

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

**JOINT APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY AND KENTUCKY)
UTILITIES COMPANY FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
AND SITE COMPATIBILITY CERTIFICATE)
FOR THE CONSTRUCTION OF A COMBINED)
CYCLE COMBUSTION TURBINE AT THE)
CANE RUN GENERATING STATION AND THE)
PURCHASE OF EXISTING SIMPLE CYCLE)
COMBUSTION TURBINE FACILITIES FROM)
BLUEGRASS GENERATION COMPANY, LLC)
IN LAGRANGE, KENTUCKY)**

CASE NO. 2011-_____

JOINT APPLICANTS' PETITION FOR CONFIDENTIAL
PROTECTION OF EXHIBITS TO TESTIMONY
AND FOR DEVIATION FROM 807 KAR 5:001 SECTION 7(2)

Joint Applicants, Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) (together, the “Companies”), hereby petition the Kentucky Public Service Commission (“Commission”) pursuant to 807 KAR 5:001, Section 7, and KRS 61.878(1)(c) to grant confidential protection for the items described herein, which KU seeks to provide as exhibits to the Direct Testimony of David S. Sinclair. In support of this Petition, the Companies state as follows:

1. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for the exemption and, therefore, maintain the confidentiality of the information, a party must establish that the material is of a kind generally recognized to be confidential or proprietary, and the disclosure of which would permit an unfair commercial advantage to competitors of the party seeking confidentiality.

2. In support of their Joint Application in this matter, the Companies have submitted the Direct Testimony of David S. Sinclair. The Companies' Resource Assessment is attached as an exhibit to Mr. Sinclair's testimony. The Resource Assessment is a comprehensive document that describes the process by which the Companies determined the least-cost solution for meeting their electric generation needs. That process included a December 2010 Request for Proposals ("RFP") by which the Companies sought and received numerous proposals, including a self-build proposal, to meet their generation needs. The Resource Assessment contains information received in the various responses to the RFP. It also provides, as an attachment, the entire set of responses received in the RFP process. The information in the RFP responses is commercially sensitive and confidential information, the disclosure of which would work to the competitive disadvantage of the Companies. The information includes the projected costs of labor, projected fuel costs, and other highly commercial sensitive information. The projected costs are highly commercially sensitive because, if publicly disclosed, fuel suppliers could manipulate fuel prices. This would result in a detrimental and undue erosion of the Companies' ability to obtain fuel at competitive prices. The projected labor costs are likewise highly commercially sensitive because, if publicly disclosed, vendors and contractors could manipulate the labor prices to force the Companies to contract for labor at higher rates than might otherwise be the case.

3. The Resource Assessment also contains information about the identity of bidders, and the amount and relative rank of bids submitted in the RFP process. This information is also commercially sensitive and, if publicly disclosed, would place the Companies at a competitive disadvantage because it would reveal their thought processes and evaluation techniques. In addition, the public release of the information could cause competitive harm to the bidders themselves for the same reasons it would cause harm to the Companies.

4. If the Commission disagrees with any of these requests for confidential protection, however, it must hold an evidentiary hearing (a) to protect KU's due process rights and (b) to supply with the Commission with a complete record to enable it to reach a decision with regard to this matter. Utility Regulatory Commission v. Kentucky Water Service Company, Inc., 642 S.W.2d 591, 592-94 (Ky. App. 1982).

5. The information for which the Companies are seeking confidential treatment is not known outside of the Companies, is not disseminated within the Companies except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry.

6. The Companies will disclose the confidential information pursuant to a confidentiality agreement, to intervenors and others with a legitimate interest in this information and as required by the Commission.

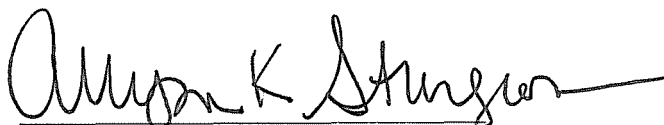
7. 807 KAR 5:001, Section 7(2) requires the Companies to file one copy of the material which identifies by highlighting the information for which confidential protection is sought and ten copies of the material with the confidential information obscured. Due to the volume of the original responses and best and final responses to the RFP, the Companies request a deviation from the regulation with respect to the filing requirement of such information. The Companies request that they be allowed to file the responses to the RFP, consisting of approximately 1,000 pages, the entirety of which is confidential, on compact disc. Therefore, they hereby submit the RFP responses (which are attachments to the Resource Assessment) under seal on compact disc. The Companies request Commission approval of this procedure.

WHEREFORE, the Companies respectfully request that the Commission grant confidential protection for the information at issue, or in the alternative, schedule an evidentiary

hearing on all factual issues while maintaining the confidentiality of the information pending the outcome of the hearing.

Dated: September 15, 2011

Respectfully submitted,



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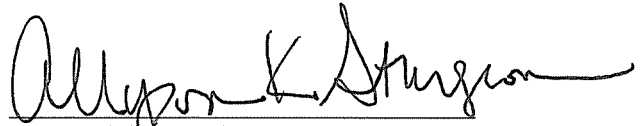
*Counsel for Louisville Gas and Electric
Company and Kentucky Utilities Company*

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Petition was served via U.S. mail, first-class, postage prepaid; overnight delivery; or hand-delivery, this 15th day of September 2011 upon the following persons:

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