

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

In the Matter of:

The Application of Duke Energy Kentucky,)
Inc., for (1) a Certificate of Public)
Convenience and Necessity Authorizing)
the Construction of an Advanced Metering) Case No. 2016-00152
Infrastructure; (2) Request for Accounting)
Treatment; and (3) All Other Necessary)
Waivers, Approvals, and Relief.)

**PETITION OF DUKE ENERGY KENTUCKY, INC.
FOR CONFIDENTIAL TREATMENT OF INFORMATION
CONTAINED IN ITS RESPONSES TO ATTORNEY GENERAL'S INITIAL DATA
REQUESTS DATED MAY 23, 2016**

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:001, Section 13, respectfully requests the Commission to classify and protect certain information provided by Duke Energy Kentucky in its responses to Data Request Nos. 27, 48, 55, 57 and 69 as requested by the intervenor, Attorney General (AG) in this case on May 23, 2016. The information that the AG seeks through discovery and for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) in the Confidential Attachments to Data Request Nos. 27, 48, 55, 57 and 69 includes requests for quotation, detailed forecasted financial data, by year, over the next seventeen years including, but not limited to, Duke Energy Kentucky's operational assumptions, investments, and estimated labor expenses for both its gas and electric operations, copyrighted subscription-based material, and workpapers which includes the analysis of estimated costs.

In support of this Petition, Duke Energy Kentucky states:

1. 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 disclosure of the commercial information would permit an unfair advantage to competitors of that party. Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. The information contained in Data Request No. 27 contains copies of the requests for quotations issued for the AMI meters and the AMI gas modules. This information is considered proprietary to Duke Energy Kentucky and its sister companies. This information includes planning assumptions and business strategy for Duke Energy Corp's utility operating companies which were used as the basis for evaluating advanced metering strategies and technologies.

3. The information contained in Data Request No. 48 includes copyrighted, subscription-based material that is not otherwise publicly available. Duke Energy Kentucky has access to this information through paid subscriptions/memberships that require the Company to keep the information protected and confidential. The information has independent value to the company that created the information and provides access to its members/subscribers only. The public disclosure of the information in Data Request No. 48 could result in an unintentional violation of the Company's contract.

4. The public disclosure of the information in Data Requests No. 55, 57, and 69 that Duke Energy Kentucky seeks protection, includes detailed forecasted financial data, cost assumptions, and confidential workpapers which includes the detailed analysis of estimated costs included in this filing. The public disclosure of this information would damage Duke Energy

Kentucky's competitive position and business interests. If the Commission grants public access to the information, it may make it difficult to achieve the anticipated savings, including equipment purchases, labor savings, etc. as potential future suppliers could potentially manipulate the market and undermine Duke Energy Kentucky's ability to manage its costs.

5. The information for which Duke Energy Kentucky is seeking confidential treatment was developed internally by Duke Energy Corporation and Duke Energy Kentucky personnel, is not on file with any public agency, and is not available from any commercial or other source outside Duke Energy Kentucky. The aforementioned information is distributed within Duke Energy Kentucky only to those employees who must have access for business reasons, and is generally recognized as confidential and proprietary in the energy industry.

6. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, the Staff or other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.

7. This information was, and remains, integral to Duke Energy Kentucky's effective execution of business decisions. And such information is generally regarded as confidential or proprietary. Indeed, as the Kentucky Supreme Court has found, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary.'" *Hoy v. Kentucky Industrial Revitalization Authority*, Ky., 904 S.W.2d 766, 768 (Ky. 1995).

8. In accordance with the provisions of 807 KAR 5:001, Section 13(3), the Company is filing one copy of the Confidential Information separately under seal, and one copy without the confidential information included.

9. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of twenty years, three years beyond the term of the forecasts included in the Confidential Attachment to Data Request No. 55. This will assure that the Confidential Information – if disclosed after that time – will no longer be commercially sensitive so as to likely impair the interests of the Company or its customers if publicly disclosed.

10. To the extent the Confidential information becomes generally available to the public, whether through filings required by other agencies or otherwise, Duke Energy Kentucky will notify the Commission and have its confidential status removed, pursuant to 807 KAR 5:001 Section 13(10)(a).

WHEREFORE, Duke Energy Kentucky, Inc., respectfully requests that the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

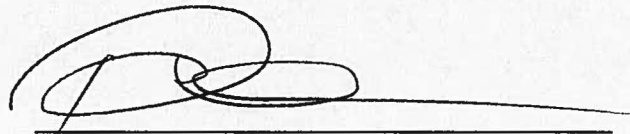


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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing Petition for Confidential Treatment has been served via electronic or overnight mail to the following party on this 7th day of June, 2016.

Rebecca W. Goodman
Executive Director
Office of Rate Intervention
Office of the Attorney General
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601-8204

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Rocco O. D'Ascenzo