## **COMMONWEALTH OF KENTUCKY**

## **BEFORE THE PUBLIC SERVICE COMMISSION**

## In the Matter of:

# AN EXAMINATION OF THE APPLICATION)OF THE FUEL ADJUSTMENT CLAUSE OF)CASE NO.KENTUCKY UTILITIES COMPANY FROM)2016-00232NOVEMBER 1, 2015 THROUGH APRIL 30, 2016)

# PETITION OF KENTUCKY UTILITIES COMPANY FOR CONFIDENTIAL PROTECTION

Kentucky Utilities Company ("KU"), pursuant to 807 KAR 5:001, Section 13, respectfully petitions the Commission to classify as confidential and protect from public disclosure certain information provided by KU in response to Question Nos. 12 and 19 of the Commission's data requests, as contained in the Appendix to the Commission's Order dated August 12, 2016. KU requests confidential protection for coal price settlement agreement information contained in Question No. 12 and coal bid analysis information contained in Question No. 19. In support of this Petition, KU notes that the Commission has consistently treated this same kind of information as confidential in KU's previous fuel adjustment clause review proceedings.

In further support of this Petition, KU states as follows:

1. Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure information confidentially disclosed to it to the extent that open disclosure would permit an unfair commercial advantage to competitors of the entity disclosing the information to the Commission. <u>See KRS 61.878(l)(c)</u>. Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. Disclosure of Settlement Agreements could damage KU's competitive position and business interests. The Settlement Agreements consider and analyze the costs KU's coal suppliers incur to comply with the MINER Act, which in turn affects the coal price increases KU is willing to pay its coal suppliers for their claimed compliance costs. If the Commission grants public access to the information requested in Question No. 12, KU's current and potential coal suppliers could manipulate their bids to the detriment of KU and its ratepayers by tailoring bids to correspond to and comport with KU's MINER compliance cost evaluation criteria and process.

3. Disclosure of the factors underlying KU's bid analysis/selection process would damage KU's competitive position and business interests. This information reveals the business model the Company uses – the procedure it follows and the factors/inputs it considers – in evaluating bids for coal supply. If the Commission grants public access to the information requested in Question No. 19, potential bidders could manipulate the bid solicitation process to the detriment of KU and its ratepayers by tailoring bids to correspond to and comport with KU's bidding criteria and process. As noted above, the Commission has treated such information as confidential in the past.

4. The information for which KU is seeking confidential treatment is not known outside of KU, is not disseminated within KU 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.

5. KU does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, to intervenors with legitimate interests in reviewing the same for the purpose of participating in this case.

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6. In accordance with the provisions of 807 KAR 5:001, Section 13, KU is filing with the Commission one copy of the Confidential Information highlighted and one electronic copy without the Confidential Information.

WHEREFORE, Kentucky Utilities Company respectfully requests the Commission grant confidential protection to the information designated as confidential for a period of five years from the date of filing the same.

Dated: August 26, 2016

Respectfully submitted,

Allyson K. Sturgeon Senior Corporate Attorney KU and KU Services Company 220 West Main Street Louisville Kentucky, 40202 Telephone: (502) 627-2088

Counsel for Kentucky Utilities Company

## **CERTIFICATE OF SERVICE**

This is to certify that Kentucky Utilities Company's August 26, 2016 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 August 26, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that a copy of the filing in paper medium is being hand-delivered to the Commission within two business days of this filing.

Counsel for Kentucky Utilities Company