

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A REVIEW PURSUANT TO 807 KAR 5:058)
OF THE 1997 INTEGRATED RESOURCE)
PLAN OF EAST KENTUCKY POWER) CASE NO. 97-200
COOPERATIVE, INC.)

O R D E R

The Commission, on its own motion, hereby initiates this review of the 1997 Integrated Resource Plan ("IRP") of East Kentucky Power Cooperative, Inc. ("East Kentucky Power") filed on April 21, 1997 pursuant to 807 KAR 5:058. East Kentucky Power is required by 807 KAR 5:058, Section 10, to publish, in a form prescribed by the Commission, notice of its filing in a newspaper of general circulation in its service area. The notice must be published within 30 days of the filing date of the IRP. The Commission finds that the following format should be used when publishing notice of the filing:

On April 21, 1997, East Kentucky Power Cooperative, Inc. filed its 1997 Integrated Resource Plan with the Public Service Commission. This filing includes a 15-year load forecast and a description of the existing and planned conservation programs, load management programs, and generating facilities to meet forecasted requirements in a reliable manner at the lowest possible cost. Any interested person may review the plan, submit written questions to the utility, and file written comments on the plan.

Any person interested in participating in the review of this Integrated Resource Plan should, within 10 days of the publication of this notice, submit a motion to intervene to: Don Mills, Executive Director, Public Service Commission, P. O. Box 615, Frankfort, KY 40602.

The newspaper notice should be published one time as soon as reasonably possible after the IRP is filed. The publication of newspaper notice is in addition to East Kentucky Power's responsibility under 807 KAR 5:058, Section 2(2), to provide notice, immediately upon filing its IRP, to intervenors in the last IRP review proceeding that its plan has been filed and is available from the utility upon request.

IT IS THEREFORE ORDERED that East Kentucky Power shall publish the notice set forth above as required by 807 KAR 5:058, Section 10.

Done at Frankfort, Kentucky this 13th day of May, 1997.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director

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O R D E R

This matter arising upon petition of East Kentucky Power Cooperative ("EKPC"), filed April 21, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost and planning information provided in EKPC's Integrated Resource Plan ("IRP") on the grounds that disclosure of the information is likely to cause EKPC competitive injury, and it appearing to this Commission as follows:

In conjunction with EKPC's filing of its IRP, EKPC has provided detailed cost and planning information which it seeks to protect as confidential. EKPC maintains that disclosure of this information would benefit its competitors in the surplus bulk power market and is therefore entitled to protection.

The information sought to be protected is not known outside of EKPC and is distributed within EKPC only to persons with a need to use it for business purposes.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that

subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

EKPC competes in the market for surplus bulk power with other utilities, power marketers and others. Disclosure of the information sought to be protected would allow these competitors to determine EKPC's minimum price for its power which they could use to underbid EKPC in transactions for the sale of such power. In addition, the information includes projections of cost for various alternative capacity projects, cost of planned maintenance projects, future fuel costs, future capital cost, future costs of emission allowances, escalation rates and resulting projections of power costs, revenue requirements and future rate impacts. This information would not only benefit EKPC's competitors in the bulk power market by allowing them to underbid on future sales of bulk power, but it could also injure EKPC by allowing bid manipulation in future requests for proposals for purchases of bulk power and/or fuel, in that bidders having access to such information may provide bids that are less competitive. Therefore, disclosure of the information is likely to cause EKPC competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

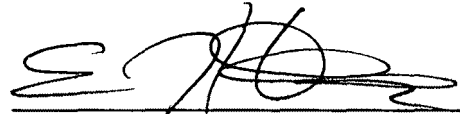
IT IS ORDERED that the cost and planning information filed in conjunction with EKPC's 1997 IRP, which EKPC has petitioned to be withheld from public disclosure, shall

be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 13th day of May, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director