COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)	
COMPANY AND LOUISVILLE GAS AND)	
ELECTRIC COMPANY TO TRANSFER CONTROL)	CASE NO. 2012-00031
OF CERTAIN TRANSMISSION FUNCTIONS)	

PETITION FOR CONFIDENTIAL PROTECTION

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively "Companies") hereby petition the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001 §7 and KRS 61.878(1)(c) to grant confidential protection for the items described herein, which the Companies seek to provide in response to Data Request No. 1 contained in the Commission Staff's Notice of Informal Conference dated April 13, 2012 ("DR 1"). In support of this Petition, the Companies state as follows:

- 1. Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure commercially sensitive 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.
- 2. The confidential information contained in the Companies' response to DR 1 are detailed explanations of the Companies' criteria for evaluating bids for Independent Transmission Operator ("ITO") services, the bid evaluation spreadsheet used to evaluate various ITO-services bids the Companies received, and a summary of confidential bid information the Companies received from vendors competing to provide ITO services to the Companies ("Confidential Information"). These documents contain sensitive information about the

Companies' internal decision-making processes relating to evaluating such services, as well as sensitive business information from vendors competing to provide such services, which information the Companies committed to keep confidential to secure the vendors' bids. Publicly disclosing any of the Confidential Information could harm the Companies' ability to obtain truly competitive bids to perform similar services in the future, and could discourage vendors from submitting bids because of the risk of having their sensitive business information publicly disclosed. To protect the Companies' customers from the harm that would result from a less robust bidding process for such services, this information should be afforded confidential protection.

- 3. The Commission granted confidential protection for closely related information in this proceeding by its letter to the Companies dated April 5, 2012.
- 4. If the Commission disagrees with this request for confidential protection, it must hold an evidentiary hearing (a) to protect the Companies' due process rights and (b) to 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., 642 S.W.2d 591, 592-94 (Ky. App. 1982).
- 5. In accordance with the provisions of the Commission's January 30, 2012 Order in this proceeding concerning electronic filing procedures, the Companies will timely file with the Commission one paper copy of the Confidential Information highlighted and one electronic copy of the Confidential Information highlighted on a CD-ROM. The Companies will also timely file a paper original and one paper copy of the discovery responses without the Confidential Information.

WHEREFORE, Kentucky Utilities Company and Louisville Gas and Electric Company respectfully request that the Commission grant confidential protection for the information at issue, or in the alternative, schedule and evidentiary hearing on all factual issues while maintaining the confidentiality of the information pending the outcome of the hearing.

Dated: April 18, 2012

Respectfully submitted,

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