In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)ELECTRIC COOPERATIVE CORPORATION)FOR APPROVAL OF MASTER POWER PURCHASE)AND SALE AGREEMENT AND TRANSACTIONS)THEREUNDER)

) CASE NO. ) 2018-00050

## MOTION FOR CONFIDENTIAL TREATMENT

Comes now East Kentucky Power Cooperative, Inc. ("EKPC"), by and through counsel, and pursuant to KRS 61.878, 807 KAR 5:001, Section 13 and other applicable law, and for its Motion requesting that the Kentucky Public Service Commission ("Commission") afford confidential treatment to information contained in its certain response to South Kentucky Rural Electric Cooperative Corporation's ("South Kentucky") requests for information filed in the above-captioned proceeding, respectfully states as follows:

1. On January 31, 2018, South Kentucky filed its Application requesting the Commission to approve a Master Power Purchase and Sale Agreement and Transactions thereunder.

2. On April 18, 2018, South Kentucky served its Information Requests to EKPC. Item 24 of those requests asked for "...all documents produced in the last 36 months by or for EKPC that compare EKPC's financial or operating performance to other Generation and Transmission Cooperatives." On April 27, 2018, in response to that request, EKPC stated that it had no documents responsive to that request.

3. In the last week, an evaluation was prepared by EKPC and presented to EKPC's Board that compared EKPC's cost of service with that of other G&T's across the country. While this document is technically outside the scope of South Kentucky Request No. 24, it is provided nevertheless.

4. The cost of service data is being tendered in redacted form in the public version of EKPC's filing and in an un-redacted form filed under seal herewith. This documents is hereinafter referred to as the "Confidential Information."

5. The Confidential Information contains sensitive and proprietary information regarding the cost of service of EKPC and that of other G&T's that presented the data to EKPC under the condition it would be maintained in a confidential manner. This Confidential Information is not publicly available. As such, disclosure of the Confidential Information could permit an unfair advantage to third parties. Moreover, the Kentucky Supreme Court has stated, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary." *Hoy v. Kentucky Industrial Revitalization Authority*, 907 S.W.2d 766, 768 (Ky. 1995). Because the Confidential Information is critical to EKPC's effective execution of business decisions and strategy, it satisfies both the statutory and common law standards for being afforded confidential treatment. Moreover, the Confidential Information is distributed within EKPC only to those employees who must have access for business reasons, as well as to its Board, and is generally recognized as confidential and proprietary in the energy industry. The Confidential Information for which EKPC is seeking confidential treatment is not

known outside of EKPC. This Confidential Information was, and remains, integral to EKPC's effective execution of business decisions and strategy.

6. In accordance with the provisions of 807 KAR 5:001, Section 13(2), EKPC is filing one copy of the Confidential Information separately under seal. Confidential treatment is sought for the entirety of the supplemental response attached to EKPC's Supplemental Response to South Kentucky's Information Request 24.

7. In accordance with the provisions of 807 KAR 5:001, Section 13(3), EKPC respectfully requests that the Confidential Information be withheld from public disclosure for a period of ten years. This will assure that the Confidential Information will be less likely to include information that continues to be commercially sensitive so as to impair the interests of EKPC (and the other G&T's) if publicly disclosed.

WHEREFORE, on the basis of the foregoing, EKPC respectfully requests the Commission to enter an Order granting this Motion for Confidential Treatment and to so afford such protection from public disclosure to the un-redacted copies of Confidential Information, which is filed herewith under seal, for an indefinite period of time.

This 8th day of May 2018.

Respectfully submitted,

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Counsel for East Kentucky Power Cooperative, Inc.

#### **CERTIFICATE OF SERVICE**

This is to certify that a true and correct copy of the foregoing Supplemental Response was forwarded electronically on this 8<sup>th</sup> day of May, 2018, addressed to the following:

Matthew R. Malone William H. May Hurt, Deckard & May, PLLC 127 West Main Street Lexington, KY 40507 mmalone@hdmfirm.com bmay@hdmfirm.com

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In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL	)
ELECTRIC COOPERATIVE CORPORATION	) <b>C</b>
FOR APPROVAL OF MASTER POWER PURCHASE	) 20
AND SALE AGREEMENT AND TRANSACTIONS	)
THEREUNDER	)

CASE NO. 2018-00050

#### SUPPLEMENTAL RESPONSE OF EAST KENTUCKY POWER COOPERATIVE, INC. TO SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION'S REQUESTS FOR INFORMATION

Comes now East Kentucky Power Cooperative, Inc. ("EKPC"), by counsel, and hereby files this Supplemental Response to South Kentucky Rural Electric Cooperative Corporation's ("South Kentucky") Requests for Information. EKPC is filing this Supplemental Response subject to a Motion for Confidential Treatment, which is attached. Said Supplemental Response is made subject to, and in accordance with, the Preliminary Statement and General Objections submitted by EKPC in its initial Responses to South Kentucky's Requests for Information.

