COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE BACK-UP POWER SUPPLY PLAN) OF DUKE ENERGY KENTUCKY, INC.)

Case No. 2015-00075

PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:001, Section 13, respectfully requests the Kentucky Public Service Commission (Commission) to classify and protect certain information provided by Duke Energy Kentucky in its responses to Data Requests No. 1, as requested by Commission Staff (Staff) in this case on May 20, 2015. The information that Staff seeks through discovery and for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information), shows the insurance product(s) being considered by the Company, its negotiations, and analysis. This information includes sensitive and business proprietary market analysis for the Company under each of the scenarios evaluated.

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



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PUBLIC SERVICE COMMISSION the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. The Company is in the process of evaluating potential insurance products to determine whether such products provide value or adequately mitigate risks to the Company or its customers. The Company has detailed the various products being evaluated, including costs thereof. This information is confidential, and if released, would limit the Company's ability to negotiation with competing vendors and ultimately receive the best price. Competing insurance vendors would have access to what the Company is considering in terms of products and could use this information to tailor their own competing proposals at higher prices than what they otherwise would have offered.

3. The information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Corporation.

4. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, with the Attorney General 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*, 904 S.W.2d 766, 768 (Ky. 1995).

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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 ten copies without the confidential information included.

7. 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.

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 herein.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing was served on the following via overnight mail, this 29^{+1} day of May 2015:

Jennifer Hans The Office of the Attorney General Utility Intervention and Rate Division 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204 Jennifer.hans@ag.ky.gov

Rocco D'Ascenzo