upon which it relies and would allow competitors to undercut AEP's business strategy. This key forecast is delineated by month, highlighting the shape of the prices at varying dates throughout the year. Kentucky's forecasted sales margins also provide a direct link into the business plans of the utility. An understanding of KPCo's expected sales margin could provide a competitor insight into the company's position in the market negatively affecting its future sales. In sum, the public disclosure of the information for

which confidential treatment is sought will result in AEP and KPCo competitors gaining an unfair commercial advantage.

7. The public disclosure of the Confidential Information in the attachments will also impede the ability of KPCo and AEPSC to maximize off system sales which can be used to benefit KPCo's customers. As such, the public dissemination of the Confidential Information will provide an unfair economic advantage to KPCo's competitors while negatively affecting KPCo customers.

## The Information is Not Generally Known, Readily Ascertainable by Proper Means by Other Persons Who Can Obtain Economic Value from its Disclosure or Use

8. The Confidential Information is highly sensitive and not available or ascertainable by

other parties through normal or proper means. No reasonable amount of independent research could yield this information to other parties.

## The Information is the Subject of Efforts Reasonable Under The Circumstances to Maintain Its Secrecy

9. The Confidential Information has been the subject of efforts that are reasonable under the circumstances to maintain its secrecy. KPCo and AEPSC limit public access to buildings housing the Confidential Information by use of security guards and/or security access codes. Persons not employed by KPCo and AEPSC who are allowed past security guards or secure entrances at buildings where Confidential Information is kept are not permitted to walk within such buildings without an escort. KPCo's and AEPSC's files containing the Confidential Information are maintained separately from KPCo's and AEPSC's general records and access to those files is restricted. Within KPCo and AEPSC, access to this information has been and will continue to be disclosed only to those employees, officers and representatives of KPCo and AEPSC who have a need to know about such information due to their job and management responsibilities. Outside KPCo and AEPSC, this information is only provided to certain persons who have a legitimate need to review the information to participate in this Cause and who sign a confidentiality agreement.

10. Further the Affiant sayeth nothing more,

hr.

Thomas M. Myers Vice President- Commercial & Financial Analysis American Electric Power Service Corporation

STATE OF OHIO ) ) SS: COUNTY OF FRANKLIN )

Subscribed and sworn to before me, a Notary Public, in and for said County and State this

22nd day of March 2010.

Barbearn R. Pletcher Notary Public

I am a resident of Fearkelin County, Ohio

BARBARA R. PLETCHER NOTARY PUBLIC • STATE OF OHIO Recorded in Franklin County My commission expires Oct. 1, 2013

Randall L. Martin, first being duly sworn, states:

1. I am of the age of majority and competent to make this affidavit. I have personal knowledge of the matters set forth in this affidavit.

2. I am Managing Director, Risk & Insurance Management within Finance, Accounting, and Strategic Planning of the American Electric Power Service Corporation (AEPSC), AEP is the parent company of Kentucky Power Company (KPCo). I am familiar with the content of KPCo's filings in this case and the need to protect certain confidential and proprietary information attached to discovery responses.

3. I have specific personal knowledge of the confidential, proprietary, and competitively sensitive nature of the confidential information addressed in this Affidavit, including the value of the insurance premiums included on the declaration pages. I gained this knowledge through direct contact with this information and through my investigation with other AEPSC employees who work directly with the confidential information. I have personal knowledge of efforts taken by KPCo and AEPSC to maintain the secrecy of the confidential information through direct contact with these efforts and through my investigation of these efforts with other employees who work directly with these procedures. Finally, I have personal knowledge through my investigation, along with other AEPSC and KPCo employees who work directly with the confidential information would have on KPCo's competitive efforts in securing such contract terms in the future.

## Description of the Confidential Information for Which Protection is Sought

4. KPCo is requesting that certain information relating to the Company's operations be included in the exhibits in responses to the Attorney General Discovery question AG 2-12 and AG 1-51 be protected from public disclosure pursuant to KRS 61.878(1)(c)(1) (the "Confidential Information").

5. More specifically, the Confidential Information, included on the attachment to AG 2-12 contains the level of the insurance premium in each of the policies. These confidential company values are confidential as competitively sensitive and proprietary information.

