COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

INVESTIGATION INTO THE MEMBERSHIP OF)
LOUISVILLE GAS AND ELECTRIC COMPANY)
AND KENTUCKY UTILITIES COMPANY IN THE) CASE NO. 2003-00266
MIDWEST INDEPENDENT TRANSMISSION)
SYSTEM OPERATOR, INC.)

MOTION OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY FOR CONFIDENTIAL TREATMENT

Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E") (collectively, the "Companies"), pursuant to 807 KAR 5:001, Section 7, respectfully move the Commission to classify as confidential and protect from public disclosure certain information provided by the Companies in response to Supplemental Question Nos. 7 and 25 of the Midwest Independent Transmission System Operator, Inc. ("MISO") in the above-captioned proceeding. The information for which the Companies request confidential treatment ("Confidential Information") includes data regarding projected power sales, purchases and exchanges (No. 7) and projected fuel costs (No. 25). The projections sought to be protected were developed internally by LG&E and KU personnel, are not available publicly from any commercial or other source outside the Companies, and are distributed within the Companies only to those employees who must have access for business reasons.

In support of this Motion, the Companies state as follows:

- 1. Under the Kentucky Open Records Act, a party is entitled to withhold from public disclosure commercial information to the extent such disclosure would permit an unfair advantage to competitors of that party. See KRS 61.878 (1)(c). Public disclosure of the information identified herein would, in fact, prompt such a result, for the reasons set forth below.
- 2. The information provided in response to MISO Supplemental Request No. 7 (regarding the Companies' projected power sales, purchases and exchanges) is based on projected power prices, and reveals how LG&E and KU expect to be positioned in the competitive market in the future. This is highly sensitive information that, if made public, would enable competitors to manipulate the information to the detriment of LG&E and KU and their ratepayers. Specifically, disclosure could afford the Companies' competitors a competitive advantage in bidding for and securing new bulk power loads, and, similarly, could afford an undue preference to the Companies' wholesale power purchasers and sellers, as the latter would enjoy an obvious advantage in any contractual negotiations to the extent they could determine the Company's forward price projections.
- 3. The information provided in response to MISO Supplemental Request No. 25 (regarding the Companies' projected fuels costs), if publicly disclosed, would make the Companies' competitors privy to the Companies' expected minimum margin on bulk power sales, affording these entities a distinct competitive advantage in bidding for and securing new bulk power loads. Similarly, disclosure would afford an undue advantage to the Companies' wholesale power purchasers, as the latter would enjoy an obvious advantage in any contractual negotiations to the extent they could calculate the Companies' sales margins.

4. The information for which the Companies are seeking confidential treatment is

not known outside of the Companies and is not disseminated within the Companies except to

those employees with a legitimate business need to know and act upon the information.

5. The Companies do not object to limited disclosure of the confidential information

described herein, pursuant to an acceptable protective agreement, to intervenors with legitimate

interests in reviewing the same for the purpose of participating in this case.

6.

In accordance with the provisions of 807 KAR 5:001 Section 7, the Companies

are filing with the Commission one copy of the Confidential Information with the confidential

information highlighted and ten (10) copies without the confidential information.

WHEREFORE, Kentucky Utilities Company and Louisville Gas and Electric Company

respectfully request that the Commission grant confidential protection to the above-described

Confidential Information for a period of five years from the date of the filing of the same.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document was served on the following persons on the 10th day of November 2003, U.S. mail, postage prepaid:

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