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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

THE APPLICATION OF KENTUCKY)	
UTILITIES COMPANY FOR AN ORDER)	
AUTHORIZING THE ISSUANCE OF)	CASE NO. 2012-_____
SECURITIES AND THE ASSUMPTION OF)	
OBLIGATIONS)	

**PETITION OF KENTUCKY UTILITIES COMPANY FOR
CONFIDENTIAL PROTECTION PURSUANT TO 807 KAR 5:001, SECTION 7
AND MOTION FOR DEVIATION FROM COMMISSION RULES
PURSUANT TO 807 KAR 5:001, SECTION 14**

Kentucky Utilities Company (“KU” or the “Company”) hereby petitions the Kentucky Public Service Commission (the “Commission”) pursuant to 807 KAR 5:001, Section 7, and KRS 61.878(1)(c) and 61.878(1)(m), to grant confidential protection to certain information contained in the Engineering, Procurement and Construction Agreement between Kentucky Utilities Company, as Owner and TIC – The Industrial Company, as Contractor (the “Contract”) attached to KU’S Application as Exhibit 4. KU also moves for a deviation from the Commission’s Rules Pursuant to 807 KAR 5:001, Section 14. In support of this Petition and Motion, KU states as follows:

1. The Kentucky Open Records Act exempts from disclosure certain confidential commercial information. KRS 61.878(1)(c). To qualify for this exemption and maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of the party seeking confidentiality.
2. The information and portions of the Contract that KU seeks to protect are the product of extensive negotiations between KU and its contractor, TIC – The Industrial Company

(the “Contractor”). These provisions represent concessions, terms and conditions that KU has been able to negotiate for KU’s and its customers’ benefit.

3. Making these provisions publicly available would allow the Company’s competitors, who also seek to negotiate the best contracts possible, to take advantage of any concessions and favorable terms and conditions that the Company has been able to negotiate in their own negotiations.

4. KU’s Contractor, and others in the construction industry, would not favor public disclosure of concessions that they have made because those concessions would be used against them in future negotiations with other customers. They would therefore be more likely to insist on standard contract provisions and less willing to negotiate terms with KU in the future, thus jeopardizing KU’s ability to obtain the best possible contracts, placing it at an additional competitive disadvantage.

5. In addition, other contractors and suppliers would be in a position to determine which terms and conditions KU was willing to accept, thus placing the Company at a competitive disadvantage with contractors and suppliers who could use the information in future negotiations or proposals, resulting in increased prices for the Company and its ratepayers, and less favorable contracts for the Company, thereby giving competitive advantage to the Company’s competitors.

6. Certain of the information should also be protected from public disclosure pursuant to KRS 61.878(1)(m) which, among other things, exempts information related to public utility critical systems. Specifically, public disclosure of the technical design and specifications and security protocols which KU seeks to protect would facilitate terrorist acts intended to disrupt electric generation and transmission, as well as affecting the storage and use of

potentially hazardous chemicals used in connection with generation and pollution control measures.

7. The information contained in the Contract which the Company seeks to protect, is not publicly known and is not disseminated within the Company except to those persons with a legitimate business need to know and act on the information.

8. There is no public interest to be served by disclosure of the confidential provisions of the Contract.

9. All of the information for which the Company seeks confidential protection demonstrates on its face that it merits confidential protection. If, however, the Commission disagrees, the Commission must hold an evidentiary hearing to protect the due process rights to the Company and supply the Commission with a complete record to enable it to reach a decision with regard to this matter. Utility Regulatory Commission v. Kentucky Water Service Company, Inc., Ky. App., 642 SW2nd 591, 592-594 (1982).

10. In accordance with the provisions of 807 KAR 5:001 Section 7, the Company is filing with the Commission one (1) set of the confidential information with the confidential information highlighted in yellow and ten (10) copies with the confidential information redacted.

11. In addition, KU moves the Commission pursuant to 907 KAR 5:001, Section 14 for a deviation from 807 KAR 5:001, Section 11(d) to allow KU to file, in addition to the confidential copy being filed under seal, one redacted copy of the Contract with the exhibits, but the remaining copies with the Contract alone, and without the redacted exhibits to the Contract.

12. As grounds for this Motion, KU states that the exhibits are extremely voluminous, containing several hundred pages, contain extensive technical details for which KU is requesting

confidential protection, are not germane to this proceeding and in many cases would be meaningless because of redactions.

13. Filing multiple copies of the exhibits along with the Contract would not only burden the Company with unnecessary copying, but burden the Commission's files with documents that are not necessary for the Commission's review of this Application.

14. However, to the extent that the Commission determines that additional copies of the exhibits are necessary for the Commission's review in this proceeding, the Company will provide such copies as directed by the Commission. In addition, the Company will provide copies of the redacted exhibits to any intervening party upon that party's request.

WHEREFORE, Kentucky Utilities Company respectfully requests that the Commission grant confidential protection for the information at issue, or in the alternative, schedule an evidentiary hearing on all factual issues while maintaining the confidentiality of the information pending the outcome of the hearing. In addition, Kentucky Utilities Company requests that it be granted a deviation pursuant to Section 14 of 807 KAR 5:001, and allowed to file the Contract pursuant to 807 KAR 5:001 Section 11(d), but without multiple copies of the exhibits to the Contract.

Dated: June 6, 2012.

Respectfully submitted,



Kendrick R. Riggs
John Wade Hendricks
Barry L. Dunn
Stoll Keenon Ogden PLLC
2000 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202
(502) 333-6000

Allyson K. Sturgeon
LG&E and KU Energy LLC
220 West Main Street
Louisville, KY 40202
(502) 627-2088

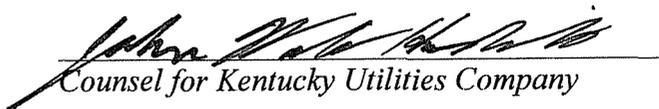
Counsel for Kentucky Utilities Company

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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 6th day of June 2012, upon the following person:

Dennis G. Howard, II
Assistant Director
Office of the Kentucky Attorney of Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204


Counsel for Kentucky Utilities Company