## Public Disclosure Of The Information For Which Confidential Treatment Is Sought Would Permit An Unfair Commercial Advantage

6. This information is confidential as it represents negotiated terms between the insurer and insured. Public disclosure of the insurance premiums would establish certain benchmarks in future negotiations for insurance premiums, thereby potentially increasing costs incurred by customers of KPCo and its affiliates. Public disclosure provide competitors insight into the benefit of the Company's bargain by giving notice of that term to competitors seeking the same level of insurance. Knowledge of the terms negotiated by the Company by competitors could potentially drive up the cost to the Company upon renewal due to the insurer having to adjust rates lower for competitors due to disclosure in this public forum. Additionally, underwriters not currently on our program will have knowledge of the terms and pricing negotiated with incumbent underwriters. This will injure the competitive opportunity in future bidding for this insurance that the Company otherwise now enjoys. That puts KPCo and its customers at a disadvantage in negotiations for best pricing.

## The Information is Not Generally Known, Readily Ascertainable by Proper Means by Other Persons Who Can Obtain Economic Value from its Disclosure or Use

7. The Confidential Information is not available or ascertainable by other parties through normal or proper means. No reasonable amount of independent research could yield this information to other parties. The Confidential Information is the specific insurance premium amounts that are displayed on the individual declaration pages and/or associated endorsements. These are not aggregate company numbers but the detailed premium amounts paid by AEP in the varying areas concerned. The information derives economic value from the fact it is not generally known to persons who can obtain value from its disclosure.

## The Information is the Subject of Efforts Reasonable Under The Circumstances to Maintain Its Secrecy

8. The Confidential Information has been the subject of efforts that are reasonable under the circumstances to maintain its secrecy. KPCo and AEPSC limit public access to buildings housing the Confidential Information by use of security guards. Persons not employed by KPCo and AEPSC who are allowed past security guards at buildings where Confidential Information is kept are not permitted to walk within such buildings without an escort. KPCo's and AEPSC's files containing the Confidential Information are maintained separately from KPCo's and AEPSC's general records and access to those files is restricted. Within KPCo and AEPSC, access to this information has been and will continue to be disclosed only to those employees, officers and representatives of KPCo and AEPSC who have a need to know about such information due to their job and management responsibilities. Outside KPCo and AEPSC, this information is only provided to certain persons confidentially or who have a legitimate need to review the information to participate in this Cause and who sign a confidentiality agreement.

9. Further the Affiant sayeth nothing more.

artu

Randall Martin Managing Director - Risk & Insurance Management, Finance, Accounting, and Strategic Planning American Electric Power Service Corporation

STATE OF OHIO ) ) SS: COUNTY OF FRANKLIN )

Subscribed and sworn to before me, a Notary Public, in and for said County and State this

Had day of March 2010.

I am a resident of Tayfiell County, Ohio

Scott C. Weaver, first being duly sworn, states:

1. I am of the age of majority and competent to make this affidavit. I have personal knowledge of the matters set forth in this affidavit.

2. I am Managing Director-Resource Planning and Operational Analysis of the American Electric Power Service Corporation (AEPSC). AEP is the parent company of Kentucky Power Company (KPCo). I am familiar with the content of KPCo's filings in this case and the need to protect certain confidential and proprietary information attached to discovery responses.

3. I have specific personal knowledge of the confidential, proprietary, competitively sensitive and trade secret nature of the confidential information addressed in this Affidavit, including the pricing contained in wind purchase power agreements and negotiated terms and net energy costs incurred by KPCo. I gained this knowledge through direct contact with this information and through my investigation with other AEPSC and KPCo employees who work directly with the confidential information. I have personal knowledge of efforts taken by KPCo and AEPSC to maintain the secrecy of the confidential information through direct contact with these efforts and through my investigation of these efforts with other employees who work directly with these procedures. Finally, I have personal knowledge, through my investigation, along with other AEPSC and KPCo employees who work directly with the confidential information of the effect the public disclosure of the confidential information would have on KPCo's competitive efforts in securing such contracts.

## Description of the Confidential Information for Which Protection is Sought

4. KPCO is requesting that certain information related to the Wind PPA and other confidential information to be referred to in KPCo's discovery responses to the Kentucky Industrials Utilities Customers (KIUC) in attachments to answers in this Cause to be protected from public disclosure pursuant to KRS 61.878(1)(c)(1) (the "Confidential Information").

