

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter of:

The Electronic Application of Duke Energy)
Kentucky, Inc., for: 1) An Adjustment of the)
Electric Rates; 2) Approval of an) Case No. 2017-00321
Environmental Compliance Plan and)
Surcharge Mechanism; 3) Approval of New)
Tariffs; 4) Approval of Accounting Practices to)
Establish Regulatory Assets and Liabilities;)
and 5) All Other Required Approvals and)
Relief.)

**MOTION OF DUKE ENERGY KENTUCKY, INC.
FOR CONFIDENTIAL TREATMENT FOR CERTAIN
RESPONSES TO REQUEST FOR INFORMATION**

Comes now Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), by counsel, pursuant to 807 KAR 5:001, Section 13 and other law, and respectfully requests the Commission to classify and protect certain information provided by the Company in its Supplemental Responses to Commission Staff's First Request for Information issued on August 25, 2017, respectfully stating as follows:

1. On August 2, 2017 Duke Energy Kentucky filed a Notice of Intent to File an Application seeking adjustment of its electric rates and other approvals.
2. On September 1, 2017 Duke Energy Kentucky filed an Application seeking an adjustment of its electric rates and other approvals.
3. On August 25, 2017 Commission Staff issued its First Request for Information to Duke Energy Kentucky.
4. In response to Commission Staff's First Request for Information, Duke Energy

Kentucky is providing certain information, which is referred to herein as the “Confidential Information,” for which it requests confidential treatment.

5. The Kentucky Open Records Act and applicable precedent exempts the Confidential Information from disclosure. *See* KRS 61.878(1)(a); KRS 61.878(1)(c)(I); *Zink v. Department of Workers Claims, Labor Cabinet*, 902 S.W.2d 825 (Ky. App. 1994); *Hoy v. Kentucky Industrial Revitalization Authority*, 907 S.W.2d 766, 768 (Ky. 1995). 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.

6. The Confidential Information for which Duke Energy Kentucky seeks confidential treatment is contained in its 3rd Supplemental Response to Request No. 59. In its response to Request No. 59, Duke Energy Kentucky is providing invoices related to the ongoing expenses for the preparation of this case. As part of the initial request to Staff 01-059, the Company was asked to provide continued updates through this proceeding. These invoices and contracts are pursuant to negotiated rates and fees charged by its vendors, consultants, and experts. Releasing this information would place both the Company and its vendors at a competitive disadvantage. In the future, such vendors may be unwilling to offer the same pricing levels out of concern competitors would have access to such information.

7. Furthermore, some of the information for which Duke Energy Kentucky is seeking confidential treatment was either developed internally, or acquired on a proprietary basis, by Duke Energy Corporation and Duke Energy Kentucky personnel, is not on file publicly with any public agency, and is not publicly available from any commercial or other source. 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 utility industry.

8. Duke Energy Kentucky does not object to limited disclosure of the Confidential Information described herein, pursuant to an acceptable protective agreement entered into with any intervenors with a legitimate interest in reviewing the same for the sole purpose of participating in this case.


9. In accordance with the provisions of 807 KAR 5:001, Section 13(2)(e), the Company is filing one copy of the Confidential Information separately under seal, and the appropriate number of copies with the Confidential Information redacted.

10. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of twenty 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 if publicly disclosed.

11. 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,



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

and

David S. Samford
L. Allyson Honaker
GOSS SAMFORD, PLLC
2365 Harrodsburg Road, Suite B-325
Lexington, KY 40504
(859) 368-7740
Email: David@gosssamfordlaw.com
Email: Allyson@gosssamfordlaw.com

Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing is a true and accurate copy of the document being filed in paper medium; that the electronic filing was transmitted to the Commission on January 31, 2018; that a copy of the filing in paper medium is being delivered to the Commission via 2 day delivery; and a copy of the filing is also being served on the following via overnight mail, this 31st day of January, 2018:


Counsel for Duke Energy Kentucky, Inc.

Kent Chandler
Rebecca W. Goodman
Justin M. McNeil
Lawrence W. Cook
Assistant Attorneys General
700 Capital Avenue, Suite 20
Frankfort, KY 40601-8204

Michael L. Kurtz, Esq.
Jody Kyler Cohn, Esq.
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Counsel for the Office of Attorney General

Dennis G. Howard, II
Howard Law PLLC
740 Emmett Creek Lane
Lexington, KY 40515

Counsel for Kentucky Industrial Utility Customers, Inc.

