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

In the Matter of:

Electronic Application Of Kentucky Power Company ) For (1) A General Adjustment Of Its Rates For ) Electric Service; (2) Approval Of Tariffs And Riders; ) (3) Approval Of Accounting Practices To Establish ) Regulatory Assets And Liabilities; (4) A ) Securitization Financing Order; And (5) All Other ) Required Approvals And Relief )

Case No. 2023-00159

#### Kentucky Power Company's Motion For Confidential Treatment

Kentucky Power Company ("Kentucky Power" or the "Company") moves the Public Service Commission of Kentucky ("Commission") pursuant to 807 KAR 5:001, Section 13(2), and KRS 61.878(1)(c) for an Order granting confidential treatment to the entirety of Exhibit ARC-10 and Exhibit ARC-11 to the Direct Testimony of Kentucky Power Witness Andrew R. Carlin.

Pursuant to 807 KAR 5:001, Section 13, Kentucky Power is filing the entirety of the affected documents under seal, and also is filing public versions indicating the relevant documents are redacted in their entirety. Kentucky Power will notify the Commission if it determines the information for which confidential treatment is sought is no longer confidential.

# I. MOTION FOR CONFIDENTIAL TREATMENT

# A. <u>The Requests and the Statutory Standard.</u>

Kentucky Power does not object to filing the identified information for which it is seeking confidential treatment, but requests that the exhibits be excluded from the public record and public disclosure.

KRS 61.878(1) excludes from the Open Records Act:

(c) (1) 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. Exhibit ARC-10 – Confidential 2023 Aon Benefit Index; and Exhibit ARC-11 – Confidential 2022 Willis Towers Watson Healthcare Financial Benchmark Survey

Kentucky Power seeks confidential treatment for the entirety of the excerpt from the 2023 Aon Benefit Index supplied as Exhibit ARC-10, and the entirety of the excerpt from the 2022 Willis Towers Watson ("WTW") Healthcare Financial Benchmark Survey supplied as Exhibit ARC-11, to the Direct Testimony of Company Witness Carlin. The 2023 Aon Benefit Index and the 2022 WTW Healthcare Financial Benchmark Survey are made available to Kentucky Power pursuant to subscription agreements with Aon and WTW, respectively. These subscription agreements prohibit Kentucky Power from copying, transferring, or disseminating any of the information contained in Exhibit ARC-10 and Exhibit ARC-11, unless approved by Aon and WTW, respectively. The index and survey are the property of Aon and WTW, respectively; they are not the property Kentucky Power or its parent, American Electric Power Company, Inc. ("AEP"). However, Kentucky Power has been authorized by Aon and WTW to produce these exhibits if granted confidential treatment. Kentucky Power also received a data request for these surveys pursuant to the Commission Staff's First Request For Information, Item 22.

The Commission should grant confidential treatment to this information because the specific Kentucky Power benefits and compensation data contained in these studies would provide a competitive advantage to all employers seeking to attract and retain current and prospective Kentucky Power (or AEP-system) employees. Disclosure of Company specific compensation and benefits would bolster the ability of other potential employers to attract and retain current and

prospective employees and this could impair the Company's ability to attract and retain suitable employees, which could have the effect of forcing the Company to accelerate its pay rates and/or enhance its benefits to do so. In addition, contractors for the Company and other utilities could also use this information, without investing the time and expense to participate in and purchase these studies, to fine tune their compensation and benefit offerings to better compete with the Company for employees. These other employers may use this information to craft compensation and design benefits more precisely to attract and retain employees who might otherwise have been attracted or retained by the Company. This also could increase employee turnover, increase hiring costs, and increase compensation and benefits expense.

In addition, disclosure of this information could result in competitive commercial injury to Kentucky Power by exposing Kentucky Power to liability for breaching the terms of the agreement upon which the 2023 Aon Benefit Index and 2022 WTW Healthcare Financial Benchmark Survey were produced to Kentucky Power. Disclosure also could preclude Kentucky Power from obtaining similar information from Aon or WTW in the future for use in benefits and compensation design.

Kentucky Power seeks confidential treatment of the 2023 Aon Benefit Index and the 2022 WTW Healthcare Financial Benchmark Survey indefinitely. The identified information belongs to Aon and WTW, and not Kentucky Power. Absent a waiver of confidential treatment by Aon and WTW, the information should remain confidential indefinitely. The Commission previously granted confidential protection to similar information indefinitely.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> See Order, In the Matter of: Electronic Application Of Kentucky Power Company For (1) A General Adjustment Of Its Rates For Electric Service; (2) Approval Of Tariffs And Riders; (3) Approval Of Accounting Practices To Establish Regulatory Assets And Liabilities; (4) Approval Of A Certificate Of Public Convenience And Necessity; And (5) All Other Required Approvals And Relief, Case No 2020-00174 (Ky. P.S.C. Nov. 16, 2020) (granting confidential treatment indefinitely to credit opinions that were the intellectual property of Moody's Investor Service).

B. <u>The Identified Information is Generally Recognized as Confidential and</u> <u>Proprietary and Public Disclosure of it Will Result in an Unfair Commercial</u> <u>Advantage for Kentucky Power's Competitors.</u>

The identified information submitted as part of the Company's Application in this case as Exhibit ARC-10 and Exhibit ARC-11 to the Direct Testimony of Company Witness Carlin and required to be submitted in response to KPSC\_1-22 is highly confidential. Dissemination of the information for which confidential treatment is being requested is restricted by Kentucky Power, its parent, AEP, and its affiliates (including American Electric Power Service Corporation). The Kentucky Power, AEP, and its affiliates (and third-party vendors where applicable) take all reasonable measures to prevent its disclosure to the public as well as persons within Kentucky Power and third-party vendors 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 on 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. <u>The Identified Information is Required to be Disclosed to an Agency.</u>

The identified information will be submitted as part of the Company's Application in this case as Exhibit ARC-10 and Exhibit ARC-11 to the Direct Testimony of Company Witness Carlin and is required to be submitted in response to KPSC\_1-22. The Commission is a "public agency" as that term is defined in 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.

4

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

1. According confidential status to and withholding from public inspection

indefinitely the entirety of Exhibit ARC-10 and Exhibit ARC-11 to the Direct Testimony of

Company Witness Carlin; and

2. Granting Kentucky Power all further relief to which it may be entitled.

Respectfully submitted,

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