BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY KENTUCKY, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONVERT ITS WET FLUE GAS DESULFURIZATION SYSTEM FROM A QUICKLIME REAGENT PROCESS TO A LIMESTONE REAGENT HANDLING SYSTEM AT ITS EAST BEND GENERATING STATION AND FOR APPROVAL TO AMEND ITS ENVIRONMENTAL COMPLIANCE PLAN FOR RECOVERY BY ENVIRONMENTAL SURCHARGE MECHANISM

CASE NO. 2025-00002

<u>O R D E R</u>

On April 30, 2025, Duke Energy Kentucky, Inc. (Duke Kentucky) filed a petition,

pursuant to 807 KAR 5:001, Section 13, and KRS 61.878, requesting that the Commission

grant confidential treatment for ten years for the highlighted information contained in the

Rebuttal Testimony of John A Verderame and the associated attachment in its entirety.

LEGAL STANDARD

The Commission is a public agency subject to Kentucky's Open Records Act, which requires that all public records "be open for inspection by any person, except as otherwise provided by KRS 61.870 to 61.884."¹ The exceptions to the free and open examination of public records contained in KRS 61.878 should be strictly construed.² The

¹ KRS 61.872(1).

² See KRS 61.871.

party requesting that materials be treated confidentially has the burden of establishing that one of the exceptions is applicable.³ In determining whether materials should be exempt from disclosure, the Commission must balance the potential harm from disclosure with "the effect of protecting a given document from scrutiny by the public and potential intervenors."⁴

DISCUSSION AND FINDINGS

John A. Verderame's Rebuttal Testimony includes vendor pricing information, market risk analysis, pricing forecasts, and Duke Kentucky's strategies and evaluations for procuring a reliable resource of cost-effective reagent supply for East Bend's wet-flue gas desulfurization process.⁵ The associated attachment contains proprietary modeling and analysis that includes pricing forecasts, unit dispatch projections, and load assumptions, used to inform Duke Kentucky's strategies and evaluations in procuring a reliable source of cost-effective reagent supply for East Bend's wet-flue gas desulfurization process.⁶

Duke Kentucky argued that the highlighted information includes confidential contract negotiations and pricing terms, as well as Duke Kentucky's risk assessments, the disclosure of which would result in a commercial disadvantage, and should remain

³ 807 KAR 5:001, Section 13(2)(c).

⁴ Case 2018-00153, Electronic Application of Kentucky Utilities Company for an Order Authorizing the Issuance of Securities and Assumption of Obligations and an Order Amending and Extending Existing Authority with Respect to Revolving Line of Credit (Ky. PSC Aug. 22, 2018) at 2, citing Southeastern United Medigroup, Inc. v. Hughes, 952 S.W.2d 195, 199 (Ky. 1997), abrogated on other grounds by Hoskins v. Maricle, 150 S.W.3d 1 (Ky. 2004).

⁵ Petition for Confidential Treatment of Duke Kentucky's for Certain Information Contained in Rebuttal Testimony (Petition) (filed Apr. 30, 2025) at 3, paragraph (b)(i).

⁶ Petition at 3, paragraph (b)(i).

confidential pursuant to KRS 61.878(1)(c)(1).⁷ In addition, Duke Kentucky argued that the associated attachment depicts Duke Kentucky's internal forecasts of generating unit performance, projected sales, dispatch costs and load projections, which could adversely affect Duke Kentucky's ability to compete in the wholesale electric markets and should remain confidential pursuant to KRS 61.878(1)(c)(1).⁸

Having considered the petition and the material at issue, the Commission finds that the highlighted information contained in the Rebuttal Testimony of John A Verderame and the entire associated attachment, is generally recognized as confidential or proprietary, that disclosure of the material would permit an unfair commercial advantage to competitors of the disclosing party; it therefore meets the criteria for confidential treatment and should be exempted from public disclosure pursuant to 807 KAR 5:001, Section 13, and KRS 61.878(1)(c)(1).

IT IS THEREFORE ORDERED that:

1. Duke Kentucky's April 30, 2025 petition for confidential treatment for the highlighted information contained in the Rebuttal Testimony of John A Verderame and the entire associated attachment is granted.

2. The designated material granted confidential treatment by this Order shall not be placed in the public record or made available for public inspection for ten years or until further order of this Commission.

3. Use of the designated material granted confidential treatment by this Order in any Commission proceeding shall comply with 807 KAR 5:001, Section 13(9).

⁷ Petition at 4, paragraph (b)(i).

⁸ Petition at 4, paragraph (b)(i).

4. If the designated material granted confidential treatment by this Order becomes publicly available or no longer qualifies for confidential treatment, Duke Kentucky shall inform the Commission and file with the Commission an unredacted copy of the designated material.

5. If a nonparty to this proceeding requests to inspect the material granted confidential treatment by this Order and the period during which the material has been granted confidential treatment has not expired, Duke Kentucky shall have 30 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. If Duke Kentucky 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 30 days from the date of service of an Order finding that the material no longer qualifies for confidential treatment in order to allow Duke Kentucky to seek a remedy afforded by law.

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PUBLIC SERVICE COMMISSION

Vice-Chairman

on Commission

ATTEST:

RP

Executive Director



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