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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION) OF THE FUEL ADJUSTMENT CLAUSE OF) LOUISVILLE GAS AND ELECTRIC) CASE NO. 2007-00525 COMPANY FROM MAY 1, 2007 THROUGH) OCTOBER 31, 2007)

PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR CONFIDENTIAL PROTECTION

Louisville Gas and Electric Company ("LG&E"), pursuant to 807 KAR 5:001, Section 7, respectfully petitions the Commission to classify as confidential and protect from public disclosure certain information provided by LG&E in response to Question No. 17 of the Commission's data requests, as contained in Appendix A of the Commission's Order dated January 23, 2008. The information for which LG&E requests confidential treatment ("Confidential Information") pertains to coal bid analysis information. In support of this Motion, LG&E notes that the Commission treated all this same information as confidential in LG&E's last two-year fuel adjustment clause review proceeding. (*See* Letter from Executive Director Beth O'Donnell re LG&E Petition for Confidential Protection, Case No. 2006-00510 (Jan. 26, 2007), attached hereto as Attachment 1.)

In further support of this Motion, LG&E states as follows:

1. Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure information confidentially disclosed to it to the extent that open disclosure would permit an unfair commercial advantage to competitors of the entity disclosing the information to the Commission. *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.

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PUBLIC SERVICE COMMISSION 2. Disclosure of the factors underlying LG&E's bid analysis/selection process would damage LG&E's competitive position and business interests. This information reveals the business model the Company uses – the procedure it follows and the factors/inputs it considers – in evaluating bids for coal supply. If the Commission grants public access to the information requested in Question No. 17, potential bidders could manipulate the bid solicitation process to the detriment of LG&E and its ratepayers by tailoring bids to correspond to and comport with LG&E's bidding criteria and process. As noted above, the Commission has treated such information as confidential in the past. (*See* Attachment 1, Letter from Executive Director Beth O'Donnell re LG&E Petition for Confidential Protection, Case No. 2006-00510 (Jan. 26, 2007).)

3. The information for which LG&E is seeking confidential treatment is not known outside of LG&E, is not disseminated within LG&E except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry.

4. LG&E does 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.

5. In accordance with the provisions of 807 KAR 5:001, Section 7, LG&E is filing with the Commission one copy of the Confidential Information highlighted and ten (10) copies without the Confidential Information.

WHEREFORE, Louisville Gas and Electric Company respectfully requests that the Commission grant confidential protection to the information designated as confidential for a period of five years from the date of filing the same.

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Dated: February 13, 2008

Respectfully submitted,

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Kendrick R. Riggs W. Duncan Crosby III Stoll Keenon Ogden PLLC 2000 PNC Plaza 500 West Jefferson Street Louisville, Kentucky 40202-2828 Telephone: (502) 333-6000

Allyson K. Sturgeon Senior Corporate Counsel E.ON U.S. LLC 220 West Main Street Louisville, Kentucky 40202 Telephone: (502) 627-2088

Counsel for Louisville Gas and Electric Company

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Petition for Confidential Protection was served via U.S. mail, first-class, postage prepaid, this <u>134</u> day of February 2008, upon the following persons:

Dennis G. Howard II Assistant Attorney General Office of the Kentucky Attorney General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601-8204 Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, Ohio 45202

Couhsel for Louisville Gas and Electric Company

Attachment 1

Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Timothy J. LeDonne Commissioner Department of Public Protection



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

January 26, 2007

Mark David Goss Chairman

> John W. Clay Commissioner

Allyson K. Sturgeon E.ON U.S. LLC 220 West Main Street P. O. Box 32010 Louisville, KY 402032

RE: LG&E Petition for Confidential Protection Case No. 2006-00510

Dear Ms. Sturgeon:

The Commission has received your petition filed January 22, 2007, to protect as confidential LG&E's responses to questions 6, 9 and 24 of the Commission's data request contained in Appendix B to its Order dated 12/18/06. A review of the information has determined that it is entitled to the protection requested on the grounds relied upon in the petition, and it will be withheld from public inspection.

If the information becomes publicly available or no longer warrants confidential treatment, you are required by 807 KAR 5:001, Section 7(9)(a), to inform the Commission so that the information may be placed in the public record.

Sincerel Beth O'Donnell **Executive Director**

cc: Parties of Record

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