#### **COMMONWEALTH OF KENTUCKY**

### **BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

# JOINT APPLICATION OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY FOR APPROVAL OF AN OPTIONAL SOLAR SHARE PROGRAM RIDER

CASE NO. 2016-00274

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

Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E") (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 which the Companies seek to provide in response to Commission Staff's Initial Requests for Information, Questions No. 8, 10a, 10b, 25, and 26. In support of this Joint Petition, the Companies state as follows:

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. The Companies' responses to Commission Staff's Question Nos. 8 (response text and attachment), 10a (response text only), 10b (response text only), and 26 (response text only) contain cost information concerning the proposed Solar Share Facilities, including pricing information derived from contracts with, and bids from, vendors for components and services. The attachment to the Companies' response to Commission Staff's Question No. 25 is a compilation of the request-for-proposals responses the Companies received for the Solar Share Facilities. All of the information the Companies are seeking to protect in the cited responses is highly confidential and commercially sensitive. Publicly disclosing it would hinder the Companies' ability to receive the best proposals and procure the best contract terms in future negotiations for components, land, and services, by providing potential vendors the price ceiling on what the Companies would be willing to pay, which would reduce, if not eliminate, vendors' incentive to provide their most competitive bids. Further, vendors in a competitive market are more likely to provide proposals and enter contracts when they know that sensitive terms such as pricing will not be known to their competitors. Diminishing the Companies' ability to receive the best proposals and contract for the best possible terms would harm both the Companies and their customers through increased costs of service. This information should therefore be afforded confidential protection to protect the Companies and their customers.

3. The information for which the Companies are seeking confidential treatment is not known outside of the Companies and the entity submitting the bid or entering the contract, is not disseminated within 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.

4. 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.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Utility Regulatory Commission v. Kentucky Water Service Company, Inc., 642 S.W.2d 591, 592-94 (Ky. App. 1982).

5. In compliance with 807 KAR 5:001, Sections 8(3) and 13(2)(e), the Companies are filing with the Commission one paper copy that identifies by highlighting the information for which confidential protection is sought and one electronic copy with the same information obscured for all of the Confidential Information except the attachment to the Companies' response to the Commission Staff's Question No. 25. With respect to the attachment to the Companies are seeking confidential protection for these documents in their entirety, the Companies are not providing a redacted copy of the confidential material.

**WHEREFORE**, Louisville Gas and Electric Company and Kentucky Utilities Company respectfully request that the Commission grant confidential protection for the information 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: September 6, 2016

Respectfully submitted,

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Counsel for Kentucky Utilities Company and Louisville Gas and Electric Company

#### **CERTIFICATE OF SERVICE**

This is to certify that Kentucky Utilities Company and Louisville Gas and Electric Company's September 6, 2016 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 September 6, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original in paper medium of the Joint Petition is being mailed to the Commission by U.S. mail, postage prepaid, on September 6, 2016.

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Counsel for Kentucky Utilities Company and Louisville Gas and Electric Company