

**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;)	Case No. 2025-00257
(3) Approval Of Certain Regulatory And Accounting)	
Treatments; and (4) All Other Required Approvals)	
And Relief)	

Kentucky Power Company’s Motion For Confidential Treatment

Kentucky Power Company (“Kentucky Power” or “Company”) moves the Public Service Commission of Kentucky (“Commission”) pursuant to 807 KAR 5:001, Section 13(2), and KRS 61.878(1)(a), (c), (k) and (l), for an Order granting confidential treatment to the following attachments to its data request responses:

- (1) Attachments 1 and 2 to its response to Commission Staff Data Request 1-18 (“KPSC 1-18”);
- (2) Attachment 1 to its response to Commission Staff Data Request 1-30 (“KPSC 1-30”);
- (3) Attachment 1 to its response to Commission Staff Data Request 1-40 (“KPSC 1-40”);
- (4) Attachment 1 to its response to Commission Staff Data Request 1-41 (“KPSC 1-41”);
- (5) Attachment 1 to its response to Commission Staff Data Request 1-44 (“KPSC 1-44”); and
- (6) Attachment 1 to its response to Commission Staff Data Request 1-50 (“KPSC 1-50”).

Specifically, Kentucky Power seeks confidential treatment of information relating to:

- (1) the Company's 2023 federal tax return and the Company's 2023 Kentucky state tax return (Attachments 1 and 2 to KPSC 1-18).
- (2) confidential and proprietary information regarding the Company's internal accounting procedures (Attachment 1 to KPSC 1-30);
- (3) confidential medical plan agreements (Attachment 1 to KPSC 1-44);
- (4) the non-public, personal compensation information for the Company's executive officers and other employees (Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41); and
- (5) reports containing analysis of the Company's executive compensation (Attachment 1 to KPSC 1-50).

Pursuant to 807 KAR 5:001, Section 13, Kentucky Power is filing under seal those attachments containing confidential information. Kentucky Power will notify the Commission when it determines the information for which confidential treatment is sought is no longer confidential.

I. MOTION FOR CONFIDENTIAL TREATMENT

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 it requests that the identified attachments be excluded from the public record and public disclosure.

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

(a) Public records containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy.

...

(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.

...

(k) All public records or information the disclosure of which is prohibited by federal law or regulation;

...

(l) Public records or information the disclosure of which is prohibited or restricted or otherwise made confidential by enactment of the General Assembly, including any information acquired by the Department of Revenue in tax administration that is prohibited from divulgence or disclosure under KRS 131.190;

These exceptions apply to the following information for which Kentucky Power is seeking confidential treatment:

1. Attachments 1 and 2 to KPSC 1-18.

Attachment 1 to KPSC 1-18 is the Company's 2023 federal tax return. Attachment 2 to KPSC 1-18 is the Company's 2023 Kentucky state tax return. This information is highly confidential and proprietary to the Company. Tax return information is accorded broad protection from governmental disclosure under both federal, 26 U.S.C. 6103(a)(2), and Kentucky law, KRS 131.190. This information is exempt from disclosure under the Kentucky Open Records Act by KRS 61.878(k) and KRS 61.878(1). The Commission previously granted confidential treatment to similar information in Kentucky Power's last base rate case for the reasons set forth above.¹

Given the highly confidential and proprietary nature of tax returns, and the indefinite period of protection provided by federal and state law, Attachments 1 and 2 to KPSC 1-18 should remain confidential in their entirety indefinitely.

¹ 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) A Securitization Financing Order; And (5) All Other Required Approvals And Relief*, Case No. 2023-00159 (Ky. P.S.C. Oct. 2, 2023).

2. Attachment 1 to KPSC 1-30.

Attachment 1 to KPSC 1-30 includes information concerning the Company's internal accounting procedures. The Company's internal accounting procedures constitute proprietary and trade secret information. The procedures embody sensitive business operations procedures, which if made available, would potentially harm American Electric Power Company, Inc. ("AEP") and Kentucky Power. Public disclosure would provide competitors with insight into the internal operations of AEP, which they could then use and incorporate into their own business strategies, to the detriment of AEP and its customers.

Employees are instructed that the information is available only for internal use. The current version of the policies and procedures is published in summarized form only in external financial reports filed with the SEC and/or other required parties. Advancements in search technology and artificial intelligence; however, have made the public posting of the Company's internal accounting policies more accessible and thereby increased the risk of competitive injury. Where, in the past, the information was available only by an item by item search of the Company's data request responses, they are now available through searches performed using internet search engines. This information is exempt from disclosure under the Kentucky Open Records Act by KRS 61.878(c). The Company is seeking confidential treatment for the current version of its internal accounting policies and procedures only. The Commission previously granted confidential treatment to similar information in Kentucky Power's last base rate case for the reasons set forth above.² Kentucky Power therefore requests that the Commission treat as confidential the entirety of Attachment 1 to KPSC 1-30 for 20 years.

² *Id.*

3. Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41.

Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41 include non-public compensation information for AEP's and Kentucky Power's executives officers and other employees. While some compensation information for certain executive offices of AEP are provided in annual filings with the Securities and Exchange Commission ("SEC") of the Company's parent, American Electric Power Company, Inc. ("AEP") ("Named Executive Officers"), there are timing and methodology differences between the Attachments and the compensation information to the SEC. Thus, the compensation information for the Named Executive Officers included in Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41 for 2025 also may contain certain assumptions regarding forward-looking earnings-related information and stock-based information, and, accordingly, Kentucky Power is required to maintain the confidentiality of the information under SEC regulations until the information is included in publicly filed documents. Review of this information on a confidential basis could subject the reviewer to confidentiality and insider information obligations and restrictions under SEC rules.³ Therefore, the Company is requesting confidential treatment for the compensation of "Named Executive Officers" in the Company's past proxy statements as well as that of other executives and other employees.

