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February 12, 2010

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**PUBLIC SERVICE
COMMISSION**

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HAND DELIVERED

Jeff R. Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RE: *P.S.C. Case No. 2009-00545*

Dear Mr. Derouen:

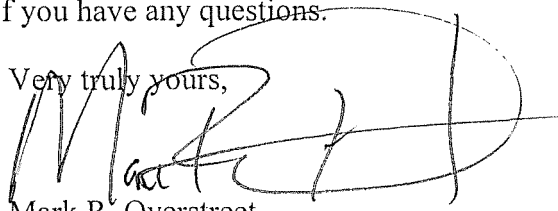
Enclosed please find and accept for filing the original and ten copies of Kentucky Power Company's Responses to the Data Requests propounded by the Commission, Kentucky Industrial Utility Customers, Inc. and the Attorney General.

Also enclosed is the original and ten copies of the Company's Petition for Confidential Treatment of certain portions of the responses, along with a sealed envelope containing the unredacted responses for which confidential treatment is being sought.

Copies of the documents being filed are being served on the persons below.

Please do not hesitate to contact me if you have any questions.

Very truly yours,



Mark R. Overstreet

cc: Michael L. Kurz
Dennis G. Howard II
Lane Kollen

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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FEB 12 2010

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION FOR APPROVAL OF)
RENEWABLE ENERGY PURCHASE AGREEMENT)
FOR WIND ENERGY RESOURCES BETWEEN) CASE NO. 2009-00545
KENTUCKY POWER COMPANY AND)
FPL ILLINOIS)

* * * * *

MOTION FOR CONFIDENTIAL TREATMENT

Kentucky Power Company ("Kentucky Power" or "the Company"), moves the Commission pursuant to KRS 61.878(1)(c)(1) and 807 KAR 5:001, Section 7, for an Order granting confidential treatment to information contained within documents included in discovery responses. Kentucky Industrial Utility Customers question number 1-10 (KIUC Q1-10) provides: "Please provide all documents, memos, letters and e-mails in the possession of Timothy C. Mosher, Jay F. Godfrey and Scott C. Weaver which discuss or describe the wind power contract at issue in this case." The Commission Staff's question number 1-14 (Staff Q1-14) seeks calculations, plus a narrative description of said calculations, that show how the period-based prices of the proposed wind contract shown in Exhibit JFG-1 are converted to the weighted average price shown in Exhibit JFG-3. Responses to these questions necessitate the inclusion of confidential information. In support of its Motion for Confidential Treatment Kentucky Power states:

1. The information for which confidential treatment is being sought ("Confidential Information") is:

(a) The redacted portions of “Final Dash Report,” which include the contract pricing. (KIUC Q1-10).

(b) The redacted portions of “KYPCO-2009 AEP 1100 MW Renewable Energy RFP_Executive_Update,” which include confidential bid result information. (KIUC Q1-10).

(c) Redacted Staff 1-14 Confidential Exhibit containing the percentage of generation per pricing period, contract rate per pricing period and weighted average price. (Q1-14).

2. Pursuant to 807 KAR 5:001, Section, 7, an original of the exhibits for which confidential treatment is sought is filed under seal with this motion. In addition, ten redacted copies of the exhibits are filed with this motion.

3. In accordance with our executed confidentiality agreement we also provided unredacted copies of the documentation to Kentucky Industrial Utility Customers and the Office of the Attorney General.

Statutory Standard

4. KRS 61.878(1)(c)(1) excludes from the public disclosure requirements of the Open Records Act:

"[r]ecords confidentially disclosed to an agency or required by an agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would present an unfair commercial advantage to competitors of the entity that disclosed the records.

The Confidential Information satisfies this exception.

The Information Is Generally Recognized As Confidential And Proprietary

5. As Mr. Godfrey testifies in his affidavit, the Confidential Information is generally considered confidential and proprietary.¹ Affidavit of Jay F. Godfrey at ¶ 5 (“Godfrey Affidavit”). The Confidential Information is not available to or ascertainable by, persons outside the companies by proper means other than on a confidential basis. Godfrey Affidavit at ¶11. Indeed, the Confidential Information derives economic value from the fact it is not generally known to persons who can obtain value from its disclosure. Godfrey Affidavit at ¶11.

