COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

The Application of Duke Energy Kentucky,) Inc., for (1) a Certificate of Public) Convenience and Necessity Authorizing) the Construction of an Advanced Metering) Case No. 2016-00152 Infrastructure; (2) Request for Accounting) Treatment; and (3) All Other Necessary) Waivers, Approvals, and Relief.)

PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION **CONTAINED IN ITS APPLICATION REGARDING THE** AUTHORIZATION OF THE CONSTRUCTION OF AN ADVANCED METERING INFRASTRUCTURE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:001, Section 13, respectfully requests the Commission to classify and protect certain information provided by Duke Energy Kentucky in its Application filed in this proceeding requesting authorization for the construction of an Advanced Metering Infrastructure (Application). The information for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) in contained in the Confidential Attachments to the Direct Testimony of Donald L. Schneider (DLS-3 and DLS-4) includes detailed forecasted financial data, by year, over the next seventeen years including, but not limited to, Duke Energy Kentucky's operational assumptions, investments, and estimated labor expenses for both its gas and electric operations.

In support of this Petition, Duke Energy Kentucky states:

1. 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. Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. The public disclosure of the information that Duke Energy Kentucky seeks protection, detailed forecasted financial data and company cost assumptions, would damage Duke Energy Kentucky's competitive position and business interests. If the Commission grants public access to the information, it may make it difficult to achieve the anticipated savings, including equipment purchases, labor savings, etc. as potential future suppliers could potentially manipulate the market and undermine Duke Energy Kentucky's ability to manage its costs.

3. The information for which Duke Energy Kentucky is seeking confidential treatment was developed internally by Duke Energy Corporation and Duke Energy Kentucky personnel, is not on file with any public agency, and is not available from any commercial or other source outside Duke Energy Kentucky. The aforementioned information is distributed within Duke Energy Kentucky only to those employees who must have access for business reasons, and is generally recognized as confidential and proprietary in the energy industry.

4. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective

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agreement, the Staff or other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.

5. This information was, and remains, integral to Duke Energy Kentucky's effective execution of business decisions. And such information is generally regarded as confidential or proprietary. Indeed, as the Kentucky Supreme Court has found, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary." *Hoy v. Kentucky Industrial Revitalization Authority*, Ky., 904 S.W.2d 766, 768 (Ky. 1995).

6. In accordance with the provisions of 807 KAR 5:001, Section 13(3), the Company is filing one copy of the Confidential Information separately under seal, and one copy without the confidential information included.

7. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of twenty years, three years beyond the term of the forecasts included in the Application. This will assure that the Confidential Information – if disclosed after that time – will no longer be commercially sensitive so as to likely impair the interests of the Company or its customers if publicly disclosed.

8. To the extent the Confidential information becomes generally available to the public, whether through filings required by other agencies or otherwise, Duke Energy Kentucky will notify the Commission and have its confidential status removed, pursuant to 807 KAR 5:001 Section 13(10)(a).

WHEREFORE, Duke Energy Kentucky, Inc., respectfully requests that the Commission classify and protect as confidential the specific information described

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herein.

Respectfully submitted,

Rocco O. D'Ascenzo (92796)

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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing Petition for Confidential Treatment has been served via overnight mail to the following party on this $\underline{35}^{\text{H}}$ day of \underline{Apri} ,

2016.

Hon. Lawrence Cook Office of the Attorney General Utility Intervention and Rate Division 1024 Capital Center Drive Frankfort, Kentucky 40601

Rocco O. D'Ascenzo