

FEB 0 5 2007

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENT OF ELECTRIC RATES) CASE NO.
OF EAST KENTUCKY POWER) 2006-00472
COOPERATIVE, INC.

PETITION FOR CONFIDENTIAL TREATMENT OF INFORMATION

Comes now the petitioner, East Kentucky Power Cooperative, Inc. ("EKPC") and, as grounds for this Petition for Confidential Treatment of Information (the "Petition"), states to the Public Service Commission (the "Commission") as follows:

- 1. This Petition is filed in conjunction with the filing of EKPC's responses to the Commission Staff's First Data Request in this case, dated December 5, 2006, and relates to confidential information contained in responses to Requests 6 and 13 that is entitled to protection pursuant to 807 KAR 5:001 Section 7 and KRS §61.878 (1) (c) 1 and related sections.
- 2. The designated confidential information in the response to Request 13 includes figures corresponding to accounting entries associated with the on-going litigation with the Environmental Protection Agency (the "EPA") concerning EKPC's compliance with environmental regulations, and other figures in the response which are directly derived from those accounting entries. The response to Request 6 includes privileged communications in an engagement letter between EKPC and outside counsel representing EKPC in this EPA litigation. EKPC is currently involved with settlement discussions

regarding this litigation, and disclosure of the details of this information could adversely affect its strategies and bargaining position in such discussions. Such disclosure could result in less favorable settlement terms, which would potentially increase the magnitude of the out-of-pocket costs of any settlement, and/or lead to the proposal of less favorable terms regarding EKPC plant operation. Such developments would increase EKPC's overall operating costs and would lead to an unfair competitive disadvantage for EKPC in its efforts to compete with the power marketers, utilities and other entities that deal in the market for surplus bulk power, and to compete with other utilities in Kentucky for new industrial customers.

- 3. The Commission granted confidential treatment on December 15, 2006 and January 9, 2007, for similar information submitted by EKPC in PSC Case No. 2006-00455.
- 4. Along with this Petition, EKPC has enclosed one copy of confidential sections of the subject responses to Requests 6 and 13, with the confidential information identified by highlighting or other designation, and 10 copies of its complete responses to the subject Data Requests, with the confidential information redacted. The identified confidential information is not known outside of EKPC and is distributed within EKPC only to persons with a need to use it for business purposes. It is entitled to confidential treatment pursuant to 807 KAR 5:001 Section 7 and KRS §61.878(1)(c) 1, for the reasons stated hereinabove, as information which would permit an unfair commercial advantage to competitors of EKPC if disclosed. The subject information is also entitled to protection pursuant to KRS §61.878(1)(c) 2 c, as records generally recognized as

confidential or proprietary which are confidentially disclosed to an agency in conjunction with the regulation of a commercial enterprise.

WHEREFORE, EKPC respectfully requests the Public Service Commission to grant confidential treatment to the identified information and deny public disclosure of said information.

Respectfully submitted,

han a. Lile

CHARLES A. LILE

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ATTORNEY FOR EAST KENTUCKY POWER COOPERATIVE, INC.

CERTIFICATE OF SERVICE

This is to certify that an original and 10 copies of the foregoing Petition for Confidential Treatment of Information in the above-styled case were delivered to the office of Elizabeth O'Donnell, Executive Director of the Public Service Commission, 211 Sower Boulevard, Frankfort, KY 40601, and copies were mailed to Parties of Record, this 5th day of February 2007.

Charles A. Lile