7. In light of the confidential and proprietary nature of the information, American Electric Power Service Corporation (“AEPSC”) and Kentucky Power take all reasonable efforts to protect it from public disclosure. Godfrey Affidavit at 12. Among the measures taken are limiting access to the information within the companies to only those persons with a legitimate need to access the information, protecting against disclosure outside the Company, and entering into confidentiality agreements to protect against disclosure by persons outside the Companies who are afforded access for legitimate purposes. Godfrey Affidavit at 12-13.

Disclosure Of The Confidential Information Will Result in An Unfair Competitive Advantage To The Competitors Of Kentucky Power and FPL Wind

8. The Confidential Information, if disclosed to competitors of Kentucky Power, or otherwise made publicly available, would provide an unfair competitive advantage to competitors of Kentucky Power. The Confidential Information therefore is entitled to protection from disclosure by the Commission. Specifically, the public disclosure of the Confidential Information would:

¹ See, also, *Verified Petition of Indiana Michigan Power Company, An Indiana Corporation, For Approval Pursuant To Ind. Code 8-1-2-42(a), 8-1-8.8-11 And To the Extent Necessary 8-1-2.5-6 Of A Renewable Energy Purchase Agreement With Fowler Ridge II Wind Farm, LLC, Including Time Cost Recovery* (Ind. P.U.C. September 1, 2009) (exempting from disclosure under Indiana law of a similarly redacted version of a renewable energy purchase agreement on the ground it was a trade secret.)

(a) Be detrimental to Kentucky Power's ability to obtain competitive responses to future RFPs, thereby preventing Kentucky Power from obtaining the lowest reasonable cost. Godfrey Affidavit at ¶ 10. Disclosure of the Confidential Information would discourage bidders from submitting bids out of concern the confidential information would be made public because Kentucky Power is not permitted to abide by confidentiality agreements. Godfrey Affidavit at ¶ 10.

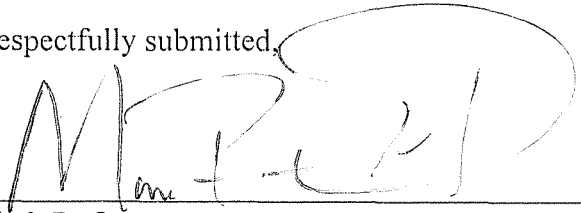
(b) Establish certain benchmarks in future negotiations, thereby potentially increasing costs incurred by customers of KPCo and its affiliates. Godfrey Affidavit at ¶ 10.

(c) Permit other purchasers to benefit from Kentucky Power's efforts in negotiating the REPA and "cherry-pick" the most advantageous contracts and terms to Kentucky Power's competitive disadvantage. Godfrey Affidavit at ¶ 10.

9. Kentucky Power filed a petition to protect this same and similar types of information in connection with its initial filing in this case on December 29, 2009. That petition was granted by letter dated February 11, 2010. Kentucky Power incorporates its December 29, 2009 filing and supporting affidavits into this petition. The December 29, 2009 filing included an affidavit from John DiDonato, Vice President of FPL Wind Illinois, LLC ("FPL Wind"). Mr. DiDonato's affidavit includes the representation that FPL Wind submitted its response to the RFP based upon the understanding the information would not be publicly disclosed. DiDonato Affidavit at ¶ 7.

This 12th day of February, 2010.

Respectfully submitted,



Mark R. Overstreet
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Frankfort, Kentucky 40602-0634
Telephone: (502) 223-3477


**COUNSEL FOR KENTUCKY POWER
COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by first class mail, postage prepaid, upon the following parties, this 12th day of February, 2010.

