

February 15, 2012

HAND DELIVERED

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

RECEIVED

FEB 15 2012

**PUBLIC SERVICE
COMMISSION**

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

RE: P.S.C. Case No. 2011-00401

Dear Mr. Derouen:

Enclosed please find and accept for filing the original and 14 copies of Kentucky Power Company's Supplemental Responses to Sierra Club 1-4 and Sierra Club 1-69. The public responses contain:

Sierra Club 1-4

- One page written response; and
- CD-ROM containing the public version of Attachments 1-7.

Sierra Club 1-69

- One page written response.
- 19 Excel files on the enclosed Public CD-ROM.

Also filed is a Petition for Confidential Treatment for certain confidential files contained in the Company's confidential Supplemental Response to Sierra Club 1-69. The confidential files are filed on the sealed Confidential CD-ROM and contain the following electronic files:

- Confidential Attachment A – Fuel Inputs;
- Confidential Attachment B – BS Studies A; and
- Confidential Attachment C – Preliminary__Relative BS2 Unit Disposition Economics

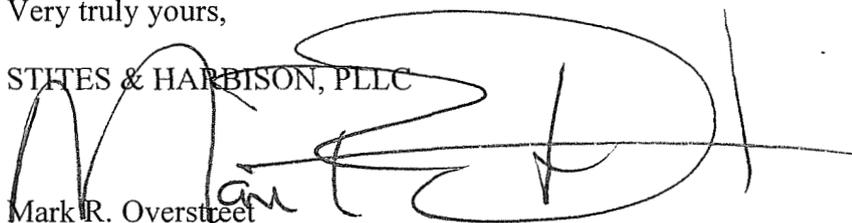
Jeff R. Derouen
February 15, 2012
Page 2

The files are provided in both .PDF and Excel or PowerPoint format on the Confidential CD-ROM.

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

Very truly yours,

STITES & HARBISON, PLLC


Mark R. Overstreet

MRO

cc: Counsel of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

APPLICATION OF KENTUCKY POWER COMPANY FOR APPROVAL OF ITS 2011 ENVIRONMENTAL COMPLIANCE PLAN, FOR APPROVAL OF ITS AMENDED ENVIRONMENTAL COST RECOVERY SURCHARGE TARIFF, AND FOR THE GRANTING OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION AND ACQUISITION OF RELATED FACILITIES

CASE NO. 2011-00401

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PETITION FOR CONFIDENTIAL TREATMENT

Kentucky Power Company (“Kentucky Power”) moves the Commission pursuant to 807 KAR 5:001, Section 7, for an Order granting confidential treatment for the identified portions of Kentucky Power’s response to Sierra Club 1-69. The information for which confidential treatment is being sought is on the enclosed CD-ROM Labeled “Sierra Club’s First Set of Data Requests, February 9, 2012, CONFIDENTIAL.” The three files described below, and for which confidential treatment is sought, are provided both a .PDF file and in an electronic (either Excel spreadsheet or PowerPoint):

- (a) Confidential Attachment A – Fuel Inputs;
- (b) Confidential Attachment B – BS Studies A. (confidential treatment previously sought in connection with KIUC 1-28); and
- (c) Confidential Attachment C – Preliminary__Relative BS2 Unit Disposition Economics (confidential treatment previously sought in connection with KIUC 1-28).

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 responses be excluded from the public record and public disclosure. The Company does not object to providing the identified information to those parties to this proceeding who execute an appropriate confidentiality agreement.

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 information for which Kentucky Power is seeking confidential treatment for the reasons set forth below:

(i) *Fuel Inputs*. This file contains forecasted confidential forecasts of delivered fuel prices. The identified information has actual and potential independent economic value to Kentucky Power and its customers. If publicly disclosed, it will be available to Kentucky Power's competitors, including Duke Energy Corporation. Such disclosure confers an unfair competitive advantage on the Company's competitors (and results in an unfair commercial disadvantage to Kentucky Power and its customers) by allowing any competitors to acquire the Company's property at no or significantly reduced cost.

(ii) *BS Studies A*. This file contains forecasted information, heat rates, and the company's strategic plans. The public disclosure of such information would establish bench marks for the units that could be used, in conjunction with publicly available information, to determine with greater accuracy the Company's costs and when Kentucky Power may be in the market. Disclosure of such per-unit costs would allow counter-parties to wholesale

transactions to adjust their offers to minimize the margin above Kentucky Power's per unit costs. Such information also would permit other participants in the PJM daily energy markets to adjust their offers to the disadvantage of Kentucky Power. In both instances, Kentucky Power's ability to make such sales, as well as the margins on the sale, would be compromised.

(iii) *Preliminary__Relative BS2 Unit Disposition Alt Economics*. Sheet 6 (0th Parameters) contains confidential forecasts of transportation costs. Sheet 7 (BS Gas Price) contains confidential forecasts of gas prices. Sheet 9 (Capacity Positions) contains information concerning proprietary and confidential forecasts of AEP operating company capacity. The identified information has actual and potential independent economic value to Kentucky Power and its customers. If publicly disclosed, it will be available to Kentucky Power's competitors, including Duke Energy Corporation. Such disclosure confers an unfair competitive advantage on the Company's competitors (and results in an unfair commercial disadvantage to Kentucky Power and its customers) by allowing any competitors to acquire the Company's property at no or significantly reduced cost.

- 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 the data requests at issue is highly confidential. Dissemination of the information for which confidential treatment is being requested is restricted by Kentucky Power, AEP, and AEPSC. The Company, AEP and AEPSC 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 Kentucky Power, AEP or AEPSC. 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.

