

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

In the Matter Of:

AN EXAMINATION OF THE APPLICATION )  
OF THE FUEL ADJUSTMENT CLAUSE OF )  
KENTUCKY POWER COMPANY FROM ) CASE NO. 2017-00001  
NOVEMBER 1, 2014 THROUGH )  
OCTOBER 31, 2016 )

**KENTUCKY POWER COMPANY'S MOTION**  
**FOR CONFIDENTIAL TREATMENT**

Kentucky Power Company (“Kentucky Power” or “Company”) moves the Public Service Commission of Kentucky pursuant to 807 KAR 5:001, Section 13(2), for an Order granting confidential treatment to the identified portions of the following: (1) Attachment 1 to its supplemental response to Commission Staff Data Request 1-9 (“Supplemental KPSC 1-9”), (2) Attachment 1 to its response to Commission Staff Post-Hearing Data Request 1 (“KPSC PHDR-1”), and (3) Attachment 1 to its response to Commission Staff Post-Hearing Data Request 4 (“KPSC PHDR-4”). Specifically, Kentucky Power seeks confidential treatment of information relating to the revised scheduled maintenance outages for 2017 and 2018 (Attachment 1 to Supplemental KPSC 1-9), the cost-based offers made by the Company into the PJM market (Attachment 1 to KPSC PHDR-1), and information provided to Kentucky Power under license from *Platts Gas Weekly* and utilized by the Company in performing calculations for determining the Company’s “peaking unit equivalent” (Attachment 1 to KPSC PHDR-4).

Pursuant to 807 KAR 5:001, Section 13, Kentucky Power is filing under seal those portions of Attachment 1 to Supplemental KPSC 1-9, Attachment 1 to KPSC PHDR-1, and

Attachment 1 to KPSC PHDR-4 containing confidential information with the confidential portions highlighted in yellow. Kentucky Power is also filing redacted versions of the affected documents. Kentucky Power will notify the Commission when it determines the information for which confidential treatment is sought is no longer confidential.

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.

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 following information for which Kentucky Power is seeking confidential treatment:

1. Attachment 1 to Kentucky Power's Supplemental Response to KPSC  
1-9

Attachment 1 to Kentucky Power's response to Supplemental KPSC 1-9 includes information regarding the specific timing of planned maintenance outages for Kentucky Power's generation units. The rise of competitive markets such as PJM has placed a premium on generating unit data. Public disclosure of information about unit availability could adversely impact Kentucky Power's customers by providing data that could provide a competitive advantage to Kentucky Power's direct competitors thereby affecting Kentucky Power's ability to minimize costs for its rate paying customers.

Unit availability information is especially useful for competition as savvy marketers can estimate Kentucky Power's generation position and raise generation offers if they believe Kentucky Power will be energy short, resulting in the Company paying higher prices to procure energy to serve its customers. This type of data is highly valued by competing energy marketers and traders who speculate in forward energy transactions. Using forecasted unit availability data, other parties could improve their forecast accuracy of future Kentucky Power operations and utilize the resulting intelligence to influence negatively the Company's costs of providing electricity to its customers. Such actions would ultimately raise the cost to Kentucky Power's customers.<sup>1</sup>

The confidential information identified in Attachment 1 to Supplemental KPSC 1-9 should be kept confidential for two years. At such time there will no longer be any competitive advantage to be gained from the information.

## **2. Attachment 1 to Kentucky Power's Response to KPSC PHDR-1**

Kentucky Power seeks confidential treatment for the identified portions of Attachment 1 to its response to KPSC PHDR-1. Attachment 1 to KPSC PHDR-1 provides the monthly averages of the Company's cost-based bids into the PJM market. The information contained in Attachment to KPSC PHDR-1 provides insight into the Company's bidding strategy within PJM and can be used to identify unit-specific costs. In the highly competitive PJM market, information about Kentucky Power's bidding strategy and costs could be used by competitors to gain a competitive advantage over the Company in its daily participation in the PJM energy and

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<sup>1</sup> Kentucky Power notes that it sought and received confidential treatment for information pertaining to planned future outages in Case Nos. 2007-00477, 2010-00490, and 2012-00550. Kentucky Power is unaware of any instances where the Commission denied confidential treatment to similar information in other proceedings. Kentucky Power sought confidential treatment for similar information in Attachment 1 to its original response to KPSC 1-9 in this case as well.

ancillary service markets, as well as the PJM capacity auctions, to the detriment of the Company's customers.

The confidential information identified in Attachment 1 to KPSC PHDR-1 should be kept confidential for five years. At such time there will no longer be any competitive advantage to be gained from the information.

### **3. Attachment 1 to Kentucky Power's Response to KPSC PHDR-4**

Kentucky Power also seeks confidential treatment for the identified portions of Attachment 1 to its response to KPSC PHDR-4. Attachment 1 to KPSC PHDR-4 provides the Company's calculations and supporting data for determining the "peaking unit equivalent." The cost of power from the Company's peaking unit equivalent is calculated by using the "Columbia Gas Appalachia" natural gas prices as published in *Platts Gas Daily*. Kentucky Power does not own this data. Instead, the data is made available to Kentucky Power through a license agreement with the publisher of *Platts Gas Daily*.

Disclosure of this information to the Commission is not prohibited, but the protections afforded by confidential treatment are required. Public disclosure of the identified information would cause Kentucky Power to violate the terms of its license agreement with the publisher of *Platts Gas Daily*. Such a breach may result in the information no longer being made available to the Company.

Kentucky Power seeks confidential treatment of the identified information in Attachment 1 to KPSC PHDR-4 indefinitely. The identified information belongs to the publisher of *Platts Gas Daily* and not the utility. Absent a waiver of confidential treatment by the publisher, the information should remain confidential indefinitely.

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 KPSC 1-9, KPSC PHDR-1, and KPSC PHDR-4 is highly confidential. Dissemination of the information for which confidential treatment is being requested is restricted by Kentucky Power, its parent, American Electric Power Company, Inc. (“AEP”), and its affiliates (including American Electric Power Service Corporation (“AEPSC”)). The Company, AEP, and its affiliates 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 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. In addition, Kentucky Power and AEPSC have further limited the availability of the information to ensure the integrity of the RFP process.

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

The identified information is by the terms of the Commission’s Order 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 blue ink, appearing to read "Mark R. Overstreet".

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