Dennis G. Howard, II
Office of Attorney General
Division of Rate Intervention
1024 Capital Center Drive
P.O. Box 2000
Frankfort, Kentucky 40602-2000

Michael L. Kurtz
Boehm, Kurtz & Lowry
2110 CBLD Center
36 East Seventh Street
Cincinnati, OH 45202



Mark R. Overstreet

EXHIBIT A

AFFIDAVIT OF JAY F. GODFREY

Jay F. Godfrey, first being duly sworn, states:

1. I am of the age of majority and competent to make this affidavit. I have personal knowledge of the matters set forth in this affidavit.

2 I am employed by American Electric Power Service Corporation (AEPSC), a wholly owned subsidiary of American Electric Power Company, Inc. (AEP). AEP is the parent company of Kentucky Power Company (KPCo). I am employed as a Managing Director - Renewable Energy. In that capacity, I am responsible for managing AEP's and its subsidiaries' portfolio of Renewable Energy Purchase Agreements (REPAs) and related long-term structured emission reduction offset agreements. This includes AEP's wind related power off-take agreements, as well as potential new wind project development. I am familiar with the terms and other confidential information relating to the renewable wind energy Power Purchase Agreement ("Wind PPA") with FPL Energy Illinois Wind, LLC ("FPLEWIC") which KPCo seeks to protect from public disclosure. FPLEWIC is an indirectly subsidiary of NextEra Energy Resources, LLC.

3 I have specific personal knowledge of the confidential, proprietary, competitively sensitive and trade secret nature of the confidential information addressed in this Affidavit through direct contact with this information and through my investigation with other AEPSC and KPCo employees who work directly with the confidential information. I have personal knowledge of efforts taken by KPCo and AEPSC to maintain the secrecy of the confidential information through direct involvement in these efforts, and through my investigation of these efforts with other employees who work

directly with these procedures. Finally, I have personal knowledge through my investigation, along with other AEPSC and KPCo employees who work directly with the confidential information, of the effect the public disclosure of the confidential information would have on KPCo's competitive efforts in securing such contracts.

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

4. KPCO is requesting that certain information from the Wind PPA and other confidential information referred to in KPCo's discovery responses to Kentucky Industrial Utility Customers question 1-10 (KIUC Q1-10) and Commission Staff question 1-14 (Staff Q1-14) in this Cause be protected from public disclosure pursuant to KRS 61.878(1)(c)(1) and 807 KAR 5:001, Section 7 (the "Confidential Information").

5. More specifically, in response to KIUC 1-10, the Confidential Information includes the price per MWh of the Wind PPA that is confidential, proprietary, competitively sensitive and a trade secret. That information is included in the document labeled Final Dash Report. In addition, information in "KYPCO-2009 AEP 1100 MW Renewable Energy RFP_Executive_Update" has been marked confidential because it lists prices and a comparison of the qualified bids received in response to the 2009 Renewable RFP. In response to Staff Q1-14, the Confidential Information includes the percentage of generation per pricing period, contract rate per pricing period and weighted average price. This information also involves application of the price of the Wind PPA that is confidential, proprietary, competitively sensitive and a trade secret.

**Public Disclosure Of The Information For Which Confidential Treatment
Is Sought Would Permit An Unfair Commercial Advantage To Kentucky Power's
Competitors**

6. As evidenced in my testimony and that of Mr. Weaver in KPCo's application in this case, the market for renewable energy purchase power agreements is extremely competitive. There are multiple sellers of renewable energy seeking the highest prices for their capacity and energy. Likewise, with the advent of renewable portfolio standards in many states. Kentucky Power and its affiliates face strong and growing competition for the most advantageous agreements. The price and other financial terms of such agreements typically are the terms most vigorously negotiated by suppliers and purchasers.