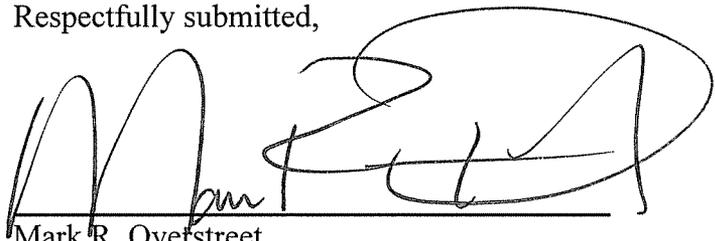
C. The Identified Information Is Required To Be Disclosed To An Agency.

The identified information is by the terms of the Data Requests and Commission practice 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 'Mark R. Overstreet', is written over a horizontal line. The signature is stylized and somewhat cursive.

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 was served by hand delivery or overnight delivery, upon the following parties of record, this 15th day of February, 2012.

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

Joe F. Childers
Joe F. Childers & Associates
300 The Lexington Building
201 West Short Street
Lexington, Kentucky 40507

Dennis G. Howard II
Lawrence W. Cook
Assistant Attorney General
Office for Rate Intervention
P.O. Box 2000
Frankfort, Kentucky 40602-2000

Kristin Henry
Sierra Club
85 Second Street
San Francisco, California 94105

A handwritten signature in black ink, appearing to read "Michael L. Kurtz", written over a horizontal line.

Counsel for Kentucky Power Company

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

**APPLICATION OF KENTUCKY POWER
COMPANY FOR APPROVAL OF ITS
2011 ENVIRONMENTAL COMPLIANCE
PLAN, FOR APPROVAL OF ITS
AMENDED ENVIRONMENTAL COST
RECOVERY SURCHARGE TARIFF, AND
FOR THE GRANTING OF A
CERTIFICATE OF PUBLIC
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CASE NO. 2011-00401

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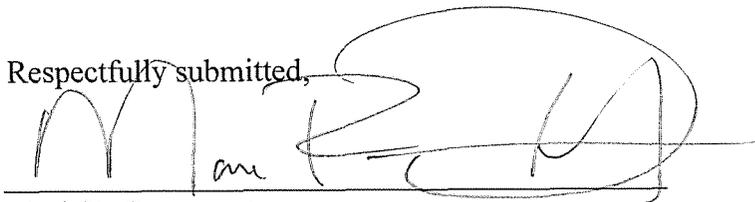
Notice of Filing Of Supplemental Responses
To Identified Data Requests

Kentucky Power Company files its supplement response to the following data requests from Tom Vierheller, Beverly May, and the Sierra Club:

- (a) Sierra Club 1-4, Attachments 1-7;
- (b) Sierra Club 1-69 (multiple electronic files)

This the 15th day of February, 2012.

Respectfully submitted,



Mark R. Overstreet
R. Benjamin Crittenden
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Telephone: (502) 223-3477
COUNSEL FOR KENTUCKY POWER
COMPANY

CERTIFICATE OF SERVICE

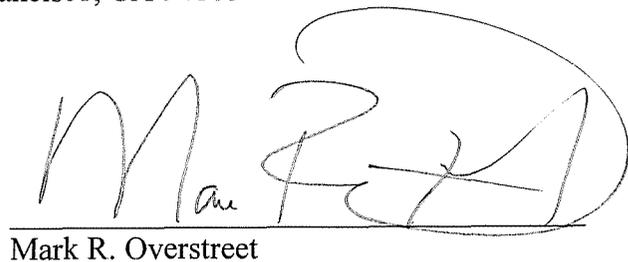
I hereby certify that a copy of the foregoing was served by hand delivery or overnight delivery upon the following parties of record, this the 15th day of February, 2012.

Michael L. Kurtz
Kurt J. Boehm
Boehm, Kurtz & Lowry
Suite 1510
36 East Seventh Street
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Joe F. Childers
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Dennis G. Howard II
Lawrence W. Cook
Assistant Attorney General
Office for Rate Intervention
P.O. Box 2000
Frankfort, KY 40602-2000

Kristin Henry
Sierra Club
85 Second Street
San Francisco, CA 94105



Mark R. Overstreet

Kentucky Power Company

REQUEST

Please provide any strategic documents generated between 2005 and 2012 (inclusive) by company or other parties working for the company regarding mechanisms by which the company could or should comply with environmental regulations, including air quality compliance planning, water quality planning, and solid waste compliance planning.

RESPONSE

Portions of the requested information are confidential and proprietary, and its public disclosure will result in competitive injury to Kentucky Power Company. Such confidential and proprietary information was produced subject to the Company's January 27, 2012 petition for confidential treatment. Specifically, the following attachments are responsive to this request:

Attachments 1-4 -- Filed February 15, 2012 on the accompanying CD. These attachments are not confidential.

Attachment 5 -- Confidential in its entirety. Previously filed on January 27, 2012.

Attachment 6 -- Filed on February 15, 2012 on the accompanying CD. This attachment is not confidential.

Attachment 7 -- Confidential in part. A complete confidential version was filed on January 27, 2012. A redacted version is filed on February 15, 2012 on the accompanying CD.

WITNESS: John M McManus

Kentucky Power Company

REQUEST

Direct Testimony of Scott Weaver, Exhibits 1-4

- a. Please provide all assumptions and workbooks, in electronic format with all calculations operational and formulae intact, used to prepare Exhibits SCW-1 through SCW-4, including output files from the Aurora model.

RESPONSE

Please see the response to KIUC Item No. 28, First Set and the information provided on the accompanying CD. A portion of the information being provided is confidential and proprietary and the subject of an accompanying petition for confidential treatment.

WITNESS: Scott C Weaver

ATTACHMENTS
A, B, and C OF
THIS RESPONSE
ARE REDACTED
IN THEIR
ENTIRETY.