

J. GREGORY CORNETT

DIRECT DIAL 502-560-4210 DIRECT FAX 502-627-8710

gcornett@ogdenlaw.com

1700 PNC PLAZA
500 WEST JEFFERSON STREET
LOUISVILLE, KENTUCKY 40202-2874
(502) 582-1601
FAX (502) 581-9564
www.ogdenlaw.com

February 25, 2005

RECEIVED

FEB 2 5 2005

PUBLIC SERVICE COMMISSION

VIA HAND DELIVERY

Elizabeth O'Donnell Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40601

RE: <u>In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity, and a Site Compatibility Certificate, for the Expansion of the Trimble</u>

Case No. 2004-00507

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and ten copies of Louisville Gas and Electric Company's and Kentucky Utilities Company's Petition for Confidential Protection in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Very truly yours,

J. Gregory Cornett

JGC/ec Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

- B - 2		7	printing p		emeses 122	
1	LASTAN	"lg#?"	Carel	W.	k mal	1.56

In the Matter of:	FEB 2 5 2005
JOINT APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR A CERTIFICATE	PUBLIC SERVICE COMMISSION
OF PUBLIC CONVENIENCE AND NECESSITY, AND A SITE COMPATIBILITY CERTIFICATE,) CASE NO: 2004-00507
FOR THE EXPANSION OF THE TRIMBLE COUNTY GENERATING STATION)

PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR CONFIDENTIAL PROTECTION

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively "Companies") petition the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001, Section 7, and KRS 61.878(1)(c) to grant confidential protection to certain information requested of the Companies by Commission Staff Data Request 1a. In support of this Petition, LG&E and KU state as follows:

1. On December 7, 2004, LG&E and KU filed an Application with the Commission for a Certificate of Public Convenience and Necessity for the Expansion of the Trimble County Generating Station through the Construction of their Seventy-Five Percent Collective Share of a 750 Mw Nominal Net (732 Mw summer rating) Super-Critical Pulverized Coal Fired Base Load Generating Unit. On February 10, 2005, Commission Staff issued is First Set of Data Requests to the Companies. One of those Requests, Q-1a, seeks all assumptions, calculations and workpapers relating to each scenario presented in the Resource Assessment Appendix F-Production Cost Output Summary. The Companies are providing a 22-page attachment in response to that request, and certain information contained therein relating to modeled fuel

prices, projected market prices, and generating unit data should be afforded confidential protection.

- 2. 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 the party seeking confidentiality.
- 3. Page 14 of 22 of the attachment being provided in response to Staff Data Request Q-1a provides modeled fuel prices (cents/Mbtu) for fuel used at the Companies' generating facilities. This information is confidential and proprietary because the public disclosure of this information would provide unfair commercial advantages to the Companies' competitors in the wholesale market for bulk and off-system power sales and to coal suppliers who bid to sell coal to the Companies.
- 4. Pages 16-18 of 22 of the attachment being provided in response to Staff Data Request Q-1a provide the Companies projected market prices for electricity. The Companies have spent significant effort and money obtaining and maintaining the software utilized to develop the market prices. This information is confidential and proprietary because the public disclosure of this information would provide unfair commercial advantages to the Companies' competitors in the wholesale market for bulk and off-system power sales.
- 5. Page 21 of 22 of the attachment being provided in response to Staff Data Request Q-1a provides unit-specific data relating to average heat rates at full load (Mbtu/MWh), EFOR, FGD removal efficiency and Full Load NOx rates (lb/Mbtu). This information is confidential and proprietary because the public disclosure of this information would provide unfair commercial advantages to the Companies' competitors in the wholesale market for bulk and off-

system power sales. Specifically, this unit-specific data allows the Companies to forecast NOx and So₂ emission levels, and, if publicly available, could negatively impact the Companies' ability to purchase allowances at a fair market price. This data also allows the Companies to develop forecasted fuel requirements and, if made public, could negatively affect the Companies' ability to secure contracts at a fair market price.

- 6. The relevant pieces of information provided in the attachment in response to Staff Data Request Q-1a demonstrate on their face that they merit confidential protection. If the Commission disagrees, however, it must hold an evidentiary hearing to protect the due process rights of the Companies and supply the Commission with a complete record to enable it to reach a decision with regard to this matter. <u>Utility Regulatory Commission v. Kentucky Water Service Company, Inc.</u>, Ky. App., 642 S.W.2d 591, 592-94 (1982).
- 7. The information for which LG&E and KU are seeking confidential treatment is not known outside of LG&E and KU, and it is not disseminated within LG&E and KU except to those employees with a legitimate business need to know and act upon the information.
- 8. LG&E and KU do not object to disclosure of the confidential information to those granted full intervenor status, pursuant to a protective agreement.
- 9. In accordance with the provisions of 807 KAR 5:001 Section 7, one copy of the confidential information contained in the attachment to Q-1a is highlighted in yellow and ten (10) copies with the confidential information redacted are herewith filed with the Commission.

WHEREFORE, Louisville Gas and Electric Company and Kentucky Utilities Company respectfully request that the Commission grant confidential protection for the information at issue, or in the alternative, schedule an evidentiary hearing on all factual issues while maintaining the confidentiality of the information pending the outcome of the hearing.

Dated: February 25, 2005

Respectfully submitted,

Kendrick R. Riggs

J. Gregory Cornett

OGDEN NEWELL & WELCH PLLC

1700 PNC Plaza

500 West Jefferson Street

Louisville, Kentucky 40202

Telephone: (502) 582-1601

Robert M. Watt III Stoll, Keenon & Park, LLP 300 West Vine Street, Suite 2100 Lexington, Kentucky 40507-1801 Telephone: (859) 231-3000

Elizabeth L. Cocanougher Senior Corporate Attorney LG&E Energy LLC 220 West Main Street Post Office Box 32010 Louisville, Kentucky 40232 Telephone: (502) 627-4850

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Petition for Confidential Protection was served on the following persons on the 25th day of February 2005, U.S. mail, postage prepaid:

Elizabeth E. Blackford Assistant Attorney General Office of the Attorney General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601 John N. Hughes Attorney at Law 124 West Todd Street Frankfort, Kentucky 40601

Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202 Daniel A. Lane
Vice President and Managing Counsel
Indiana Municipal Power Agency
11610 North College Avenue
Carmel, Indiana 46032

Troy A. Fodor, P.C. 913 South Sixth Street Springfield, Illinois 62703 Douglas L. Jeavons Managing Director BBC Research & Consulting 3773 Cherry Creek North Drive, Suite 850 Denver, Colorado 80209-0448

Don Meade Priddy, Isenberg, Miller & Meade, PLLC 800 Republic Building 429 West Muhammad Ali Boulevard Louisville, Kentucky 40202

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company