Respectfully submitted,

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Counsel for East Kentucky Power Cooperative, Inc.

#### **CERTIFICATE OF SERVICE**

This is to certify that a true and correct copy of the foregoing Supplemental Response was forwarded electronically on this 8<sup>th</sup> day of May, 2018, addressed to the following:

Matthew R. Malone William H. May Hurt, Deckard & May, PLLC 127 West Main Street Lexington, KY 40507 mmalone@hdmfirm.com bmay@hdmfirm.com

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Counsel for East Kentucky Power Cooperative, Inc.

In the Matter of:

**APPLICATION OF SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION** FOR APPROVAL OF MASTER POWER PURCHASE AND SALE AGREEMENT AND TRANSACTIONS THEREUNDER

) CASE NO. ) 2018-00050

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# SUPPLEMENTAL RESPONSE TO SOUTH KENTUCKY'S FIRST REQUEST FOR INFORMATION TO EAST KENTUCKY POWER COOPERATIVE, INC. DATED APRIL 18, 2018

In the Matter of:

#### **APPLICATION OF SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION** FOR APPROVAL OF MASTER POWER PURCHASE AND SALE AGREEMENT AND TRANSACTIONS **THEREUNDER**

CASE NO. ) ) 2018-00050

)

)

#### **CERTIFICATE**

#### **STATE OF KENTUCKY** ) ) **COUNTY OF CLARK** )

Mike McNalley, being duly sworn, states that he has supervised the preparation of the supplemental response of East Kentucky Power Cooperative, Inc. to the South Kentucky Rural Electric Cooperative Corporation's Information Requests in the above-referenced case dated April 18, 2018, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

Subscribed and sworn before me on this  $\cancel{8}$ day of May 2018.



Supplemental Response So. Ky. Request 24 Page 1 of 1

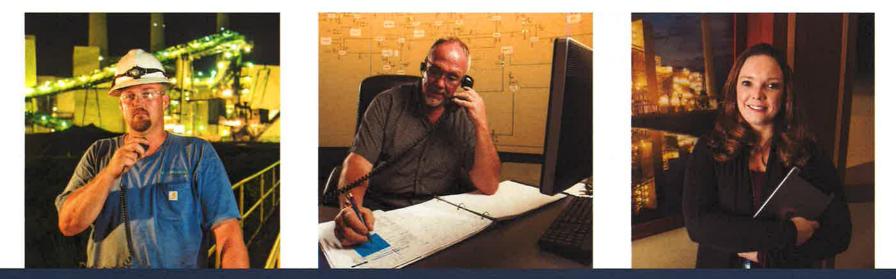
## EAST KENTUCKY POWER COOPERATIVE, INC. PSC CASE NO. 2018-00050 RESPONSE TO INFORMATION REQUEST

## SOUTH KENTUCKY'S FIRST REQUEST FOR INFORMATION DATED 04/18/18 REQUEST 24 RESPONSIBLE PARTY: Mike McNalley

**<u>Request 24.</u>** Provide all documents produced in the last 36 months by or for EKPC that compare EKPC's financial or operating performance to other Generation and Transmission Cooperatives.

**Response 24.** EKPC neither produced nor requested the production of comparisons of its financial or operating performance to other Generation and Transmission Cooperatives.

**Supplemental Response 24.** While the attached Exhibit A is outside the scope of the foregoing request, inasmuch as it was produced in the last week, and outside the 36 month period that this request calls for, it is being produced because it does compare EKPC's cost of service with other G&T's. The attached Exhibit A is subject to a Motion for Confidential Treatment.



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People powering a bright future

# EKPC Cost of Service Mike McNalley April 3, 2018



Exhibit A Page 1 of 2

