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VIA OVERNIGHT DELIVERY

November 5, 2014

Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

RECEIVED

NOV 06 2014

PUBLIC SERVICE
COMMISSION

RE: Case No. 2014-201

Dear Mr. Derouen:

Enclosed please find an original and twelve copies of Duke Energy Kentucky's responses to the Commission Staff's Post Hearing Data Requests.

Also enclosed are an original and twelve copies of the Petition of Duke Energy Kentucky, Inc. for Confidential Treatment of Information Contained in its Responses to Commission Staff's Post Hearing Data Requests and one copy of the Confidential Version enclosed under sealed envelope.

Please date-stamp the two extra copies of the Responses and the extra two copies of the Petition and return to me in the enclosed return envelope.

Sincerely,

Rocco D'Ascenzo
Associate General Counsel

cc: Jennifer Hans (w/enclosures)

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 Acquisition of the Dayton Power &) Case No. 2014-00201
Light Company's 31% Interest in the East)
Bend Generating Station; (2) Approval of)
Duke Energy Kentucky, Inc.'s Assumption)
of Certain Liabilities in Connection with)
the Acquisition; (3) Deferral of Costs)
Incurred as Part of the Acquisition; and (4))
All Other Necessary Waivers, Approvals,)
and Relief.)

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**PUBLIC SERVICE
COMMISSION**

**PETITION OF DUKE ENERGY KENTUCKY, INC.
FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED
IN ITS RESPONSES TO POST HEARING
DATA REQUESTS**

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 response to a Post-Hearing Data Request made at the October 30, 2014 hearing in the above-styled proceeding. The information requested at the hearing sought through discovery and for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) shows sensitive economic information regarding a confidential response to a recently issued request for proposal (RFP) issued by the Company that is still under evaluation and consideration. The

information specifically requested involves the terms of an insurance product bid in response to the RFP.

This information described above would allow potential competitors and possible vendors to have access to the Company's analysis of sensitive operational and financial information including how the Company views risks such as outages and values various hedging strategies. Moreover, this information, which was provided in response to an RFP, was bid by the vendor with the understanding that such information would be kept confidential as it contains the vendors prices and terms for providing the insurance product. This information is not otherwise publicly available. Releasing this information will place Duke Energy Kentucky at a competitive disadvantage in that its ability to negotiate and manage its costs will be compromised as other providers, vendors, and competitors will have access to the Company's forecasts of costs and business strategies. 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 response to Post Hearing Data Request contains sensitive market information related to Duke Energy Kentucky's generating fleet, including details about its strategies to hedge outage exposure and risks, which if publicly disclosed, would prejudice

Duke Energy Kentucky's ability hedge and mitigate such exposure and risk via market solutions.

3. Releasing this information would put Duke Energy Kentucky at a competitive disadvantage both in the market place and in negotiations as other counterparties could potentially use this bidding information to make decisions regarding their own hedging/ insurance-type products that could adversely impact prices for Duke Energy Kentucky's customers. This information would provide potential competitors with the Company's anticipated costs of hedging outages or purchased power. This information would place the Company in a competitive disadvantage if it needs to procure a risk-mitigation product through bilateral negotiations as counterparties would know what Duke Energy Kentucky has paid or might be willing to pay for such future costs.

4. The Confidential Information described herein was developed internally by Duke Energy Corporation and Duke Energy Kentucky personnel or on its behalf, is not on file with any public agency, and, except as to the bidder, is not available from any commercial or other source outside Duke Energy Kentucky. The aforementioned information in these responses 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.

5. Duke Energy Kentucky 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 for the purpose of participating in this case.

6. 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).

7. 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.

8. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of ten years. 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.

9. 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 herein.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.



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Deputy General Counsel
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Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing was served on the following via overnight mail, this 5th day of November 2014:

Jennifer Hans, Assistant Attorney General
Larry W. Cook, Assistant Attorney General
Gregory Dutton, Assistant Attorney General
The Office of the Attorney General
Utility Intervention and Rate Division
1024 Capital Center Drive
Frankfort, Kentucky 40601



Rocco D'Ascenzo

VERIFICATION

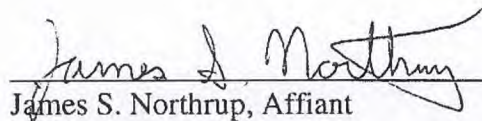
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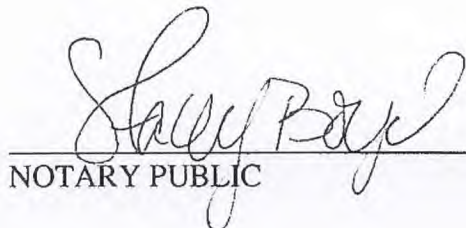
PUBLIC SERVICE
COMMISSION

STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG) SS:

The undersigned, James S. Northrup, Director of Wholesale & Renewables Analytics, being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of his knowledge, information and belief.


James S. Northrup, Affiant

Subscribed and sworn to before me by James S. Northrup on this ____ day of November, 2014.


NOTARY PUBLIC

My Commission Expires:

8/30/17

TABLE OF CONTENTS

DATA REQUEST

WITNESS

TAB NO.

STAFF-POST HEARING-DR-01-001 James Northrup 1

Duke Energy Kentucky
Case No. 2014-00201
Staff's Post Hearing Request for Information
Date Received: October 30, 2014

STAFF POST HEARING-DR-01-001
PUBLIC

REQUEST:

Please provide a summary of the insurance product and the amount of the insurance premium that the Company received in response to its back-stand RFP intended to mitigate portfolio concentration risk.

RESPONSE:

CONFIDENTIAL PRPPRIETARY TRADE SECRET

This response is filed pursuant to a Motion for Protective Treatment.

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PERSON RESPONSIBLE:
James Northrup