

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**JOINT APPLICATION OF LOUISVILLE GAS)
AND ELECTRIC COMPANY AND KENTUCKY)
UTILITIES COMPANY FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)
FOR THE CONSTRUCTION OF A COMBINED)
CYCLE COMBUSTION TURBINE AT THE)
GREEN RIVER GENERATING STATION AND A)
SOLAR PHOTOVOLTAIC FACILITY AT THE)
E.W. BROWN GENERATING STATION)**

CASE NO. 2014-00002

**JOINT PETITION OF
LOUISVILLE GAS AND ELECTRIC COMPANY
AND KENTUCKY UTILITIES COMPANY
FOR CONFIDENTIAL PROTECTION**

Joint Applicants, Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) (collectively, the “Companies”), petition the Kentucky Public Service Commission (“Commission”) pursuant to 807 KAR 5:001, Section 13 and KRS 61.878 to grant confidential protection for the items described herein. The Companies seek confidential protection of certain portions of their responses to Item Nos. 2 and 6 of the Attorney General’s (“AG”) Third Set of Data Requests and Item No. 1(a) of Kentucky Industrial Utility Customers, Inc.’s (“KIUC”) Third Set of Data Requests. In support of this Joint Petition, the Companies state as follows:

1. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for the 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, the disclosure of which would place the party seeking confidentiality at an unfair commercial advantage.

2. Item No. 2 of the AG's Third Set of Data Requests seeks information regarding the revenue requirement benefit associated with investment tax credits. In responding, the Companies have provided that benefit under several different scenarios which are dependent on the capital cost of constructing the Brown Solar Facility. The Companies expect to go to the marketplace for the necessary solar photovoltaic panels in the near future. If the range of capital costs and the revenue requirement effects of variations in those capital costs being considered by the Companies become public, the Companies' ability to negotiate the lowest possible price of the necessary solar equipment would be compromised. To the extent vendors in the marketplace have access to this information, it would work to the Companies' competitive disadvantage. Thus, this information is commercially sensitive and should be treated confidentially pursuant to KRS 61.878(1)(c). The confidential portions of the response to Item No. 2 have been redacted and highlighted in accordance with 807 KAR 5:001, Section 13(2)(a)(3).

3. Item No. 6 of the AG's Third Set of Data Requests seeks information regarding the cost of energy produced by the Brown Solar Facility and the related cost of energy avoided. The Companies' response provides that information by relying on information provided in Table 36 of Exhibit DSS-1 to Mr. Sinclair's Direct Testimony. That information is the subject of the Companies' January 17, 2014 Petition for Confidential Treatment because it is commercially sensitive cost information developed by and relied upon by the Companies in assessing the revenue requirement impact of a 10 MW solar facility from various proposals the Companies received from vendors. If that information becomes publicly available, it would work to the Companies' competitive disadvantage in negotiating for the lowest possible cost for the necessary solar equipment. Thus, it should be treated confidentially pursuant to KRS

61.878(1)(c). The confidential portions of the response to Item No. 6 have been redacted and highlighted in accordance with 807 KAR 5:001, Section 13(2)(a)(3).

4. Item No. 1(a) of KIUC's Third Set of Data Requests seeks the workpapers supporting Exhibit DSS-3 of Mr. Sinclair's August 22, 2014 Supplemental Testimony. Exhibit DSS-3 contains confidential information which is the subject of the Companies' pending August 22, 2014 Petition for Confidential Treatment. For the same reasons set forth in that Petition, the supporting workpapers are confidential as well. Specifically, Exhibit DSS-3 and the supporting workpapers contain a range of specific present value revenue requirement ("PVRR") calculations that are based, in part, on the Companies' ability to market renewable energy certificates ("RECs") in the REC marketplace. The range of PVRR calculations shows the various economics that result from various price points for RECs, including what would be a "break-even" REC price point for the Companies. To the extent others in the REC marketplace have access to the REC pricing assumptions, such access would work to the Companies' competitive disadvantage. Thus, REC pricing information is commercially sensitive and should be treated confidentially pursuant to KRS 61.878(1)(c). The requested workpapers have been redacted and highlighted in accordance with 807 KAR 5:001, Section 13(2)(a)(3).

5. If the Commission disagrees with this request for confidential protection, however, 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).

6. The information for which the Companies are seeking confidential treatment pursuant to KRS 61.878(1)(c) is not known outside of the Companies, is not disseminated within

the Companies except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry.

7. The Companies will disclose the confidential information (pursuant to a confidentiality agreement) to intervenors and others with a legitimate interest in this information and as required by the Commission.

8. In compliance with 807 KAR 5:001, Sections 8(3) and 13(2)(e), the Companies are filing with the Commission one paper copy that identifies by highlighting the information for which confidential protection is sought and one electronic copy with the same information obscured. The Companies request that the information be kept confidential for at least five years from the date of this filing as that is the amount of time necessary before the confidential information becomes dated to the point that the need for protection no longer exists.

WHEREFORE, the Companies respectfully request that the Commission grant confidential protection for the information described herein.

Dated: September 19, 2014

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that Louisville Gas and Electric Company and Kentucky Utilities Company's September 19, 2014 electronic filing is a true and accurate copy of the documents being filed in paper medium, with the exception that unobscured versions of the documents are not being filed in electronic format under 807 KAR 5:001, Section 13(2)(e); that the electronic filing was transmitted to the Commission on September 19, 2014; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; that a copy of the filing in paper medium is being hand-delivered to the Commission within two business days of this filing; and that on September 19, 2014, electronic mail notification of the electronic filing will be provided to the following:

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