

RECEIVED

FEB 0 2 2007

PUBLIC SERVICE COMMISSION

February 2, 2007

HAND DELIVERED

Ms. Elizabeth O'Donnell Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

Re: PSC Case No. 2006-00564

Dear Ms. O'Donnell:

Please find enclosed for filing with the Commission in the above-referenced case an original and ten redacted copies of the responses of East Kentucky Power Cooperative, Inc. ("EKPC"), to the Commission Staff Supplemental Data Requests dated January 26, 2007. Also enclosed are an original and ten copies of EKPC's Petition for Confidential Treatment of Information regarding portions of these responses, and one confidential copy of pages containing designated confidential information.

Very truly yours,

Charles A. Lile

Senior Corporate Counsel

Enclosures

Cc: Parties of Record

BEFORE THE PUBLIC SERVICE COMMISSION RECEIVED

FEB 0 2 2007

In the Matter of:

PUBLIC SERVICE COMMISSION

AN INVESTIGATION INTO EAST KENTUCKY) POWER COOPERATIVE, INC.'S CONTINUED) CASE NO. NEED FOR CERTIFICATED GENERATION 2006-00564

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 response to Data Request No. 1 contained in the Commission Staff's Supplemental Data Request dated January 26, 2007, and relates to confidential information contained in that response 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 Response No. 1 is contained in contracts for the construction of Spurlock Station CFB Unit 4 and Smith Station CFB Unit 1. This confidential information includes provisions which were specifically negotiated between EKPC and the various contractors, and may reflect pricing and other commercial terms that would not routinely be offered by such contractors. These contracts include confidentiality obligations on EKPC's part relating to such provisions, and the disclosure of this information could jeopardize the ability of EKPC to negotiate

favorable terms with such contractors in regard to future EKPC generation projects. The number of contractors for critical power plant components is limited, and the inability to negotiate such favorable pricing would raise the capital costs of such future generating projects. Such higher project costs would increase EKPC's overall power production 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, and in other states, for new industrial customers.

3. Along with this Petition, EKPC has enclosed one copy of confidential sections of the subject response, with the confidential information identified by highlighting or other designation, and 10 copies of the responses 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,

CHARLES A. LILE

P. O. BOX 707 WINCHESTER, KY 40392-0707 (859) 744-4812

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 2nd day of February, 2007.

Charles A. Lile