

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) CASE NO. 2014-00372
RATES)**

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

Louisville Gas and Electric Company (“LG&E” or the “Company”) hereby petitions the Kentucky Public Service Commission (“Commission”) pursuant to 807 KAR 5:001, Section 13 and KRS 61.878(1) to grant confidential protection for the items described herein, which LG&E seeks to provide in response to Items 71, 72(b), 152, 180, and 230(a) of the Attorney General’s Initial Requests for Information.¹

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

1. The Kentucky Open Records Act exempts from disclosure confidential or proprietary information, of a kind generally recognized to be confidential or proprietary, to the extent that open disclosure would permit an unfair commercial advantage to competitors of the entity disclosing the information to the Commission.

2. Request No. 152 requires the disclosure of projected compensation adjustments for the forecast and base years. These requests involve the Company’s position and projections regarding labor negotiations, and disclosure of this information would hamper the Company in negotiating with employee groups. The Company is disclosing the overall projected percentage increases, but is requesting confidential treatment of the specific projections for hourly and union

¹ In accordance with 807 KAR 5:001, Section 8(12)(b), a copy of this Petition’s electronic transmission receipt is affixed to the paper copy of the Petition being submitted to the Commission. None of the documents attached to the Petition require redaction under the Commission’s regulation, 807 KAR 5:001, Section 4(10).

employees. If this was publicly disclosed, the Company's ability to fairly negotiate would be adversely affected and the Company could face higher labor costs. The Company's customers, who could be faced with higher rates, would ultimately be adversely affected.

3. Request No. 180 asks the Company to provide presentations made to rating agencies and/or investment firms. The Company seeks confidential protection with respect to the presentations that have been made to rating agencies because these presentations were made in confidence to those agencies. Such information merits confidential protection because, having provided it on a confidential basis, the Company is obligated to protect the public disclosure of the information. In addition, the information contains commercially sensitive information and a candid review of the Company's business strategies. Public disclosure of this information would discourage the Company from providing such information to rating agencies in the future. A less thorough review by the credit rating agencies could lead to less favorable credit ratings and higher capital costs for the Company, placing the Company at a competitive disadvantage. The Commission has found that such information warrants confidential protection in prior proceedings.²

4. Request No. 230(a) requests the Company's workpapers and analyses showing the determination of total capacity costs in Purchased Power (Account 555). The workpapers provided in response contain confidential cost forecast information provided to LG&E by OVEC in strict confidence. The public disclosure of this information would place OVEC, and its members (including the Company), at a competitive disadvantage in the marketplace, as competitors could use this information when competing with OVEC. OVEC treats this information as confidential, and provides it to its members only if they agree to maintain it as

² *In the Matter of: Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates for Gas Service* (Case No. 2013-00167) (Ky. PSC Oct. 29, 2013).

confidential. Moreover, if the information were publicly disclosed in this proceeding, OVEC would be reluctant to share similar information with the Company in the future, thereby adversely affecting the Company's ability to plan its energy supply and strategy in the future.

Critical Energy Infrastructure Information (KRS 61.878(1)(m)(1)(e))

5. Requests 71 and 72(b) request the Company's annual transmission expansion plan and studies, evaluations or analysis regarding the transmission project tying into the Duke Indiana transmission system. All of the information provided in response pertains to the Company's transmission system.

6. In addition to the competitive harm discussed above, the Kentucky Open Records Act exempts from disclosure certain information regarding public utility security and response needs assessments. The transmission information being sought constitutes such information, or Critical Energy Infrastructure Information, the disclosure of which could be useful to anyone seeking to threaten or harm the public safety by a terrorist act. The Commission has recently granted confidential protection to similar information³ and the Company has recently requested such treatment for similar information⁴. Because this information relates to the security of Critical Energy Infrastructure Information, the Company requests that the Commission protect this information from public disclosure.

7. The information for which LG&E is seeking confidential treatment is not known outside of the Company, except for the information that was provided by OVEC in confidence, and it is not disseminated within LG&E except to those employees with a legitimate business need to know the information

³ See, e.g., *In the Matter of: 2014 Integrated Resource Plan of Big Rivers Electric Corp.*, (Case No. 2014-00166) (Ky. PSC Aug. 26, 2014).

⁴ *In the Matter of :The 2014 Joint Integrated Resource Plan of Louisville Gas and Electric Company and Kentucky Utilities Company*, Case No. 2014-00131 (Petition for Confidential Protection filed November 26, 2014).

8. 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.

9. 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.⁵

10. In compliance with 807 KAR 5:001, Sections 8 (3) and 13 (2)(e), LG&E is filing with the Commission one paper copy that identifies by highlighting or other means the information for which confidential protection is sought and one electronic copy with the same information obscured.

11. Due to the ongoing sensitive nature of the commercial information at issue, the Company requests that confidential protection be granted for an indefinite period.

⁵ *Utility Regulatory Commission v. Kentucky Water Service Company, Inc.*, 642 S.W.2d 591, 592-94 (Ky. App. 1982).

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

Dated: January 23, 2015

Respectfully submitted,



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Counsel for Louisville Gas and Electric Company

CERTIFICATE OF COMPLIANCE

This is to certify that Louisville Gas and Electric Company's January 23, 2015 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 January 23, 2015; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Petition and an unobscured copy of the material for which confidentiality is sought sealed in an opaque envelope are being hand delivered to the Commission on January 23, 2015.

A handwritten signature in blue ink, appearing to read "Harold R. Riggs", is written over a horizontal line.

Counsel for Louisville Gas and Electric Company