

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**APPLICATION OF LOUISVILLE GAS AND )**  
**ELECTRIC COMPANY FOR AN )**  
**ADJUSTMENT OF ITS ELECTRIC AND GAS )**  
**RATES, A CERTIFICATE OF PUBLIC )**  
**CONVENIENCE AND NECESSITY, )**      **CASE NO. 2012-00222**  
**APPROVAL OF OWNERSHIP OF GAS )**  
**SERVICE LINES AND RISERS, AND A GAS )**  
**LINE SURCHARGE )**

**PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY**  
**FOR CONFIDENTIAL PROTECTION**

Louisville Gas and Electric Company (“LG&E”) hereby petitions the Kentucky Public Service Commission (“Commission”) pursuant to 807 KAR 5:001, Section 7 and KRS 61.878(1) to grant confidential protection for the items described herein, which LG&E seeks to provide in response to the Kentucky Industrial Utility Customers’ (“KIUC”) Second Set of Data Requests. The specific Request for Information for which LG&E seeks confidential protection are as follows: 25, 71(b), 83 and 116.

1. On June 29, 2012, LG&E filed with the Commission an application proposing changes in its base rate tariffs. On July 31, 2012, KIUC issued its First Data Requests to LG&E and on August 28, 2012, the KIUC issued its Second Data Requests to LG&E.

**Confidential or Proprietary Commercial Information (KRS 61.878(1)(c))**

2. 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 the material is of a kind generally

recognized to be confidential or proprietary, and the disclosure of which would permit an unfair commercial advantage to competitors of the party seeking confidentiality.

3. Request No. 25 asks LG&E to “provide a schedule showing how the Company computed the weighted-average cost of debt showing each issue and each component of the calculation.” The attachment LG&E is providing in response contains the annualized costs associated with LG&E’s revolving credit facility. Pursuant to the terms of the agreements with the facilities, LG&E is not permitted to publicly disclose the costs and thus public disclosure of the costs would result in LG&E breaching the agreements. Revealing publicly the costs would significantly compromise LG&E’s ability to obtain credit facilities at competitive interest rates, which would in turn financially harm LG&E’s customers. Moreover, financial institutions do not permit public disclosure of the rates because those rates would be used against them in future negotiations with other customers. They would therefore be more likely to insist on standard provisions and less willing to negotiate favorable rates with LG&E in the future, thus jeopardizing LG&E’s ability to obtain the lowest possible interest rates, placing it at an additional financial disadvantage.

4. Request No. 83 asks LG&E to provide “all internal correspondence during the last three years discussing the Company’s retirement unit costs, depreciation rates, and/or the Depreciation Study.” In response LG&E is providing an attachment that contains both confidential and non-confidential material, the latter of which is being provided publically. Portions of the confidential material within the attachment pertain to the inputs, terms, and methodologies Ventyx used in its report. Ventyx considers this information proprietary and protects such information from public disclosure. Furthermore, LG&E and Ventyx entered a confidentiality agreement to recognize the proprietary nature of Ventyx’s work.

5. Request No. 116 asks LG&E to provide certain curtailable service customer information. A portion of the attachment LG&E is providing in response contains data that is based upon information obtained from Platts Gas Daily. As explained in a preceding petition for confidential protection LG&E filed in this case in response to the KIUC's First Set of Data Requests, the Platts information is proprietary to Platts and LG&E only has permission to provide it confidentially in this proceeding under the terms of its agreement with Platts. For Platts, the data constitutes proprietary information that should not be disclosed to its competitors, and is only disclosed to subscribers, such as LG&E.

**Confidential Personal Information (KRS 61.878(1)(a))**

6. Request No. 71(b) asks LG&E to provide the notes that John Spanos took during site visits. Within the attachment LG&E is providing are cell phone numbers. A cell phone number is private and personal and should be protected from disclosure due to increasing concerns of identity theft and the injurious manner in which this information could be used.

7. There is additional confidential material being produced in the response to Request No. 83, as well. The Kentucky Open Records Act exempts from disclosure certain private and personal information.<sup>1</sup> Included in the response to this Request is a personal cell phone number for a LG&E employee and financial information regarding Gannett Fleming, Inc., including its account number for a certain financial institution. This information is certainly private and personal and should be protected from disclosure due to increasing concerns of identity theft and the injurious manner in which this information could be used.

8. The information for which LG&E is seeking confidential treatment is not known outside of LG&E, and it is not disseminated within LG&E except to those employees with a legitimate business need to know the information.

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<sup>1</sup> KRS 61.878(1)(a).

9. LG&E will disclose the confidential information, pursuant to a confidentiality agreement, to intervenors with a legitimate interest in this information and as required by the Commission.

10. If the Commission disagrees with this request for confidential protection, however, it must hold an evidentiary hearing (a) to protect LG&E's due process rights and (b) to supply with the Commission with a complete record to enable it to reach a decision with regard to this matter.<sup>2</sup>

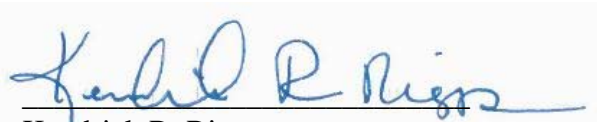
11. To satisfy the provisions of the Commission's June 22, 2012 Order in this proceeding concerning electronic filing procedures, LG&E will timely file with the Commission one paper copy of the Confidential Information in paper medium and one copy of the Confidential Information in electronic medium on a DVD or CD-ROM for Request Nos. 25, 71(b), 83 and 116.

12. LG&E, in accordance with the Commission's June 22, 2012 Order, is also providing a copy of the redacted material. The Confidential Information is redacted from the public version and highlighted in the confidential version.

**WHEREFORE**, Louisville Gas and Electric Company respectfully requests that the Commission grant confidential protection for the information described herein.

Dated: September 12, 2012

Respectfully submitted,



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<sup>2</sup> *Utility Regulatory Commission v. Kentucky Water Service Company, Inc.*, 642 S.W.2d 591, 592-94 (Ky. App. 1982).

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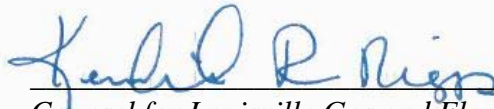
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**CERTIFICATE OF COMPLIANCE**

In accordance with Ordering Paragraph No. 10 of the Commission's June 22, 2012 Order, this is to certify that Louisville Gas and Electric Company's September 12, 2012 electronic filing of the Petition for Confidential Protection is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on September 12, 2012; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and two copies in paper medium of the Petition are being hand delivered to the Commission on September 12, 2012.

  
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*Counsel for Louisville Gas and Electric Company*