

COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE UNION LIGHT,)
HEAT AND POWER COMPANY TO) CASE NO. 2005-00191
IMPLEMENT A HEDGING)
PROGRAM TO MITIGATE PRICE)
VOLATILITY IN THE PROCUREMENT)
OF NATURAL GAS)

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PUBLIC SERVICE
COMMISSION

PETITION OF THE UNION LIGHT, HEAT
AND POWER COMPANY FOR
CONFIDENTIAL TREATMENT OF INFORMATION

The Union Light, Heat and Power Company (ULH&P), pursuant to 807 KAR 5:001, Section 7, respectfully requests the Commission to classify and protect as confidential certain information that is contained in its Application in this proceeding, which is being filed contemporaneously with this petition. In support thereof, ULH&P states:

1. ULH&P has filed today documents containing information relating to the volumes of gas that ULH&P proposes to purchase through the use of hedging instruments for its new hedging plan, and this would damage ULH&P by alerting suppliers as to how much gas ULH&P intends to purchase through hedging instruments at any particular point in time, which could allow suppliers to raise the cost of their hedging instruments to ULH&P, thus making it more costly to ULH&P to acquire hedging instruments for future gas supply. As required by 807 KAR 5:001, Section 7(2)(b), ULH&P is providing one copy of the hedging volume information under seal.

2. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878 (1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party.

3. The hedging volume information described above contains sensitive commercial information, the disclosure of which would injure ULH&P for the reasons stated above. ULH&P's purchases of hedging instruments is confidential until such time that ULH&P reports on such purchases to the Commission. Public release of this information prior to that date would allow other suppliers to have access to this information and could enable such suppliers to charge higher prices to ULH&P for hedging instruments. Similar information has previously been treated as confidential in prior hedging proceedings.

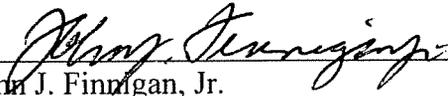
4. The information for which ULH&P is seeking confidential treatment is not known outside of ULH&P, and it is not disseminated within ULH&P except to those employees with a legitimate business need to know and act upon the information.

6. The public interest will be served by granting this Petition, in that ULH&P's ability to obtain low cost gas supplies will be fostered and the cost of gas to ULH&P's customers will thereby be minimized.

WHEREFORE, The Union Light, Heat and Power Company respectfully requests that the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

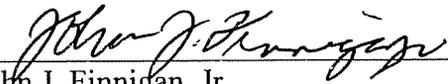
THE UNION LIGHT, HEAT AND
POWER COMPANY



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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing pleading was served of the parties listed below by regular United States mail, postage prepaid, this ~~12th~~ day of May, 2005.


John J. Finnigan, Jr.

Hon. Elizabeth E. Blackford
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