COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE GAS)AND ELECTRIC COMPANY FOR APPROVAL OF)STATE WAIVER OF THE REASSESSMENT INTERVAL)2016-00386REQUIRED BY 49 C.F.R. § 192.939)

ORDER

On March 3, 2017, Louisville Gas and Electric Company ("LG&E") filed a petition ("Petition"), pursuant to KRS 61.878(1)(c) and 807 KAR 5:001, Section 13, requesting that the Commission grant confidential protection for five years from the date of filing for certain information provided by LG&E in response to Commission Staff's First Request for Information ("Staff's First Request"), Item 2.

In support of its Petition requesting confidential treatment, LG&E asserts that the designated material in its response to Staff's First Request, Item 2, pertains to pricing information for the use of an in-line inspection ("ILI") tool, and that public disclosure would permit an unfair commercial advantage to competitors of LG&E and would hinder LG&E's ability to receive the best proposals and procure the best contract terms in future negotiations. LG&E states that counterparties are more likely to provide proposals and enter contracts when they know that sensitive terms such as pricing will not be known to their competitors or their other customers and may be less willing to make proposals or

respond to requests for proposals, or to offer LG&E concessions. LG&E states that the information for which it is seeking confidential treatment is not known outside of LG&E, is not disseminated within LG&E 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.

Having considered the Petition and the material at issue, the Commission finds that the designated material contained in LG&E's response to Staff's First Request, Item 2, is generally recognized as confidential or proprietary which, if openly disclosed, could put LG&E at a competitive disadvantage and is exempted from public disclosure pursuant to KRS 61.878(1)(c) and 807 KAR 5:001, Section 13.

IT IS THEREFORE ORDERED that:

1. LG&E's Petition for confidential protection for designated material contained in its response to Staff's First Request, Item 2, is granted.

2. The designated material set forth in LG&E's response to Staff's First Request, Item 2, shall not be placed in the public record or made available for public inspection for five years from the date of filing, or until further Orders of the Commission.

3. Use of the designated material in any Commission proceeding shall be in compliance with 807 KAR 5:001, Section 13(9).

4. LG&E shall inform the Commission if the material in question becomes publicly available or no longer qualifies for confidential treatment.

-2-

5. If a non-party to this proceeding requests to inspect material granted confidential treatment by this Order and the period during which the material has been granted confidential treatment has not expired, then LG&E shall have 20 days from receipt of written notice of the request to demonstrate that the material still falls within the exclusions from disclosure requirements established in KRS 61.878(1)(m)(1). If LG&E is unable to make such demonstration, the requested material shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

6. The Commission shall not make the requested material available for inspection for 20 days following an Order finding that the material no longer qualifies for confidential treatment in order to allow LG&E to seek a remedy afforded by law.

By the Commission

ENTERED JUN 3 0 2017 Y PUBLIC

ATTEST:

Jaline R. Mathems

Executive Director

Case No. 2016-00386

*J. Gregory Cornett Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Peter Clyde Manager, Gas Regulatory Compliance Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40202

*Rick E Lovekamp Manager - Regulatory Affairs LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202

*Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010

*Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010