

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION)	
OF THE FUEL ADJUSTMENT CLAUSE OF)	CASE NO.
KENTUCKY POWER COMPANY FROM)	2015-00232
NOVEMBER 1, 2014 THROUGH APRIL 30, 2015)	

ORDER

On October 21, 2015, Kentucky Power Company ("Kentucky Power") filed a petition, pursuant to KRS 61.878(1) and 807 KAR 5:001, Section 13, requesting that the Commission grant confidential protection to the "Fuel Cost Policy for AEP Regulated Generation in PJM" ("Fuel Cost Policy") filed in response to Commission Staff's Post-Hearing Data Request, Item No. 4 ("PHDR-4"). The Fuel Cost Policy is more specifically described as setting forth the methodology used to construct each bid into the PJM Interconnection market ("PJM"). Kentucky Power argues that public disclosure of its Fuel Cost Policy would provide an unfair competitive advantage to its competitors and result in competitive commercial injury to Kentucky Power and its customers. Therefore, Kentucky Power seeks confidential treatment of the Fuel Cost Policy in its entirety and in perpetuity.

In support of its petition, Kentucky Power asserts that the Fuel Cost Policy contains sensitive information relating to individual negotiations that typically specify verifiable contract or spot prices, verifiable hub or pricing points, verifiable fuel cost sources, and verifiable delivery and transportation charges used in constructing the offer prices by Kentucky Power and its affiliates in PJM. Kentucky Power states that no

generation owner other than Kentucky Power and its affiliates in PJM has access to the Fuel Cost Policy, and that public disclosure of the Fuel Cost Policy would cause competitive injury not only to Kentucky Power, but also to its non-Kentucky affiliates who are not subject to the Commission's jurisdiction. Kentucky Power states that the PJM market is extremely competitive, and Kentucky Power competes with other generation owners for the sale of its generation into the market. Kentucky Power asserts that competing generation owners could use the Fuel Cost Policy to construct bids that undercut Kentucky Power's bids, and could thereby replace Kentucky Power generation that otherwise would be selected or reduce the margins received by Kentucky Power.

Having carefully considered the petition and materials at issue, the Commission finds that the designated material contained in the Fuel Cost Policy, filed by Kentucky Power in response to Commission Staff's PHDR-4, are records that are generally recognized as confidential or proprietary, and which, if openly disclosed, could result in commercial harm to Kentucky Power, and therefore meet the criteria for confidential treatment and are exempted from public disclosure pursuant to KRS 61.878(1) and 807 KAR 5:001, Section 13.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's petition for confidential protection for its Fuel Cost Policy, filed in response to Commission Staff's PHDR-4, is granted.
2. The materials for which Kentucky Power has been granted confidential treatment should not be placed in the public record or be made available for public inspection for an indefinite period of time, or until further Order of this Commission.

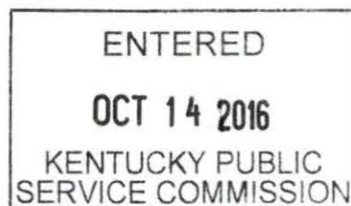
3. Use of the materials in question in this proceeding shall be in compliance with 807 KAR 5:001, Section 13(9).

4. Kentucky Power shall inform the Commission if the materials in question become publicly available or no longer qualify for confidential treatment.

5. If a non-party to this proceeding requests to inspect materials granted confidential treatment by this Order, then Kentucky Power shall have 20 days from receipt of written notice of the request to demonstrate that the materials still fall within the exclusions from disclosure requirements established in KRS 61.878. If Kentucky Power is unable to make such demonstration, the requested materials shall be made available for inspection.

6. The Commission shall not make the requested materials available for inspection for 20 days following an Order finding that the materials no longer qualify for confidential treatment in order to allow Kentucky Power to seek a remedy afforded by law.

By the Commission



ATTEST:


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