

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic 2016 Integrated Resource Planning Report)	
Of Kentucky Power Company To The Public Service)	Case No. 2016-00413
Commission Of Kentucky)	

AFFIDAVIT OF RANIE K. WOHNHAS

Ranie K. Wohnhas, after first being sworn, upon his oath, deposes and states:

1. I am employed by Kentucky Power Company as Managing Director of Regulatory & Finance. In that capacity I supervise and direct the regulatory matters affecting the Company. I am of the age of majority and competent to make the statements contained in this affidavit.

2. American Electric Power Company, Inc. ("AEP") is the parent company of Kentucky Power. American Electric Power Service Corporation ("AEPSC") is a subsidiary of AEP and an affiliate of Kentucky Power.

3. This affidavit is made in support of Kentucky Power's motion for confidential treatment of the confidential, proprietary, and competitively sensitive information, as well as the critical energy infrastructure information ("CEII") (collectively the "Confidential Information") contained in the Company's 2016 Integrated Resource Plan. The information set forth in this affidavit, and in the accompanying motion for confidential treatment, is based upon my personal knowledge, or upon knowledge gained through my review of the regularly maintained business records of Kentucky Power, or upon my investigation of the matters

described. I likewise have personal knowledge of the efforts taken by AEP, and Kentucky Power to maintain the integrity of the Confidential Information through my involvement in these efforts, and through my investigation of these efforts with other employees who work directly with these procedures.

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

4. Kentucky Power is requesting that the Confidential Information included in Kentucky Power’s 2016 Integrated Resource Plan be exempted pursuant to KRS 61.878 from public disclosure as confidential, proprietary, competitively sensitive information (KRS 61.878(1)(c)(2)(c)), or as critical energy infrastructure information (KRS 61.878(1)(m)(1)(f), or as information that is otherwise prohibited by federal law from public disclosure (KRS 61.878(1)(k)).

5. More specifically, Kentucky Power seeks confidential treatment of five items.

Item No.	Exhibit Number or Page Number	Description of Confidential and Proprietary Information	Statutory Basis for According Confidential Treatment
1	Pages 958 through 1359; 1381-1382; 1385-1386; 1417; 1452-1453; 1457-1465; 1469-1477; 1488-1497 of 1497	Confidential historical and forecast non-public customer-specific information; forecast sales to individual wholesale customers; and related forecasted electricity prices through 2046.	KRS 61.878(1)(c)(1)
2	Exhibit G-5; Exhibit G-7; and G-8 (Pages 233, 235 and 236 of 1497).	Projected Average Fuel Costs through 2031; Projected Non-fuel O&M through 2031; and Projected Variable Production Costs through 2031	KRS 61.878(1)(c)(1)
3	Exhibit G-2; Exhibit G-3; and Exhibit G-4 (Pages 230-232 of 1497).	Projected Capacity Factors (steam) through 2031; Projected Availability Factors (steam) through 2031;	KRS 61.878(1)(c)(1)

Item No.	Exhibit Number or Page Number	Description of Confidential and Proprietary Information	Statutory Basis for According Confidential Treatment
		Projected Average heat Rates through 2031	
4	Page 226 of 1497	AEP Power System (generation and transmission detail)	KRS 61.878(1)(m)(1)(g); and KRS 61.878(1)(k)
5	Page 227 of 1497	Kentucky Power Transmission Line Network	KRS 61.878(1)(m)(1)(g); and KRS 61.878(1)(k)

Item 1.

6. The Confidential Information in Item 1 includes data related to identified customers' specific usage at different times over a number of years. It comprises historical and projected customer-specific usage data for certain of Kentucky Power's largest commercial and industrial customers, as well as forecasts concerning the Company's two wholesale customers. This data is specific to individual customers and provides insight into individual customers' usage. The information is identified by both customer name and account number. Also included in Item 1 are forecasted electricity prices by customer class through 2046.

7. The price forecasts are confidential commercial information. The public disclosure of the information would result in competitive commercial disadvantage to Kentucky Power, and resultant harm to its customers, for the same reasons described at paragraphs 11 and 15 *supra* in connection with Items 2 and 3. In fact, the confidential information contained in Items 2 and 3 derives its competitive economic value from the fact that it can be used to calculate the forecasted electricity prices in Item 1.

8. The Commission previously accorded confidential treatment to commercial and industrial customer-specific data,¹ including customer-specific forecasts,² such as is included in

¹ Order, *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 Approving Its Tariffs and Riders; and (4) An Order Granting All Other Required Approvals and Relief*, Case No. 2014-00396 (Ky.

Item 1. The disclosure of the historical and forecasted usage for the Company's commercial and industrial customers, as well as forecasted electricity prices included in Item 1, would allow third parties to determine the future costs of competitive products and provide insights regarding the operational needs of Kentucky Power's commercial and industrial customers.

9. The forecasted information for Kentucky Power's two wholesale customers likewise is specific to the individual customers. It provides insight into the customers projected future operational needs as well as Kentucky Power's current forecasting techniques. Kentucky Power is seeking confidential treatment only for the forecasted customer-specific information for the Company's two wholesale customers (City of Vanceburg and the City of Olive Hill.) Historical information regarding the two wholesale customers' historical usage is publicly available; Kentucky Power's forecasts regarding these two customers are proprietary to the Company and are not publicly available.

