## **COMMONWEALTH OF KENTUCKY**

## **BEFORE THE PUBLIC SERVICE COMMISSION**

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In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR REVIEW, MODIFICATION, AND CONTINUATION OF CERTAIN EXISTING DEMAND-SIDE MANAGEMENT AND ENERGY EFFICIENCY PROGRAMS

CASE NO. 2017-00441

## KENTUCKY UTILITIES COMPANY'S 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 their Joint Application. 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. Exhibit GSL-3 to the Testimony of Gregory S. Lawson (the *Residential and Commercial Energy and Efficiency Potential Study* by The Cadmus Group, Inc.) contains cost information concerning the Companies' Demand Conservation Programs (also called load-control programs), including pricing information derived from contracts with, and bids from, vendors

providing program administration. This information is 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 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 and submit bids 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 Commission has given confidential protection to similarly sensitive information in prior proceedings.<sup>1</sup>

4. The information for which the Companies are seeking confidential treatment is not known outside of the Companies and the entity submitting the pricing information 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.

5. 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

<sup>&</sup>lt;sup>1</sup> See, e.g., In the Matter of: Investigation of Kentucky Utilities Company's and Louisville Gas and Electric Company's Respective Need for and Cost of Multiphase Landfills at the Trimble County and Ghent Generating Stations, Case No. 2015-00194, Order (Jan. 27, 2016); In the Matter of: Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates, Case No. 2014-00371, Order Regarding Request for Confidential Treatment (Dec. 2, 2015); In the Matter of: Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for Review, Modification, and Continuation of Existing, and Addition of New, Demand-Side Management and Energy-Efficiency Programs, Case No. 2011-00134, Letter from Executive Director Jeff DeRouen (Aug. 31, 2011).

supply with the Commission with a complete record to enable it to reach a decision with regard to this matter.<sup>2</sup>

6. 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.

7. The Companies respectfully request that the information identified above be kept confidential for a period of five years, after which time the pricing information will be of little use in the market.

**WHEREFORE**, Kentucky Utilities Company and Louisville Gas and Electric 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.

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

Dated: December 6, 2017

Respectfully submitted,

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## **CERTIFICATE OF COMPLIANCE**

This is to certify that Kentucky Utilities Company and Louisville Gas and Electric Company's December 6, 2017 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 December 6, 2017; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and six copies in paper medium of the Joint Petition will be hand-delivered to the Commission on or before December 8, 2017.

*Counsel for Kentucky Utilities Company and Louisville Gas and Electric Company*