

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION **RECEIVED**

In the Matter of:

NOV 16 2006

THE APPLICATION OF KENTUCKY UTILITIES)
COMPANY TO MODIFY CERTAIN)
CERTIFICATES OF PUBLIC CONVENIENCE)
AND NECESSITY TO CONSTRUCT)
DUCTWORK FOR TWO FLUE GAS)
DESULFURIZATION UNITS AT)
THE GHENT POWER STATION)

PUBLIC SERVICE
COMMISSION

CASE NO. 2006-00493

**MOTION OF KENTUCKY UTILITIES COMPANY
FOR CONFIDENTIAL TREATMENT**

Pursuant to 807 KAR 5:001, Section 7, Kentucky Utilities Company (“KU”) hereby requests that the Public Service Commission (“Commission”) grant confidential treatment to certain information contained in Exhibits JPM-3 through 7 to the testimony of John P. Malloy. Those portions of Exhibits JPM-3 through 7 for which KU requests confidential protection contains information regarding projected fuel costs and other power production costs (capital, operation and maintenance).

In support of this Motion, KU states as follows:

1. Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure information confidentially disclosed to it to the extent that open disclosure would permit an unfair commercial advantage to competitors of the entity disclosing the information to the Commission. *See* KRS 61.878(1)(c). Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. Since the advent of “open access,” transmission and the restructuring of wholesale power markets, KU has engaged in both the sale and purchase of power in the competitive bulk power market for the benefit of their customers. *See, e.g., Kentucky Utilities Company*, 71

FERC ¶ 61,250 (May 31, 1995). There is now, and promises to be in the future, an increasingly robust and competitive wholesale market for bulk power sales.

3. The information regarding power production costs which KU wishes to protect from public disclosure, including projected costs of fuel and operation and maintenance expenses, is identified on the attachment hereto and in the filing submitted concurrently herewith. This information was developed internally by KU personnel, is not on file with any public agency, is not available from any commercial or other source outside KU and is distributed within KU only to those employees who must have access for business reasons. If publicly disclosed, this information would make KU's competitors privy to KU's expected minimum margin on bulk power sales, affording these entities a distinct competitive advantage in bidding for and securing new bulk power loads. Similarly, disclosure would afford an undue advantage to KU's wholesale power purchasers, as the latter would enjoy an obvious advantage in any contractual negotiations to the extent they could calculate KU's sales margins.

4. The Commission afforded confidential treatment to very similar information by its letter of February 10, 2005 in Case No. 2004-00426.

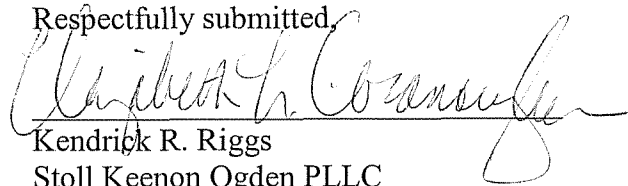
5. KU does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, to the Attorney General or other intervenors with a legitimate interest in reviewing the same in the context of this proceeding.

6. In accordance with the provisions of 807 KAR 5:001, Section 7, KU is filing with the Commission one copy of Exhibits JPM-3 through 7 with the confidential information highlighted and ten (10) copies without the confidential information.

WHEREFORE, Kentucky Utilities Company respectfully requests that the Commission grant confidential protection to the information designated as confidential for a period of five years through November 16, 2011.

Dated: November 16, 2006

Respectfully submitted,



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CERTIFICATE OF SERVICE

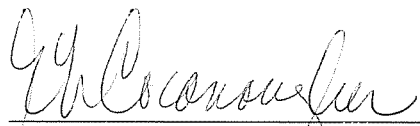
The undersigned hereby certifies that a true and correct copy of the foregoing Application was served on the following persons who represented parties of record in Case Nos. 92-005 and 2004-00426 on the 16th day of November 2006, U.S. mail, postage prepaid:

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