

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF KENTUCKY) CASE NO. 94-461-B
UTILITIES COMPANY FROM MAY 1, 1995 TO)
OCTOBER 31, 1995)

O R D E R

This matter arising upon petition of Kentucky Utilities Company ("KU"), filed March 5, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of certain information relating to its solicitations for coal on the grounds that disclosure of the information is likely to cause KU competitive injury, and it appearing to this Commission as follows:

As part of the Commission's review of the operation of the fuel adjustment clause by KU for the six month period ending October 31, 1995, the Commission requested KU to provide certain information concerning its coal vendors, including the number of vendors solicited, and the number and identity of those who responded to each coal solicitation, the bid tabulation sheets to each coal supply solicitation, and an explanation for each selection. This request was repeated at the fuel adjustment clause hearing on February 22, 1996. In providing this information, KU has requested that it be protected as confidential.

In support of its position, KU maintains that the information sought to be protected is identical to the information that was protected in Case No. 92-493-B.¹ There the Commission determined that disclosure of this information would likely lead to higher fuel costs that would require KU to increase its electric rates and injure its ability to compete in the wholesale electric markets. Therefore, disclosure of the information was likely to cause KU competitive injury, and the information was entitled to protection as confidential under the provisions of KRS 61.878(1)(c)1. However, the Commission also found that changing market conditions would cause the adverse impact from disclosure of the information to decrease with time and, accordingly, limited the protection for coal bids to two years and for the remaining information to three years. Since the information sought to be protected in this proceeding is identical to the information protected in Case No. 92-493-B, it is likewise entitled to protection.

This Commission being otherwise sufficiently advised, IT IS ORDERED that:

1. The coal bids relating to KU's solicitation for coal for the six month period ending October 31, 1995, which KU has petitioned to be withheld from public disclosure, shall be held and

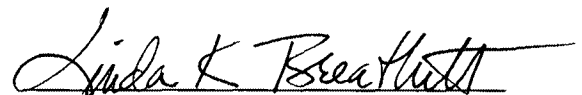
¹ Case No. 92-493-B, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Utilities Company from May 1, 1993 to October 31, 1993.

retained by this Commission as confidential and shall not be open for public inspection for a period of two years from the date of their filing.


2. The remaining information relating to KU's solicitation for coal for the six month period ending October 31, 1995, which KU has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection for a period of three years from the date of their filing. KU may, at the end of this period, petition for extension of this period. Such petition will be granted only upon a showing of good cause.

Done at Frankfort, Kentucky, this 16th day of April, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director