

**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 Construction of a Number 2 ) Case No. 2017-00186  
Distillate Fuel Oil System at the Company's )  
Woodsdale Natural Gas-Fired Generating )  
Station )

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**PETITION OF DUKE ENERGY KENTUCKY, INC.  
FOR THE CONFIDENTIAL TREATMENT OF INFORMATION  
CONTAINED IN ITS APPLICATION REGARDING THE  
AUTHORIZATION TO CONSTRUCT AND INSTALL AN  
ULTRA-LOW SULFUR DIESEL (ULSD) DISTILLATE FUEL OIL  
SYSTEM AT THE WOODSDALE STATION**

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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 Application filed in this proceeding requesting authorization for the construction and installation of an ultra-low sulfur diesel (ULSD) distillate fuel oil system at the Company's Woodsdale Station (Application). The information for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) is contained in the Confidential Attachments to the Direct Testimony of John A. Verderame (JV-1 and JV-2) which includes confidential and detailed summaries used to evaluate various compliance strategies and the analysis of firm natural gas transportation options obtained through a competitive bidding solicitation.

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 that Duke Energy Kentucky seeks protection 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. The information contained in JV-1 details an analysis of the several business and operational risks in competitive markets and how the Company evaluates strategies to maintain competitive dispatching of its assets and to meet its load obligations. This information is considered confidential and proprietary trade secret information as it gives insight into how Duke Energy Kentucky evaluates its business operations and risks.

3. Similarly, the information contained in JV-2 contains a detailed analysis of costs for firm natural gas transportation contracts obtained through a competitive solicitation from three interstate pipeline companies. The analysis includes the Company's evaluation of the bid responses and the Company's evaluation of various operational scenarios over a forecasted period of years using those cost inputs. Disclosing this information will result in each of the pipeline companies and others in the industry to have access to information regarding prices charged for like services which will have a detrimental impact on the competitive market. Future

bidders would have access to information and use it to manipulate prices to the detriment of Duke Energy Kentucky and its customers.

4. 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.

5. 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.

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

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 twenty years, three years beyond the term of the forecasts included in the Application. 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,

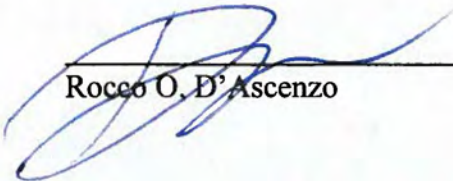


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Rocco O. D'Ascenzo (92796)  
Associate General Counsel  
Amy B. Spiller (85309)  
Deputy General Counsel  
Duke Energy Business Services, LLC  
139 East Fourth Street, 1313 Main  
Cincinnati, Ohio 45201-0960  
Phone: (513) 287-4320  
Fax: (513) 287-4385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

**CERTIFICATE OF SERVICE**

This is to certify that a copy of the foregoing Application of Duke Energy Kentucky, Inc. has been served via overnight mail to the following party on this 31<sup>st</sup> day of May, 2017.

  
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Rocco O. D'Ascenzo

Rebecca W. Goodman  
The Office of the Attorney General  
Utility Intervention and Rate Division  
700 Capital Ave., Ste 20  
Frankfort, Kentucky 40601