

COMMONWEALTH OF KENTUCKY
BEFORE THE 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 BUCKNER, KENTUCKY)**

CASE NO. 2011-00375

RECEIVED

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**PUBLIC SERVICE
COMMISSION**

**JOINT APPLICANTS' PETITION FOR CONFIDENTIAL
PROTECTION AND FOR DEVIATION FROM FILING REQUIREMENTS**

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 § 7 and KRS 61.878(1)(c) to grant confidential protection for exhibits and an appendix contained in the Rebuttal Testimony of David S. Sinclair, as well as for permission to file certain Strategist and PROSYM modeling data on compact discs rather than in hard copy. 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. Exhibits DSS-2, DSS-4, DSS-5, and DSS-9 to the Rebuttal Testimony of David S. Sinclair contain the Companies' fuel price forecasts and fuel price forecasts obtained from outside vendors. If the Commission grants public access to this information, the Companies and their customers could be harmed in future negotiations with fuel vendors and in wholesale power transactions, the prices of which are directly affected by fuel prices. Also, if the Commission grants public access to this information, the vendors from whom the Companies purchased the fuel price forecast information at issue could refuse to do business with the utilities in the future. Such a result would do serious harm to the Companies' ability to make prudent fuel-contract and other decisions. All such commercial damage would ultimately harm the Companies' customers. Moreover, publicly disclosing such information would do immediate and costly harm to the vendors from which the Companies purchased the fuel forecast information at issue because the firms derive significant revenues from developing and selling such forecasts to customers under strict license agreement obligations not to disclose. Any public disclosure of the forecasts would render them commercially worthless. Thus, the Companies seek confidential protection of this information.

3. By letter dated January 17, 2012, the Commission granted confidential protection in this proceeding to similar information for which the Companies are now seeking confidential protection. The Commission granted that protection on the same grounds on which the Companies are now seeking confidential protection.

4. Exhibits DSS-2, DSS-4, DSS-6, DSS-7, and DSS-9 to the Rebuttal Testimony of David S. Sinclair contain information the Companies received through their December 2010 Request for Proposals ("RFP") process, by which the Companies sought and received numerous proposals, including a self-build proposal, to meet their generation needs. 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 projected costs and other highly commercial sensitive information. Disclosing publicly such information would result in harm to the Companies and their customers by permitting competing vendors to understand what their competitors are offering and offering the Companies only slightly better deals rather than their truly best offers. Also, vendors are more likely to participate in RFP processes and make their best offers when they know that their responses will be held in confidence rather than being broadcast to their competitors; having as many vendors as possible competing for the Companies' business at the best prices benefits the Companies' customers. Moreover, the RFP contained a commitment from the Companies to protect the confidentiality of the responses, and the Companies entered into separate confidentiality agreements with the final bidders. Therefore, to protect the Companies' customers from the harm of having fewer vendors willing to respond to future RFPs, and to protect the sensitive commercial information of the respondents to this RFP, this information should be afforded confidential protection.

5. Appendix C to the Rebuttal Testimony of David S. Sinclair is a confidential report the Companies purchased from IHS CERA, a vendor the Companies use for energy market analysis services. The report is subject to the copyright of IHS CERA, which has not authorized the Companies to disclose the report publicly, though it has authorized the Companies to disclose it confidentially in this proceeding. To disclose the report publicly would violate IHS CERA's copyright and possibly subject the Companies to a damage action, in addition to potentially ending the Companies' commercial relationship with IHS CERA. Moreover, publicly disclosing such information would do immediate and costly harm to the vendors from which the Companies

purchased the energy market information at issue because the firms derive significant revenues from developing and selling such reports to customers under strict license agreement obligations not to disclose. Any public disclosure of the forecasts would render the report commercially worthless. Thus, the Companies seek confidential protection of this information.

6. Excepting disclosures under confidential protection before this Commission, the Companies have not disclosed any of the above information outside the Companies, and have internally disclosed the confidential information at issue herein only to those employees with a business need to know it.

7. If the Commission disagrees with any of these requests for confidential protection, it must hold an evidentiary hearing (a) to protect the Companies' due process rights and (b) to supply 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).

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

9. Pursuant to 807 KAR 5:001 § 7(2), the Companies are filing one copy of the material that highlights the information for which confidential protection is sought and ten copies of the material with the confidential information obscured. For Appendix C, the responsive document is confidential in its entirety and is enclosed.

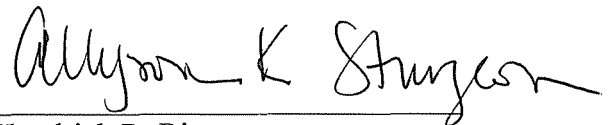
10. Exhibit DSS-9 is voluminous, containing over 1 gigabyte of data, and would be mostly unintelligible in hard copy format because it is intended to be read on a computer. In addition, the work-papers supporting Exhibits DSS-6 and DSS-7 are voluminous; each copy

would consume over 800 pages, and the Commission's original and ten copies alone would consume over 9,000 pages. Therefore, the Companies request permission pursuant to 807 KAR 5:001 § 14 to deviate from the requirement to file an original and ten copies of these documents and, instead, request permission to submit and serve this information on compact discs.

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. The Companies further request approval to deviate from the standard filing requirements and submit the above-described information on compact discs.

Dated: February 3, 2012

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that the foregoing pleading has been served by mailing a copy of same, postage prepaid, to the following persons on the 3rd day of February 2012:

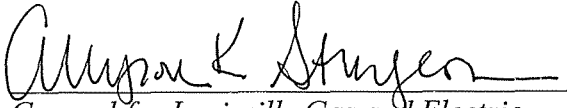
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