7. KPCo and its affiliates may negotiate similar contracts with other suppliers in the future. If the prices and terms included in the Wind PPA and related cost analysis became publicly known or available, parties with which KPCo and its affiliates may negotiate could use this knowledge to the detriment of KPCo, its customers, and affiliates. Knowledge of these terms by other potential suppliers would establish certain benchmarks in future negotiations, thereby potentially increasing costs incurred by customers of KPCo and its affiliates. In other words, other suppliers would insist on the same or better terms as those negotiated in this purchase agreement. Furthermore, knowledge of the provisions by potential power supply competitors could enable them to gain an unfair advantage in future competitive situations. Finally, the Confidential Information also could be used by other purchasers competing for such contracts to "cherry-pick" the most favorable contracts, thereby depriving Kentucky Power of the ability to obtain the most advantageous prices for its customers. In sum, the public

disclosure of the information for which confidential treatment is sought will result in KPCo and FPLEWIC's competitors gaining an unfair commercial advantage.

8. In negotiating renewable energy purchase power agreements, AEPSC and KPCo seek to obtain the lowest reasonable cost for the Company's customers. Suppliers, on the other hand, are interested in obtaining the highest price possible for their commodity. Making the company's analysis with regards to renewable energy acquisition or other competitively sensitive information available to the suppliers with which the Company is negotiating compromises the ability of AEPSC and KPCo to obtain the lowest reasonable cost for customers.

9. The Confidential Information in "KYPCO-2009 AEP 1100 MW Renewable Energy RFP_Executive_Update" contains pricing submitted by FPLEWIC and other suppliers submitting responses to the Request for Proposals. These other suppliers were not awarded a REPA with Kentucky Power, and their pricing and other Confidential Information is relevant to this proceeding to the limited extent of showing the reasonableness of the FPLEWIC and KPCo agreement.

10. The public disclosure of the Confidential Information will impede the ability of KPCo and AEPSC to obtain the lowest reasonable cost for KPCO's customers by discouraging bidders from submitting bids because of concern that confidential terms will become public knowledge. As such, the public dissemination of the confidential information will provide an unfair economic advantage to KPCo's competitors.

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

11. 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**

12. The Confidential Information has been the subject of efforts that are reasonable under the circumstances to maintain its secrecy. KPCo and AEPSC limit public access to buildings housing the Confidential Information by use of security guards. Persons not employed by KPCo 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. KPCo's and AEPSC's files containing the Confidential Information are maintained separately from KPCo's and AEPSC's general records and access to those files is restricted. Within KPCo and AEPSC, access to this information has been and will continue to be disclosed only to those employees, officers and representatives of KPCo and AEPSC who have a need to know about such information due to their job and management responsibilities. Outside KPCo and AEPSC, this information is only provided to certain persons who have a legitimate need to review the information to participate in this Cause and who sign a confidentiality agreement.

13. In connection with the solicitation of responses to the Request for Proposals described in my testimony filed in this case, AEPSC on behalf of itself and its affiliates,

entered into confidentiality agreements with each party submitting a response. Such agreements are customary in the industry, and are a necessary prerequisite to AEPSC and KPCo being able to solicit the widest possible response to the request for proposal. Under the confidentiality agreements, AEPSC on behalf of itself and its affiliates including KPCo, agreed to restrict the access of information to only those employees, officers and representatives of KPCo and AEPSC who have a need to know about such information due to their job and management responsibilities. NextEra Energy Resources, LLC, the indirect parent of FPLEWIC, and AEPSC entered into such a confidentiality agreement with respect to pricing and Other Confidential Information contained in my testimony and the exhibits thereto.

14. Further the Affiant sayeth nothing more.

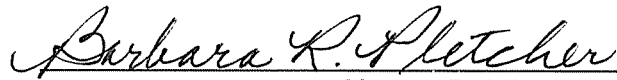
Dated: 2-11-2010



Jay F. Godfrey

STATE OF OHIO)
) SS:
COUNTY OF FRANKLIN)

Subscribed and sworn to before me, a Notary Public, in and for said County and State this 11th day of February 2010.



Notary Public

I am a resident of Franklin County, Ohio

My commission expires: October 1, 2013

BARBARA R. PLETCHER
NOTARY PUBLIC • STATE OF OHIO
Recorded in Franklin County
My commission expires Oct. 1, 2013