#### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

### In The Matter Of:

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)	Case No. 2015-00271
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## KENTUCKY POWER COMPANY'S MOTION 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 certain terms of the following:

- 1. Change Request Form dated September 29, 2017 for Contract No. 028369110001X110 between Kentucky Power and Lime Energy Service Company ("Lime Energy Change Request"); and
- 2. Change Request Form dated September 8, 2017 for Contract No. 027530170026X110 between Kentucky Power and Honeywell International, Inc. ("Honeywell Change Request").

Pursuant to 807 KAR 5:001, Section 13, Kentucky Power is filing under seal a copy of the change request forms for which confidential treatment is being sought. In addition, a copy the change request forms, with the confidential information reducted, is also 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 contract amendment 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 those portions of the Lime Energy Change Request and the Honeywell Change Request for which Kentucky Power is seeking confidential treatment.

The information for which confidential treatment is sought includes pricing and gross annual MWh savings goal information that resulted from negotiations between the Company and Lime Energy and Honeywell. Kentucky Power typically issues requests for proposals ("RFPs") for contracts to provide services authorized by the change requests. The market for such services is very competitive.

Competitors of Lime Energy and Honeywell could use the information for which confidential treatment is sought to reverse-engineer Lime Energy's and Honeywell's bid pricing and strategy including a calculation of their current or projected energy savings acquisition cost. Because public disclosure of this financial information would allow other market participants to compete unfairly with the winning bidder, its release could produce a chilling effect and reduce the number of competitors willing to respond to future Company RFPs. A reduction in participants in a competitive bidding process would adversely affect Kentucky Power's future ability to secure the best bid. In addition, it would tend to establish a floor for contract pricing.

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 and by both Lime Energy and Honeywell, respectively. Kentucky Power and its affiliates, along with Lime Energy and Honeywell, take all reasonable measures to prevent disclosure of this information to the public as well as to persons within the Company who do not have a need for the information. The information is not disclosed to persons outside of Lime Energy, Honeywell, Kentucky Power, 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.

Kentucky Power seeks confidential treatment of the identified information in the Lime Energy Change Request and the Honeywell Change Request for two years. Kentucky Power's underlying contracts with Lime Energy and Honeywell expire December 31, 2018. The requested period includes the remainder of contract term plus a "buffer" period. Although the subject contracts (as amended by the change request forms) will have been rebid and awarded prior to the expiration of the requested period for confidential treatment, Kentucky Power is informed by the vendors that the specific pricing information will continue to provide an unfair competitive advantage for the requested confidentiality period to their competitors while competing for similar contracts with other utilities. At the end of the requested confidential period, the information will have limited or no competitive commercial value.

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

The identified information is being disclosed in compliance with the Commission's Order. The Commission is a "public agency" as that term is defined at KRS 61.870(1).

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

- 1. Affording 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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