

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

In The Matter Of:

The Application Of Kentucky Power Company For:                    )  
(1) A General Adjustment Of Its Rates For Electric                    )  
Service; (2) An Order Approving Its 2014                                )  
Environmental Compliance Plan; (3) An Order                            ) Case No. 2014-00396  
Approving Its Tariffs And Riders; And (4) An                            )  
Order Granting All Other Required Approvals                            )  
And Relief    )

**AFFIDAVIT OF JEFFREY D. CROSS**

Jeffrey D. Cross, first being duly sworn, states:

**Background**

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 employed by American Electric Power Service Corporation (AEPSC), a wholly owned subsidiary of American Electric Power Company, Inc. (AEP). AEP is the parent company of Kentucky Power Company (Kentucky Power). I am employed as Deputy General Counsel for AEPSC and Secretary to the Board of Directors for AEP. In that capacity, I provide legal advice to AEP and the Board of Directors. As part of these duties I am responsible for certifying the minutes of the AEP Board and providing legal advice on corporate transactions and corporate governance. I also have personal knowledge of the content of the minutes of the AEP Board of Directors and its various Committees (Minutes).

3. I have specific personal knowledge of the Attorney-Client Privileged and competitively sensitive information that is the subject of Kentucky Power's petition (Confidential Information) through direct contact with this information and through my job duties. The Attorney-Client Privileged information has been redacted from both the public and confidential versions of the minutes being produced so as to protect the privilege.

**Public Disclosure Of The Confidential Information Will Directly Harm Kentucky Power and AEP**

4. The Board of Directors for AEP have an expectation that their deliberations, long-term planning decisions and privileged conversations will remain confidential and protected. It is common practice among large publicly traded companies to protect the information that is discussed in the meetings of the Board of Directors and its various committees from public disclosure.

5. These minutes contain non-public information regarding long-term business goals and planning, private information regarding specific employees, and highly sensitive business discussions. The public disclosure of this information would cause substantial harm to Kentucky Power and AEP by disclosing non-public information that is normally protected by other companies as highly confidential. Maintenance of the confidentiality of board meetings is necessary for the open and honest discussions required for directors to effectively oversee a large publicly traded company like AEP. Disclosure of this information may limit the ability of Directors to have honest conversations regarding AEP and provide effective and necessary oversight of AEP. It would also harm the ability of AEP to attract qualified individuals to serve on the Board of Directors if it was known that their deliberations could be made public.

6. AEP is a holding company that is a parent company to both regulated companies like Kentucky Power and companies that are not regulated utilities. These Minutes contain deliberations, discussions and decisions regarding these unregulated businesses that if disclosed would harm the ability of these unregulated companies to compete. It would result in the disclosure of non-public long term strategic business deliberations and decisions in a manner that would provide their competitors with distinct advantages when competing for investment and capital.

7. AEP as a publicly traded company must compete for investment and capital in a highly competitive marketplace for capital, business acquisitions and opportunities. Disclosure of deliberations regarding these long and short term business opportunities and strategies would inhibit AEP's ability to compete for business opportunities and attract capital. Limiting AEP's ability to compete for business opportunities and attract capital would in turn hurt Kentucky Power's ability to competitively provide quality service to its customers.

8. The Minutes contain confidential negotiating positions regarding ongoing business transactions. Disclosure of these business positions would harm AEP's ability to keep prices and costs down. This would in turn increase the cost of conducting business for Kentucky Power which would harm Kentucky Power's customers.

9. The Minutes contain confidential and protected information about individual employees that AEP is under a fiduciary obligation to protect.

**The Confidential Information Is Not Available Or Ascertainable By Other Parties**

10. 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.

11. The Confidential Information has been the subject of efforts that are reasonable under the circumstances to maintain its secrecy. AEPSC limits public access to buildings housing the Confidential Information by use of security guards. Persons not employed by Kentucky Power 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. Kentucky Power's and AEPSC's files containing the Confidential Information are maintained separately from Kentucky Power's and AEPSC's general records and access to those files is restricted. Within Kentucky Power and AEPSC, access to this information has been and will continue to be disclosed only to those employees, officers and representatives of Kentucky Power and AEPSC who have a need to know about such information due to their job and management responsibilities.

12. The Confidential Information is only provided on the request of interveners in matters before regulatory agencies in other jurisdictions. It is provided with the same treatment requested here, with privileged information redacted, subject to non-disclosure agreements and confidential treatment by the regulatory agencies.

13. Further the Affiant sayeth naught.

*Jeffrey D. Cross*

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Jeffrey D. Cross

STATE OF OHIO                    )  
  ) SS:  
COUNTY OF FRANKLIN        )

Subscribed and sworn to before me, a Notary Public, in and for said County and State this  
9<sup>th</sup> day of February, 2015.



**JOSEPHINE CONER**  
Notary Public, State of Ohio  
My Commission Expires **09-29-16**

*Josephine Coner*

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Notary Public