

**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. )

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

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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)(1); *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 5<sup>th</sup> 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.

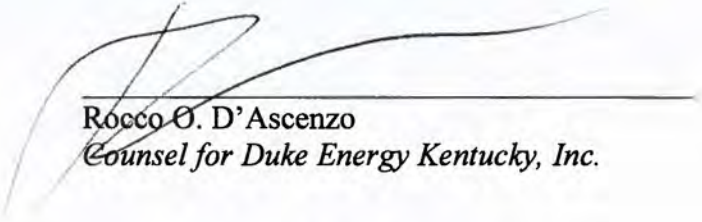
10. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of twenty years. This will assure that the Confidential Information – if disclosed after that time – will no longer be commercially sensitive so as to likely impair the interests 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.

**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 March 29, 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 29<sup>th</sup> day of March, 2018:

  
\_\_\_\_\_  
Rocco O. D'Ascenzo  
*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

**Counsel for the Office of Attorney General**

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

**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 Kentucky School Board Association**

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

**Counsel for Kentucky Industrial Utility Customers, Inc.**

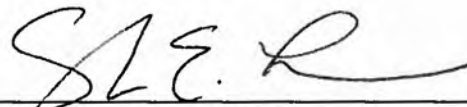
Kurt J. Boehm  
Boehm, Kurtz & Lowry  
36 East Seventh Street, Suite 1510  
Cincinnati, Ohio 45202

**Counsel for The Kroger Company**

**VERIFICATION**

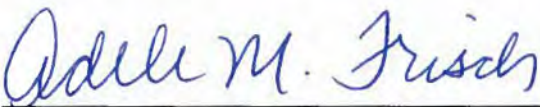
STATE OF OHIO                    )  
  )     SS:  
COUNTY OF HAMILTON        )

The undersigned, Sarah E. Lawler, Director, Rates & Regulatory Planning being duly sworn, deposes and says that he has personal knowledge of the matters set forth in the supplemental data request and that it is 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 29<sup>th</sup> day of MARCH, 2018.

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

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: 1/5/2019

**KyPSC Case No. 2017-00321**  
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**DATA REQUEST**

**WITNESS**

**TAB NO.**

STAFF-DR-01-059  
FIFTH SUPPLEMENTAL

Sarah Lawler ..... 59

**FIFTH SUPPLEMENTAL STAFF-DR-01-059  
PUBLIC**

**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 5th Supplemental Attachment (A) for a schedule of rate case expenses and CONFIDENTIAL STAFF-DR-01-059 5th Supplemental Attachment (B) for the associated supporting invoice documentation of non-privileged expenses recorded by Duke Energy Kentucky for February 2018.

**PERSON RESPONSIBLE:** Sarah E. Lawler



Document/ Journal Entry No.	Invoice Date	Payment Date	Vendor Name / Description	Hours Worked	Rate Per Hour	Consultants							Total		
						Accounting	Engineering	Legal	Depreciation Study	Rate of Return	Demolition Study	Publish Legal Notices		Transport/ Lodging/Meals	Misc.
<b>EXPENSES INCURRED TO DATE FOR FEBRUARY</b>															
<b>February 2018</b>															
ACR37200	22-Jan-18	8-Feb-18	Burns McDonnell   Consulting Work	3.00	276.00						828.00		828.00		
ACR37200	22-Jan-18	8-Feb-18	Burns McDonnell   Consulting Work		N/A						28.78		28.78		
ACR40846	9-Jan-18	9-Mar-18	Goss Samford   Professional Legal Services	24.40	175.00			4,056.41					4,056.41		
ACR40846	9-Jan-18	9-Mar-18	Goss Samford   Professional Legal Services	15.50	245.00			3,607.71					3,607.71		
ACR40846	9-Jan-18	9-Mar-18	Goss Samford   Professional Legal Services		N/A - Travel			26.88					26.88		
ACR40846	12-Feb-18	14-Mar-18	Goss Samford   Professional Legal Services	44.00	75.00			3,135.01					3,135.01		
ACR40846	12-Feb-18	14-Mar-18	Goss Samford   Professional Legal Services	35.80	175.00			5,951.74					5,951.74		
ACR40846	12-Feb-18	14-Mar-18	Goss Samford   Professional Legal Services	24.60	245.00			5,725.65					5,725.65		
<b>Total February 2018</b>								<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>856.78</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>23,360.18</b>