Additionally, Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41 contain compensation-related information for employees beyond the Named Executive Officers of AEP. Personal compensation for the Company's executive officers and other employees is kept confidential. This confidential employee compensation information, if disclosed, would enable competitors to attempt to recruit key Company and AEP personnel and would compromise AEP's

³ 17 C.F.R. 240.10b-5.

and the Company's position in negotiating employee compensation terms. This is especially true for high-level management and highly specialized personnel. This information is highly sensitive, even internally within the Company, and is only available on a need-to-know basis. Public disclosure of this information is likely to result in increased costs and a loss of negotiating ability for the Company. Disclosure of this information also increases the risk of a higher cost of service resulting from greater employee compensation demands and higher costs to recruit and retain skilled employees and managers.

This information is exempt from disclosure under the Kentucky Open Records Act by KRS 61.878(a), 61.878(c) and KRS 61.878(k). The portions of Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41 that contain personal compensation information that will be disclosed in the Company's SEC filings should remain confidential until those filings are made. The personal compensation information in Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41 that will not be disclosed in the Company's SEC filings should remain confidential for five years. After five years, the labor market will have changed sufficiently and there will no longer be any competitive advantage to gain from the information. In the meantime, Kentucky Power seeks confidential treatment of the entirety of Attachment 1 to KPSC 1-40 and Attachment 1 to KPSC 1-41. The Commission previously granted confidential treatment to similar information in Kentucky Power's last base rate case for the reasons set forth above.⁴

4. Attachment 1 to KPSC 1-44

Attachment 1 to KPSC 1-44 is comprised of contracts with the Company's medical plan vendors. These contracts include negotiated rates, terms, and conditions that the Company's

⁴ 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) A Securitization Financing Order; And (5) All Other Required Approvals And Relief*, Case No. 2023-00159 (Ky. P.S.C. Oct. 2, 2023).

medical plan vendors treat as proprietary and confidential. Disclosure of this information would give insight, not publicly available, into contract terms and conditions that Kentucky Power would agree to and would place the Company at a commercial disadvantage in future, similar negotiations. Additionally, contract counterparties expect that the sort of information for which Kentucky Power seeks confidential treatment will be kept from public disclosure. A failure to keep this information confidential would create a chilling effect in the market, limiting the number of companies willing to respond to requests for proposal or negotiate with the Company, resulting in less competitive options for the Company and higher costs for customers.

This information is exempt from disclosure under the Kentucky Open Records Act by KRS 61.878(c). Kentucky Power seeks confidential treatment of the entirety of Attachment 1 to KPSC 1-44 indefinitely.

5. Attachment 1 to KPSC 1-50.

Attachment 1 to KPSC 1-50 provides reports summarizing analysis of the AEP's and Kentucky Power's executive compensation. This report includes detailed individual executive compensation that is not already public information, including analysis showing how AEP determines compensation for executives. This report includes compensation information that is personal, subject to future SEC disclosure, potentially material non-public information for investors that is subject to SEC requirements that any disclosure should be made to all current and potential investors simultaneously. The report also identifies compensation information for executives whose compensation is not billed to Kentucky Power or included in the requested cost of service in this case. Without the protections afforded by confidential treatment, other businesses could obtain information that would provide an unfair advantage in recruiting and retaining these executives, and current and prospective executives could obtain an advantage in negotiating their compensation with the Company.

This information is highly sensitive, even internally within the Company, and is only available on a need-to-know basis. Public disclosure of this information is likely to result in competitive disadvantage through increased costs and a loss of negotiating ability for the Company. Disclosure of this information increases the risk of a higher cost of service resulting from greater employee compensation demands and higher costs to recruit and retain skilled executives. The Commission previously granted confidential treatment to similar information in Kentucky Power's last base rate case for the reasons set forth above.⁵

This information is exempt from disclosure under the Kentucky Open Records Act by KRS 61.878(a) and 61.878(c). Attachment 1 to KPSC 1-50 should be kept confidential in its entirety for a period of five years, which should provide sufficient time for market conditions to change and the information to become outdated.

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 1-18, KPSC 1-30, KPSC 1-40, KPSC 1-41, KPSC 1-44, and KPSC 1-50 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). 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

⁵ 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) A Securitization Financing Order; And (5) All Other Required Approvals And Relief*, Case No. 2023-00159 (Ky. P.S.C. Oct. 31, 2023)

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. 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 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.

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 as detailed in the table in **Exhibit 1** attached hereto; and

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

Respectfully submitted,



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EXHIBIT 1

Response	Attachment Name	Information For Which Confidential Treatment is Sought	Time Period to be Kept Confidential
KPSC 1-18	KPCO_R_KPSC_1_18_ConfidentialAttachment1	Entire Attachment	Indefinitely
KPSC 1-18	KPCO_R_KPSC_1_18_ConfidentialAttachment2	Entire Attachment	Indefinitely
KPSC 1-30	KPCO_R_KPSC_1_30_ConfidentialAttachment1	Entire Attachment	20 Years
KPSC 1-40	KPCO_R_KPSC_1_40_ConfidentialAttachment1	Entire Attachment	5 Years
KPSC 1-41	KPCO_R_KPSC_1_41_ConfidentialAttachment1	Entire Attachment	5 Years
KPSC 1-44	KPCO_R_KPSC_1_44_ConfidentialAttachment1	Entire Attachment	Indefinitely
KPSC 1-50	KPCO_R_KPSC_1_50_ConfidentialAttachment1	Entire Attachment	5 Years