Kurt J. Boehm
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Counsel for Northern Kentucky University

Matthew R. Malone
William H. May, III
Hurt, Deckard & May PLLC
127 West Main Street
Lexington, KY 40507

Counsel for The Kroger Company

Counsel for the Kentucky School Board Association

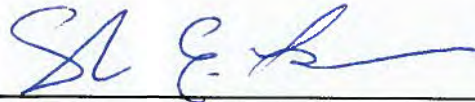
KYPSC CASE NO. 2017-00321
STAFF 3rd SUPP TO 1st SET OF DATA REQUESTS
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VERIFICATION

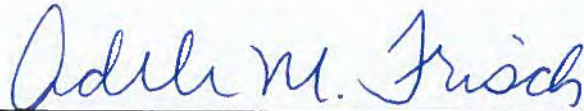
STATE OF OHIO)
)
COUNTY OF HAMILTON) SS:

The undersigned, Sarah E. Lawler, Utility Strategy Director, being duly sworn, deposes and says that she has personal knowledge of the matters set forth in the foregoing data requests, and that the answers contained therein are true and correct to the best of her knowledge, information and belief.



Sarah E. Lawler Affiant

Subscribed and sworn to before me by Sarah E. Lawler on this 31st day of January, 2018.



NOTARY PUBLIC

ADELE M. FRISCH
Notary Public, State of Ohio
My Commission Expires 01-05-2019

My Commission Expires: 1/5/2019

**THIRD SUPPLEMENTAL STAFF-DR-01-059
PUBLIC (As to Attachment B only)**

REQUEST:

Provide the following information concerning the costs for the preparation of this case:

- a. A detailed schedule of expenses incurred to date for the following categories:
 - 1) Accounting;
 - 2) Engineering;
 - 3) Legal;
 - 4) Consultants; and
 - 5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this case. Identify any costs incurred for this case that occurred during the base period.

- b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting work papers and calculations.

- c. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in (a) above. Updates will be due when the utility files its monthly financial statements with the Commission, through the month of the public hearing.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET (As to Attachment B Only)

Objection to the extent this request includes information that is protected under the doctrine of attorney client privilege. Without waiving said objection, please see STAFF DR-01-059 3rd Supplemental Attachment (A) for a schedule of rate case expenses and CONFIDENTIAL STAFF-DR-01-059 3rd Supplemental Attachment (B), which is being filed under the seal of a Petition for Confidential Treatment, for the associated supporting invoice documentation of non-privileged expenses recorded by Duke Energy Kentucky for December 2017.

PERSON RESPONSIBLE: Sarah E. Lawler

Document/ Journal Entry No.	Invoice Date	Payment Date	Vendor Name / Description	Hours Worked	Rate Per Hour	Consultants										
						Accounting	Engineering	Legal	Depreciation Study	Rate of Return	Demolition Study	Publish Legal Notices	Transport/ Lodging/Meals	Misc.	Total	
A) EXPENSES INCURRED TO DATE FOR DECEMBER																
December 2017																
APACR20487	4-Dec-17	12-Dec-17	Goss Samford Professional Legal Services	27.80	175.00			4,621.71							4,621.71	
APACR20487	4-Dec-17	12-Dec-17	Goss Samford Professional Legal Services	17.00	245.00			3,956.79							3,956.79	
APACR20487	4-Dec-17	12-Dec-17	Goss Samford Professional Legal Services		N/A			87.50							87.50	
APACR22378	8-Dec-17	18-Dec-17	Burns McDonnell Consulting Work	9.00	278.00						2,484.00				2,484.00	
APACR22841	15-Dec-17	19-Dec-17	Gannett Fleming Valuation and Rate Consultants, LLC Consulting Work	15.50	180.00				2,480.00						2,480.00	
APACR22841	15-Dec-17	19-Dec-17	Gannett Fleming Valuation and Rate Consultants, LLC Consulting Work	10.00	250.00				2,500.00						2,500.00	
APACR22941	15-Dec-17	19-Dec-17	Gannett Fleming Valuation and Rate Consultants, LLC Consulting Work	3.50	105.00				367.50						367.50	
APACR22941	15-Dec-17	19-Dec-17	Gannett Fleming Valuation and Rate Consultants, LLC Consulting Work		N/A				28.93						28.93	
Total December 2017								0.00	0.00	8,888.00	5,374.43	0.00	2,484.00	0.00	0.00	16,524.43

STAFF-DR-01-059
3RD SUPPLEMENTAL
EXCEL ATTACHMENT A
IS BEING UPLOADED
AND SUBMITTED ON CD

STAFF-DR-01-059
3RD SUPPLEMENTAL
CONF ATTACHMENT B
IS BEING FILED UNDER
THE SEAL OF A
PETITION FOR
CONFIDENTIAL
TREATMENT