5. More specifically, the Confidential Information, included on the attachment in response to KIUC 2-1, is the underlying information for the information provided confidentially in response to a previous KIUC discovery request in the first set, KIUC 1-15. That information details the price per MWh to be paid under a wind purchased power as compared to internal estimated installed cost, transmission costs, the full load heat rate, variable O&M and fixed O&M of natural gas combined cycle and combustion turbine alternatives. Each of these figures provides KPCo competitive assumptions and/or negotiated contract terms that are confidential as proprietary information. In response to KIUC 2-3, which requests the further underlying data to previously filed SCW-3, KPCo includes an attachment on a compact disc, that was previously provided. The information includes the underlying assumptions relied upon to produce Exhibit SCW-3. The Commission granted confidential protection to SCW-3 in an Order entered on February 24, 2010. The underlying data comprising the confidential items used to create the protected exhibit, including the wind contract's costs, KPCo's estimated cost of RECs, and other negotiated commercial terms underlying the protected information from the wind contract are confidential, proprietary, competitively sensitive and trade secrets.

## Public Disclosure Of The Information For Which Confidential Treatment Is Sought Would Permit An Unfair Commercial Advantage To Kentucky Power's Competitors

6. As evidenced by the Commission's previous protection of this type of information, the market for renewable energy purchase power agreements is extremely competitive. There are multiple sellers of renewable energy seeking the highest prices for their capacity and energy. Likewise, with the advent of renewable portfolio standards in many states, KPCo and its affiliates face strong and growing competition for the most advantageous agreements. The price and other financial terms of such agreements typically are the terms most vigorously negotiated by suppliers and purchasers.

7. KPCo and its affiliates may negotiate similar contracts with other suppliers in the future. If the price and underlying terms included in the wind contract became publicly known or available, parties with which KPCo and its affiliates may negotiate could use this knowledge to the detriment of KPCo, its customers, and affiliates. Knowledge of these terms by other potential suppliers would establish certain benchmarks in future negotiations, thereby potentially increasing costs incurred by customers of KPCo and its affiliates. In other words, other suppliers would insist on the same or better terms as those negotiated in this purchase agreement. Furthermore, knowledge of the provisions by potential power supply competitors could enable them to gain an unfair advantage in future competitive situations. Finally, the Confidential Information also could be used by other purchasers competing for such contracts to "cherry-pick" the most favorable contracts, thereby depriving Kentucky Power of the ability to obtain the most advantageous prices for its customers. In sum, the public disclosure of the information for which confidential treatment is sought will result in KPCo and FPLEWIC's competitors gaining an unfair commercial advantage.

8. In negotiating renewable energy purchase power agreements, AEPSC and KPCo seek to obtain the lowest reasonable cost for the Company's customers. Suppliers, on the other hand, are interested in obtaining the highest price possible for their commodity. Making the Company's analysis with regards to renewable energy acquisition or other competitively sensitive information available to the suppliers with which the Company is negotiating compromises the ability of AEPSC and KPCo to obtain the lowest reasonable cost for customers.

9. Renewable Energy Certificates (RECs) are tradable, non-tangible energy commodities in the United States that represent proof that 1 MWh of electricity was generated from an eligible renewable energy resource. The trading of RECs is not price-regulated and is subject to substantial competition. As more states impose Renewable Portfolio Standards, the price competition with respect to RECs is expected to intensify.

10. The public disclosure of the Confidential Information, including that included in the attachments responding to KIUC 2-1 and KIUC 2-3, will impede the ability of KPCo and AEPSC to obtain the lowest reasonable cost for KPCo's customers by discouraging bidders from submitting bids because of concern that confidential terms will become public knowledge. It also will affect the ability of KPCo to obtain the most advantageous price for RECs it buys and sells in public markets. As such, the public dissemination of the Confidential Information will provide an unfair economic advantage to KPCo's competitors.

## The Information is Not Generally Known, Readily Ascertainable by Proper Means by Other Persons Who Can Obtain Economic Value from its Disclosure or Use

11. The Confidential Information is not available or ascertainable by other parties through normal or proper means. No reasonable amount of independent research could yield this information to other parties.

