

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTH	)	
KENTUCKY RURAL ELECTRIC COOPERATIVE	)	CASE NO.
CORPORATION FOR APPROVAL OF A MASTER	)	2018-00050
POWER PURCHASE AND SALE AGREEMENT	)	
AND TRANSACTIONS THEREUNDER	)	

ORDER

This matter arises from motions filed by South Kentucky Rural Electric Cooperative Corporation's (South Kentucky RECC) on May 7, 2018, and May 29, 2018, requesting confidential treatment, pursuant to KRS 61.878 and 807 KAR 5:001, Section 13, for designated materials.

On May 7, 2018, South Kentucky RECC filed its fourth motion (Fourth Motion for Confidential Treatment) requesting confidential treatment for a period of ten years for information contained in the rebuttal testimony of Dennis Holt and Carter Babbit regarding the projected net present value (NPV) of the proposed transactions. The designated material is contained in Mr. Babbit's rebuttal testimony on page 10, line 17; page 12, line 1; page 15, lines 13 and 16; and page 21, line 13; and on Mr. Holt's rebuttal testimony on page 3, line 20; page 5, line 23; page 14, lines 21–22; and page 16, line 3. In support of its request, South Kentucky RECC states that public disclosure of the designated material in its Fourth Motion for Confidential Treatment would provide potential vendors and competitors with a competitive advantage, and result in higher costs to South Kentucky

RECC, which, in turn, would result in higher rates paid by South Kentucky RECC's owner-members.

On May 29, 2018, South Kentucky RECC filed its fifth motion (Fifth Motion for Confidential Treatment) requesting confidential treatment for a period of ten years for its responses to Commission Staff's First Post Hearing Request for Information, Item 3, which contains the NPV analysis with certain changes in underlying assumptions in Excel format. South Kentucky RECC contends that public disclosure of the designated material in the Fifth Motion for Confidential Treatment would provide its competitors with insight into South Kentucky RECC's business operations and strategies, which would result in commercial harm to South Kentucky RECC and its owner-members. South Kentucky RECC states that the designated material is similar to an NPV analysis for which the Commission granted confidential treatment in an Order entered on May 8, 2018.

Having considered the motions and the materials at issue, the Commission finds that:

1. The designated material in the Fourth Motion for Confidential Treatment do not meet the criteria for confidential treatment under KRS 61.878(1)(c) and 807 KAR 5:001, Section 13. The Commission finds that disclosure of the designated information would not impose any unfair competitive disadvantage in future negotiations involving wholesale power purchase agreements. This is particularly so given the Commission's need to be able to address the cost impact in its final determination of the reasonableness of this matter. Additionally, South Kentucky RECC's members have a right to know the evidence upon which the Commission relied in determining whether the agreements at issue are fair, just, and reasonable. South Kentucky RECC's request for confidential

treatment of the designated material in the Fourth Motion for Confidential Treatment should be denied.

2. The designated material in the Fifth Motion for Confidential Treatment meets the criteria for confidential treatment under KRS 61.878(1)(c) and 807 KAR 5:001, Section 13, and therefore should be granted confidential treatment.

IT IS THEREFORE ORDERED that:

1. South Kentucky RECC's Fourth Motion for Confidential Treatment is denied.

2. South Kentucky RECC's Fifth Motion for Confidential Treatment is granted.

3. The designated material in South Kentucky RECC's Fifth Motion for Confidential Treatment for which confidential treatment has been granted shall remain confidential for a period of ten years from the date of entry of this order, or until further Order of the Commission.

4. The designated material in South Kentucky RECC's Fourth Motion for Confidential Treatment for which confidential treatment has been denied shall not be placed in the public record or made available for inspection for 20 days from the date of entry of this Order to allow South Kentucky RECC to seek a remedy afforded by law.

5. Within 20 days of the date of entry of this Order, South Kentucky RECC shall file revised documents identified in the Fourth Motion for Confidential Treatment reflected as unredacted the information that has been denied confidential treatment.

6. Use of the material that was granted confidential treatment in any Commission proceeding shall be in compliance with 807 KAR 5:001, Section 13(9).

7. South Kentucky RECC shall inform the Commission if the material granted confidential treatment become publicly available or no longer qualify for confidential treatment.

8. If a non-party to this proceeding requests to inspect the material granted confidential treatment by this order and the period during which the material has been granted confidential treatment has not run, South Kentucky RECC shall have 20 days from receipt of written notice of the request to demonstrate that the material still falls within the exclusions from disclosure requirements established in KRS 61.878. If South Kentucky RECC is unable to make such demonstration, the requested material shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

9. The Commission shall not make the material available for inspection for 20 days following an order finding that the material no longer qualifies for confidential treatment in order to allow South Kentucky RECC to seek a remedy afforded by law.

By the Commission



ATTEST:

  
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