## COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In The Matter of:

The Application of Duke Energy Kentucky, Inc., For a Certificate of Public Convenience and Necessity for Dry Bottom Ash Conversion of the East Bend Generating Station

Case No. 2016-00268

## PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS RESPONSES TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION DATED SEPTEMBER 14, 2016

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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 response to Data Request No. 2, First Set, as requested by Commission Staff (Staff) in this case on September 14, 2016. The information that Staff seeks through discovery and for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) includes Duke Energy Corp's and Duke Energy Kentucky's master contract with Burns & McDonnell.

More specifically, the data contained in the attachment to Data Request No. 2 contains sensitive pricing information, the disclosure of which would injure Duke Energy Kentucky and Burns & McDonnell, and their respective competitive positions and business interests. The sensitive information contained in the response to Data Request No. 2 includes confidential proprietary information of Duke Energy Kentucky sites, as well as, rate sheets from Burns & McDonnell. 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 public disclosure of the information described in Data Request No. 2 would damage Duke Energy Kentucky's competitive position and business interests. If the Commission grants public access to the information requested in Data Request No. 2, potential future suppliers would have access to Duke Energy Kentucky's valuation of projects and estimated costs thereby allowing them to potentially manipulate the market and undermine Duke Energy Kentucky's ability to manage its costs. The information contains confidential and proprietary information, including pricing data of one of the Duke Energy Corp's vendors. Releasing this pricing information will place this vendor at a competitive disadvantage as it will provide their competitors with access to costs that they would not otherwise have access to thereby significantly impacting Burns & McDonnell's ability to compete. Additionally, as a vendor of Duke Energy Corp, and Duke Energy Kentucky, if this information was publicly available, the companies would be at a disadvantage in negotiating future services between other vendors as such potential counterparties would have access to pricing that the companies have previously agreed.

3. The information in response to Data Request No. 2 was developed internally by Duke Energy Corp and Duke Energy Kentucky personnel through its negotiations with Burns &

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McDonnell, is not on file with any public agency, and is not available from any commercial or other source outside Duke Energy Corp and Duke Energy Kentucky. The aforementioned information is distributed within Duke Energy Corp only to those employees who must have access for business reasons, and is generally recognized as confidential and proprietary in the energy industry.

4. 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.

5. 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).

6. 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.

7. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of ten years. 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.

8. To the extent the Confidential information becomes generally available to the public, whether through filings required by other agencies or otherwise, Duke Energy Kentucky

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will notify the Commission and have its confidential status removed, pursuant to 807 KAR 5:001 Section 13(10)(a).

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WHEREFORE, Duke Energy Kentucky, Inc., respectfully requests that the Commission

classify and protect as confidential the specific information described herein.

Respectfully submitted,

Rocco O. D'Ascenzo (92796) Associate General Counsel Amy B. Spiller (85309) Deputy General Counsel Duke Energy Business Services, LLC 139 East Fourth Street, 1313 Main Cincinnati, Ohio 45201-0960 Phone: (513) 287-4320 Fax: (513) 287-4385 E-mail: rocco.d'ascenzo@duke-energy.com E-mail: amy.spiller@duke-energy.com

## **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  $28^{12}$  day of September 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

Roceo O. D'Ascenzo