10. Kentucky Power did not seek confidential treatment for the forecasted information regarding its two wholesale customers in the Company's 2013 Integrated Resource Planning proceeding (Case No. 2013-00475). The data comprising the wholesale customer forecast information for which the Company is seeking confidential treatment in this proceeding is different than that publicly disclosed in Case No. 2013-00475. Further, the information relates to a different time period than the forecasts provided in connection with the Company's 2013 IRP. Since that proceeding the Company reexamined its policy concerning non-public information concerning wholesale customers in light of the fact that the public

P.S.C. September 15, 2015) (granting confidential treatment to "commercial and industrial customer-specific billing information.")

² Order, *In the Matter of: Adjustment Of The Rates Of GTE South Incorporated*, Case No. 10177 at 1 (Ky. P.S.C. May 27, 1988) (granting confidential treatment to "customer specific forecast information.")

disclosure of customer-specific forecast information concerning the Company's two wholesale customers also implicates the same customer privacy concerns in part underlying the protection of customer-specific information for commercial and industrial customers.

11. Items 2 and 3 include confidential and proprietary information, the disclosure of which is likely to provide an unfair competitive advantage to competitors of Kentucky Power. Item 2 includes the projected fuel costs, non-fuel generation O&M, and variable production costs through the year 2031. Item 3 (Exhibit 4-6) includes the projected value of each of those costs through 2031. Similar information was provided confidential treatment by Order of the Commission in Case No. 2013-00475.³

12. Items 4 and 5 are maps detailing the generation and transmission system of the AEP, and a Kentucky-specific subset of that information. The information contained in these maps is maintained by Kentucky Power and AEPSC and is considered by the Federal Energy Regulatory Commission (FERC) as CEII. FERC exempts the maps from public disclosure in accordance with FERC rules. FERC Rule 18 C.F.R. § 388.113(c) defines CEII as "information about proposed or existing infrastructure that relates to the production, generation, transportation, transmission of energy and that could be useful to a person planning an attack on critical infrastructure." In addition, 18 C.F.R. § 388.112 exempts such information from disclosure under the Freedom of Information Act. However, FERC provides access to CEII documents to those with a legitimate need for the information following an execution of a non-

³ Order, *In the Matter of: Integrated Resource Planning Report of Kentucky Power Company To The Kentucky Public Service Commission*, Case No. 2013-00475 (Ky. P.S.C. July 18, 2014).

disclosure agreement with FERC. Similar information was provided confidential treatment by Order of the Commission in Case No. 2013-00475.⁴

**The Information Contained in Confidential Information
Derives Independent Economic Value By
Reason of the Fact that it is Not Publicly Available**

13. The Confidential Information is not readily available in the public domain and Kentucky Power takes all reasonable steps to protect this information from public disclosure.

14. The public disclosure of the customer specific forecast information comprising Item 1 is specific to the commercial and industrial customers and provides insight into the individual customers operations. This information is not otherwise known in the competitive marketplace, and the public disclosure will place Kentucky Power's customers at a competitive disadvantage. Customer-specific usage information is recognized and treated as confidential and proprietary by Kentucky Power and its customers. The public disclosure of the information risks commercial and industrial customers being less likely to locate in Kentucky Power's service territory, which will result in harm to Kentucky Power and its customers.

15. The information contained in Items 2 and 3 is competitively sensitive and a trade secret because competitors may use such data to determine Kentucky Power's current and projected resource costs, information about the operations of Kentucky Power's facilities, and the price at which Kentucky Power projects to secure fuel for its plants. The disclosure of such costs would adversely impact Kentucky Power, and place it a competitive disadvantage, because it would permit the Company's competitors to determine better how to price their services and products. Further, the disclosure of the Company's costs would negatively effect the negotiation or competitive bidding process by allowing potential suppliers or vendors to

⁴ *Id.*

know what the Company's expectations are with respect to its resource needs and costs. Thus, these suppliers or vendors would have the advantage of knowing how to price their bids or negotiate to provide resources in order to maximize their prices to the disadvantage of Kentucky Power and its customers.

**The Information Contained in Confidential Information is
Critical Energy Infrastructure Information (CEII) and is Not
Publicly Available**

16. Items 4 and 5 are CEII. Item 5 is a map included in Form 715 that AEPSC files with FERC. FERC has granted confidential treatment of this map as CEII. The information includes a detailed description of critical energy sector infrastructure. Item 5 details the Kentucky portion of the protected data in Item 4.

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

17. 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**

18. The Confidential Information has been the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Kentucky Power and AEPSC restrict access to the Confidential Information to only 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. Kentucky Power and AEPSC limit 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. Outside Kentucky Power and AEPSC, and their attorneys, this information is only provided to certain persons who have a legitimate need to review the information to participate in this filing and who sign a confidentiality agreement.

Period For Which Confidential Treatment Is Required

19. The customer-specific historical and forecast information contained in Item 1 relating to the Company's commercial and industrial customers should remain confidential indefinitely. The confidentiality of the information is maintained by the individual commercial and industrial customers indefinitely.

20. The Company anticipates that after December 2019 (when Kentucky Power anticipates filing its next Integrated Resource Planning report) the customer-specific forecast information concerning the City of Olive Hill and the City of Vanceburg will be superseded by likely changes in production, operational, and economic circumstances.

21. The Confidential Information contained in Items 2 and 3 should remain confidential until after December 2019 (when Kentucky Power anticipates filing its next Integrated Resource Planning report). After that date the Confidential Information will no

longer have competitive commercial value because of changes in in fuel and other operational costs.

22. The CEII should remain confidential for the life of assets comprising the CEII. Once the facilities are retired the information will no longer constitute CEII.

Further the Affiant sayeth naught.

