COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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IN THE MATTER OF:

DUKE ENERGY KENTUCKY, INC.'S ANNUAL COST RECOVERY FILING FOR DEMAND-SIDE MANAGEMENT

CASE NO. 2016-00382

DUKE ENERGY KENTUCKY, INC.'S PETITION FOR THE CONFIDENTIAL TREATMENT OF CERTAIN INFORMATION CONTAINED IN ITS RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS

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 filed in response to STAFF-DR-01-009. The information contained in Attachment STAFF-DR-01-009 (Attachment), for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information), contains confidential and proprietary information including avoided costs data and calculations.

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 submitted and for which the Company is seeking confidential protection is the Attachment which contains Duke Energy Kentucky's avoided costs. More specifically, the Attachment shows detailed calculations of avoided costs information by program used by the Company in evaluating its demand side management programs. If made public, this (economically valuable) information would give the Company's vendors and competitors a distinct commercial advantage regarding Duke Energy Kentucky's operations. This information could be used by potential counter parties to undermine the Company's efforts to reduce costs, ultimately harming customers.

3. The Confidential Information is distributed within Duke Energy Kentucky only to those who must have access for business reasons and is generally recognized as confidential and proprietary in the energy industry.

4. The Confidential Information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Corporation.

5. Duke Energy Kentucky does not object to limited disclosure of the Confidential Information described herein, pursuant to an acceptable protective agreement, with the Attorney General or other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.

6. 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*, 904 S.W.2d 766, 768 (Ky. 1995).

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7. 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.

8. 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.

9. 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,

DUKE ENERGY KENTUCKY, INC.

Rocco D'Ascenzo (92796)

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing was served on the following via overnight mail, this $\underline{117}$ day of January, 2017:

Office of Attorney General Kent Chandler 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky, 40601

Rocco D'Ascenzo