## The Information is the Subject of Efforts Reasonable Under The Circumstances to Maintain Its Secrecy

12. The Confidential Information has been the subject of efforts that are reasonable under the circumstances to maintain its secrecy. KPCo and AEPSC limit public access to buildings housing the Confidential Information by use of security guards. Persons not employed by KPCo and AEPSC who are allowed past security guards at buildings where Confidential Information is kept are not permitted to walk within such buildings without an escort. KPCo's and AEPSC's files containing the Confidential Information are maintained separately from KPCo's and AEPSC's general records and access to those files is restricted. Within KPCo and AEPSC, access to this information has been and will continue to be disclosed only to those employees, officers and representatives of KPCo and AEPSC who have a need to know about such information due to their job and management responsibilities. Outside KPCo and AEPSC, this information is only provided to certain persons who have a legitimate need to review the information to participate in this Cause and who sign a confidentiality agreement.

13. Further the Affiant sayeth nothing more.

Scott C. Weaver

Managing Director-Resource Planning and Operational Analysis American Electric Power Service Corporation

## STATE OF OHIO ) ) SS: COUNTY OF FRANKLIN )

Subscribed and sworn to before me, a Notary Public, in and for said County and State this

22nd day of Warch 2010.

Notary Public

I am a resident of <u>Licking</u> County, Ohio



Sharon Hutchens Notary Public-State of Ohio My Commission Expires November 17, 2014

## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

# THE APPLICATION OF KENTUCKY POWER)COMPANY FOR A GENERAL ADJUSTMENT) Case No. 2009-00459OF ELECTRIC RATES)

## Notice of Filing Of Affidavits In Connection With The Company's February 26, 2010 Responses To Data Requests

#### \*\*\*\*\*\*

Notice is given that Kentucky Power Company files with the Public Service Commission

\* \* \*

of Kentucky the attached affidavits regarding its February 26, 2010 Responses to Data Requests

in this proceeding.

Respectfully submitted,

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

COUNSEL FOR KENTUCKY POWER COMPANY

RECEIVED

MAR 2 4 2010

PUBLIC SERVICE COMMISSION

#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served by first class mail, postage prepaid upon the following parties, this 24<sup>th</sup> day of March, 2010:

Michael L. Kurtz David F. Boehm Boehm, Kurtz & Lowry 2110 CBLD Center 36 East Seventh Street Cincinnati, OH 45202

Richard Hopgood Wyatt, Tarrant & Combs, LLP 250 West Main Street Suite 1600 Lexington, KY 40507-1746

Joe F. Childers Getty & Childers 1900 Lexington Financial Center 250 West Main Street Lexington, KY 40507 Paul D. Adams Dennis Howard II Lawrence W. Cook Assistant Attorney General Office of Rate Intervention P.O. Box 2000 Frankfort, KY 40602-2000

Holly Rachel Smith Hitt Business Center 3803 Rectortown Road Marshall, VA 20115

Sam R. Collins 470 Main Street, Second Floor, Suite 1 Hazard, Kentucky Post Office Drawer 1179 Hazard, Kentucky 41702

R. Benjamin Crittenden

Everett G Phillips upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

Everett G. Phillips

Commonwealth of Kentucky

) Case No. 2009-00459

County of Boyd

Sworn to before me and subscribed in my presence by Everett G. Phillips, this the <u>22</u> day of March, 2010.

Notary Public

My Commission Expires: <u>4/5/2011</u>

Scott C. Weaver, upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

Scott C. Weaver

STATE OF OHIO COUNTY OF Franklin

) Case No. 2009-00459

Sworn to before me and subscribed in my presence by Scott C. Weaver, this the 22 and day of March, 2010.

)

Notary Public

11/17/201V My Commission Expires: \_\_\_\_

Timothy C Mosher upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

T.C. Mosher

Timothy C. Mosher

Commonwealth of Kentucky

) ) Case No. 2009-00459 )

County of Franklin

Sworn to before me and subscribed in my presence by Timothy C. Mosher, this the 24 day of March, 2010.

Audy A Resquist

My Commission Expires: Auchary 13, 2013

Ranie K. Wohnhas, upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions.

Kann K. Wohnt

Ranie K. Wohnhas

Commonwealth of Kentucky

) ) Case No. 2009-00459

County of Franklin

Sworn to before me and subscribed in my presence by Ranie K. Wohnhas, this the day of March, 2010.

Aug & Rosquist Notary Public

My Commission Expires: Anuary 23, 2013

Errol K Wagner upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

Monor

Errol K Wagner

Commonwealth of Kentucky

) ) Case No. 2009-00459

County of Franklin

Sworn to before me and subscribed in my presence by Errol K Wagner, this the day of March, 2010.

