BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

Case IPUBIOL SERVICE

In the Matter of An Examination of the Application Of the Fuel Adjustment Clause of Duke Energy Kentucky) From November 1, 2007 through April 30, 2008

> PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS RESPONSES TO COMMISSION'S FIRST SET OF DATA REQUESTS

Duke Energy Kentucky, Inc. ("DE-Kentucky" or "Company"), pursuant to 807 KAR 5:001, Section 7, respectfully requests the Commission to classify and protect certain information provided by DE-Kentucky in response to data request No. 17 in the Commission's first set of data requests, as contained in Appendix A of the Commission's Order dated August 22, 2008. The information for which DE-Kentucky seeks confidential treatment ("Confidential Information") pertains to coal bid analysis information. In support of this Motion, DE-Kentucky notes that the Commission has treated coal analysis information as confidential in other utilities' responses to the same data request such as Kentucky Utilities Cases No. 2006-509 and 2006-278.

In support of this Petition, DE-Kentucky states:

1. 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 that party. Public disclosure

of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

- Disclosure of the factors underlying DE-Kentucky's bid analysis/selection process would damage DE-Kentucky's position and business interests and the disclosure of the bid amounts and the vendor names would allow the competing coal companies to know the value of proposals and could cause companies to tailor future proposals and artificially raise price proposals. 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 data request No. 17, potential bidders could manipulate the bid solicitation process to the detriment of DE-Kentucky and its ratepayers by tailoring bids to correspond to and comport with DE-Kentucky's bidding criteria and process. As noted above, the Commission has treated such information as confidential in the past for other utilities within the same type cases regarding the Fuel Adjustment Clause.
- 3. The information for which DE-Kentucky is seeking confidential treatment is not known outside of DE-Kentucky.
- 4. DE-Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, to the Attorney General or other intervenors with a legitimate interest 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, the Company is filing with the Commission one copy of the Confidential Material highlighted and five (5) copies without the confidential information.

WHEREFORE, Duke Energy Kentucky, Inc. respectfully requests that the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

DUKE ENERGY KENTUCKY

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of Duke Energy Kentucky, Inc.'s Petition for Confidential Treatment of Information Contained in Duke Energy Kentucky, Inc.'s was served on the following by overnight mail, this \(\frac{1}{2} \) day of September 2008.

Amy B. Spiller

Honorable Dennis G. Howard, II Honorable David E. Spenard Assistant Attorneys General 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601