COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF KENTUCKY UTILITIES)	
COMPANY'S AND LOUISVILLE GAS AND)	
ELECTRIC COMPANY'S RESPECTIVE NEED)	
FOR AND COST OF MULTIPHASE)	CASE NO. 2015-00194
LANDFILLS AT THE TRIMBLE COUNTY)	
GENERATING STATIONS)	

LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY'S JOINT PETITION FOR CONFIDENTIAL PROTECTION

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(1) to grant confidential protection for the items described herein, which the Companies seek to provide in response to Items 6(g), 8(b)(2) and 18 of the Commission Staff's Initial Requests for Information, dated July 2, 2015. In support of this Joint Petition, the Companies state as follows:

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

- 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, and the disclosure of which would permit an unfair commercial advantage to competitors of the party seeking confidentiality.
- 2. In response to Items 6(g) and 8(b)(2) of the Commission Staff's Initial Requests for Information from the Companies, the Companies are providing pricing information and a copy of the related contracts with third parties. The pricing information and contracts contain confidential

information the public disclosure of which would hinder the Companies' ability to procure the best contract terms in negotiations with other entities. In particular, the contracts and pricing information relate to compensation rates for beneficial reuse of byproducts from the Companies' generating stations. Publicly disclosing such information would result in harm to the Companies and their customers by providing competing entities an opportunity to know the Companies' contract terms and thereafter negotiate for contract terms that represent this information rather than their true best offers. Further, entities in a competitive market are more likely to enter contracts when they know that sensitive terms such as pricing will not be known to their competitors. Diminishing the Companies' ability to contract for the best possible terms would harm their customers through increased costs of service. This information should therefore be afforded confidential protection to protect the Companies and their customers.

- 3. The Commission has given confidential protection to contracts with third parties in prior proceedings.¹
- 4. In response to Item 18 of the Commission Staff's Initial Requests for Information from the Companies, the Companies are providing an Excel file that was developed in-house within the Companies so that they could assess vendor pricing and bidding and determine least cost bids. It is proprietary, and, if made available publicly, would work to the competitive disadvantage of the Companies and their customers as it would jeopardize the Companies' ability to procure least cost pricing.
- 5. The information for which the Companies are seeking confidential treatment is not known outside of the Companies and the entity entering each contract, is not disseminated within

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¹ See, e.g., In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Existing, and Addition of New, Demand-Side Management and Energy-Efficiency Programs, Case No. 2011-00134, Letter from Executive Director Jeff DeRouen (Aug. 31, 2011).

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.

- 6. If the Commission disagrees with any of these requests for confidential protection, it must hold an evidentiary hearing (a) to protect the Companies' 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.²
- 7. In accordance with 807 KAR 5:001, Section 13(2)(a)(3)(b), the Companies seek confidential protection of the entirety of the contracts and of the proprietary Excel file. For the chart included in the response to PSC 1-6(g), the Companies will publicly e-file a redacted version and will hand deliver a paper copy, under seal, of the chart with the confidential information highlighted. In compliance with 807 KAR 5:001, Sections 8 (3) and 13 (2)(e), the Companies are filing with the Commission one paper copy of the contracts and a copy of the confidential Excel file on a CD.
- 8. The Companies respectfully request that the information identified Items 6(g) and 8(b)(2) above be kept confidential for a period of five years, after which time the pricing information will be of little use in the market at that time. The Companies request that the information identified in Item 18 of the Commission Staff's Initial Requests for Information above be kept confidential for a minimum of a ten year period.

WHEREFORE, Louisville Gas and Electric Company and Kentucky Utilities Company respectfully request that the Commission grant confidential protection for the information

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

described herein, or, in the alternative, schedule an evidentiary hearing on all factual issues while maintaining the confidentiality of the information pending the outcome of the hearing.

Dated: July 16, 2015

Respectfully submitted,

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CERTIFICATE OF SERVICE

This is to certify that Louisville Gas and Electric Company and Kentucky Utilities Company's July 16, 2015 electronic filing of the Joint 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 July 16, 2015; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and one copy in paper medium of the Joint Petition are being mailed to the Commission on July 16, 2015.

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company