Auder & Resquest Notary Public

My Commission Expires: January 23, 2013

William E. Avera, upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

10'0

William E. Avera

STATE OF TEXAS

) ) SS )

COUNTY OF TRAVIS

Sworn to before me and subscribed in my presence by William E. Avera, this the  $23^{\circ}$  day of March, 2010.

Notary Public

My Commission Expires: 1/10/20((



**Jay F. Godfrey** upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

Jay E. Godfrey STATE OF OHIO ) SS ) COUNTY OF Jeanbeler ) Sworn to before me and subscribed in my presence by  $\frac{\partial 3}{\partial h}$  day of March, 2010. for this the Setcher

Notary Public

BARBARA R. PLETCHER NOTARY PUBLIC • STATE OF OHIO Recorded in Franklin County My commission expires Oct. 1, 2013

My Commission Expires: Oct. 1, 2013

Thomas M. Myers upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

	Lan m-2
	Thomas M. Myers
STATE OF OHIO COUNTY OF <u>Feanklin</u>	) ) SS )

Sworn to before me and subscribed in my presence by Thomas M. Myers, this the  $33\chi$  day of March, 2010.

Barbara R. Altcher Notary Public My Commission Expires: Oct. 1, 2013

BARBARA R. PLETCHER NOTARY PUBLIC . STATE OF OHIO Recorded in Franklin County My commission expires Oct. 1, 2013

Diana L. Gregory upon being first duly sworn, hereby makes oath that the answers previously given by her to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to her at a hearing before the Public Service Commission of Kentucky, she would give the answers recorded following each of the questions

STATE OF OHIO ) ) SS COUNTY OF Franklin )

Sworn to before me and subscribed in my presence by  $\underline{)}_{iaud}$  (Greavy this the <u>2314</u> day of March, 2010.

Notary Public

My Commission Expires: May 11, 2011

David M. Roush upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

M Rous

STATE OF OHIO ) ) SS COUNTY OF Franklin )

237 Sworn to before me and subscribed in my presence by build M. Roush, this the 237 day of March, 2010.

Billen Q. A. Anin Ch Notary Public

My Commission Expires May 11, 2011

Daniel E. High upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

5.-----

Daniel E. High

STATE OF OHIO ) ) SS COUNTY OF Frunklin

Sworn to before me and subscribed in my presence by  $\underline{\text{Dinel} \mathcal{E}}$ , this the  $\underline{23^{n}}$  day of March, 2010.

Aller Q. M. Grinch Notary Public

My Commission Expires: May 11, 2011

The undersigned upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

nis W. Bethef

Affiant: Dennis W. Bethel

STATE OF OHIO ) SS COUNTY OF Franklin )

Sworn to before me and subscribed in my presence by Dennis W. Bethel, this the  $23^{47}$  day of March, 2010.

billen Q. M. anivel Notary Public

My Commission Expires: May 11, 2011

James E. Henderson upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

S. Hendusson

James E. Henderson

STATE OF OHIO ) ) SS COUNTY OF Franklin

Sworn to before me and subscribed in my presence by  $\underline{\mathcal{E}}_{\underline{\mathcal{H}}}$  day of March, 2010.

<u>Aller a Mc Grin Ch</u> Notary Public

My Commission Expires: May 11, 2011

David A. Jolley upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions

Landa

David A. Jolley

STATE OF OHIO ) ) SS COUNTY OF FRANKLIN

Sworn to before me and subscribed in my presence by  $\underline{David} A$  Tolley this the  $\underline{23^{rd}}$  day of March, 2010.

Notary Public

My Commission Expires:  $02\cdot 28\cdot 12$ 



Terry Jo Smith Notary Public-State of Ohio My Commission Expires February 28, 2012

Hugh E. McCoy, upon being first duly sworn, hereby makes oath that the answers previously given by him to the prior data requests propounded by all parties in this proceeding, whether previously sworn to or not, are true, and that if said questions were propounded to him at a hearing before the Public Service Commission of Kentucky, he would give the answers recorded following each of the questions.

Hugh E. McCov

STATE OF OHIO ) SS COUNTY OF Anerklin

Sworn to before me and subscribed in my presence by Hugh E. McCoy, this the  $23^{11}$  day of March, 2010.

<u>Aller Q. M. Cenin (k</u> Notary Public

My Commission Expires: Muy 11, 2011