

### **DUKE ENERGY CORPORATION**

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Kristen Cocanougher Sr. Paralegal E-mail: Kristen.cocanougher@duke-energy.com

# **VIA OVERNIGHT DELIVERY**

April 4, 2011

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601 RECEIVED

APR 05 2011

PUBLIC SERVICE COMMISSION

Re: Case No. 2010-00494

Dear Mr. Derouen:

Enclosed please find an original and twelve copies of Duke Energy Kentucky Inc.'s Public response to Staff's Post Hearing Data Request and Petition for Confidential Treatment in the above captioned case. Also enclosed in the white envelope is one set of the confidential response to STAFF-POST HEARING- DR-01-001-PUBLIC being filed under seal.

Please date-stamp the two copies of the letter, the Data Request and the Petition and return to me in the enclosed envelope.

Sincerely,

Kristen Cocanougher

Kristen Cocanougher

cc: Dennis G. Howard II

Duke Energy Kentucky Case No. 2010-00494 Staff Post Hearing Data Request Date Received: March 22, 2011

# STAFF-POST HEARING-DR-01-001 PUBLIC

# **REQUEST:**

Provide Duke Kentucky's most recent projected natural gas requirements for the years 2011 and 2012 in MCF and dollars.

## **RESPONSE:**

# CONFIDENTIAL AND PROPRIETARY TRADE SECRET

This response has been filed with the Commission under a Petition for Confidential Treatment.

PERSON RESPONSIBLE: Lisa D. Steinkuhl

# CONFIDENTIAL PROPRIETARY TRADE SECRET

Case No. 2010-00494 STAFF-POST HEARING-DR-01-001 Attachment CONFIDENTIAL Page 1 of 1

Duke Energy Kentucky

Forecasted Gas Consumption for Native Load Customers 2011 and 2012

	2012					2011		
Gas Consumed (\$ per MCF) Woodsdale	Gas Consumed (MCF) Woodsdale	Gas Consumed (\$ in Thousands) Woodsdale	Gas Consumed (\$ per MCF) Woodsdale	Gas Consumed (MCF) Woodsdale	Gas Consumed (\$ in Thousands) Woodsdale			
per MCF)	CF)	in Thousands)	per MCF)	CF)	in Thousands)	Jan		
						Feb		
						Mar		
						Apr		
						May		
						Jun		
						<u>Ju</u>		
			0	4.77 Å		Aug		
						Sep		
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## COMMONWEALTH OF KENTUCKY

# APR 05 2011

# BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

An Examination of the Application of	)	COMMISSION
The Fuel Adjustment Clause of Duke Energy	)	Case No. 2010-494
Kentucky, Inc from November 1, 2008 through	)	
October 31, 2010	)	

# PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS RESPONSES TO COMMISSION STAFF'S POST HEARING DATA REQUEST

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:001, Section 7, respectfully requests the Commission to classify and protect certain information provided by Duke Energy Kentucky in its response to post hearing data request number 1, as requested by Commission Staff (Staff) in this case on March 22, 2011. The information that Staff seeks through discovery and for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) shows the Company's projected natural gas requirements both in MCF volume and dollars, which happens to include sensitive information regarding Duke Energy Kentucky's regulated utility affiliates in Ohio.

The response in Post Hearing Data Request Number 1 contains sensitive information, the disclosure of which would injure Duke Energy Kentucky and its competitive position and business interest. Specifically, the response to number 1 provides Duke Energy Kentucky's anticipated future natural gas requirements and costs. This response could provide power marketing competitors and fuel vendors with knowledge regarding Duke Energy Kentucky's operating costs and commodity positions that will allow them potentially to manipulate the

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<sup>&</sup>lt;sup>1</sup> Post-Hearing Data Request No. 1

marketplace so as to unnecessarily cause consumers to pay more for natural gas than they otherwise would.

In support of this Petition, Duke Energy 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.
- 2. Public disclosure of projected natural gas requirements in Data Request Number 1 would afford Duke Energy Kentucky's competitors and potential vendors a distinct competitive advantage in any contractual negotiations. Vendors and competitors would know Duke Energy Kentucky's projected monthly natural gas requirements for the next two years. This information could be used against Duke Energy Kentucky as it negotiates to satisfy its projected requirements.
- 3. The information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Corporation.
- 4. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, to intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.
- 5. The Commission has treated the same information described herein as confidential in other utilities' responses to the same data requests such as

- Louisville Gas and Electric Company Case No. 2008-521<sup>2</sup> and Kentucky Utilities

  Case 2008-520<sup>3</sup> and for Duke Energy Kentucky in Case No. 2008-00522<sup>4</sup>.
- 6. On February 14, 2011, Duke Energy Kentucky filed a Petition for Confidential
  Protection of the information contained in Duke Energy Kentucky's Response to
  Staff's Data Request No. 5. This is the same information contained in Duke
  Energy Kentucky's Post Hearing Data Response number 1 and for which Duke
  Energy Kentucky is now seeking confidential treatment of. On February 23, 2011,
  the Commission ordered this information as confidential.<sup>5</sup>
- 7. This information was, and remains, integral to Duke Energy Kentucky's effective execution of business decisions. And such information is generally regarded as confidential or proprietary. Indeed, as the Kentucky Supreme Court has found, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary." Hoy v. Kentucky Industrial Revitalization Authority, Ky., 904 S.W.2d 766, 768.
- 8. 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 ten (10) 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.

<sup>&</sup>lt;sup>2</sup> Case No. 2008-521, Letter granting Confidential treatment, March 20, 2009.

<sup>&</sup>lt;sup>3</sup> Case No. 2008-520, Letter granting Confidential treatment, March 20, 2009.

<sup>&</sup>lt;sup>4</sup> Case No. 2008-522, Letter granting Confidential treatment, March 20, 2009.

<sup>&</sup>lt;sup>5</sup> Case No. 2010-494, Letter granting Confidential treatment, February 23, 2011.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

Rocco O. D'Ascenzo (92796)

Associate General Counsel

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Deputy General Counsel

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# **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing filing was served on the following via overnight mail, postage prepaid, this 4 day of April 2011:

Dennis G. Howard II Assistant Attorney General The Kentucky Office of the Attorney General 1024 Capital Center Drive Frankfort, Kentucky 40602-2000

Rocco O. D'Ascenzo