



Amy B. Spiller
President
Duke Energy Kentucky

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June 21, 2018

Ms. Gwen R. Pinson
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
Frankfort, Kentucky 40602-0615

RE: Duke Energy Kentucky 2018 Integrated Resource Plan

Dear Ms. Pinson:

Pursuant to 807 KAR 5:058, Duke Energy Kentucky submits ten (10) bound and one (1) unbound copies of the Duke Energy Kentucky 2018 Integrated Resource Plan (IRP) to the Public Service Commission of Kentucky. Please note that the 11 copies have been redacted to protect the confidentiality of certain information. Concurrently with the filing of this Duke Energy Kentucky 2018 IRP, the Company has filed a petition with the Commission requesting confidential treatment of such information.

The Duke Energy Kentucky IRP contains chapters generally covering areas such as: Objectives and Process, Load Forecast, Demand-Side Management, Supply-Side Resources, Environmental Compliance Planning, Electric Transmission Forecast, and Selection and Implementation of the Plan. In addition, an Executive Summary, which provides a synopsis of the entire report, has been included. For your convenience, "Appendix F" is a Kentucky Index which lists the Chapter(s) and Section(s) of the report that are responsive to each of the Kentucky regulations.

Please note that Rocco D'Ascenzo, Deputy General Counsel, 139 East Fourth Street, 13th floor, Cincinnati, OH 45202, (513) 287-4320, is the Attorney of Record for this forecast.

Specific questions regarding the contents of this report should be directed to Scott Park, Integrated Resource Planning, at the offices of Duke Energy located at 400 South Tryon Street, Charlotte, NC 28202.

Yours truly,

A handwritten signature in blue ink that reads "Amy B. Spiller".

Amy B. Spiller

Duke Energy Kentucky, Inc.

2018 INTEGRATED RESOURCE PLAN

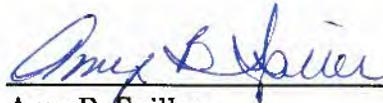
CERTIFICATE OF SERVICE

The undersigned states that she is the President of Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc. and that she is duly authorized in such a capacity to execute and file this Integrated Resource Plan on behalf of Duke Energy Kentucky, Inc.

A copy of the attached "Notice of Filing" has been made by depositing the same in the United States mail, First Class postage prepaid to the following intervenors in Duke Energy Kentucky's last integrated resource plan review proceeding:

Rebecca W. Goodman
Office of the Attorney General
Office of Rate Intervention
700 Capitol Avenue, Ste. 20
Frankfort, KY 40601

One copy of this Report will be kept at the principal business office of Duke Energy Kentucky, Inc. for public inspection during office hours. A copy of the Report will be provided to any person, upon request, at cost, to cover expenses incurred.



Amy B. Spiller
President, Duke Energy Ohio and Kentucky

4/24/18

Date

NOTICE OF FILING

Please take notice, that pursuant to 807 KAR 5:058, Section 1(2), Duke Energy Kentucky, Inc. has, this 21st day of June 2018, filed a copy of the Duke Energy Kentucky 2018 Integrated Resource Plan (IRP) with the Public Service Commission of Kentucky.

This IRP contains Duke Energy Kentucky, Inc.'s assessment of various demand-side and supply-side resources to cost effectively meet jurisdictional customer electricity service needs.

A copy of the IRP, as filed, will be available for review at the offices of Duke Energy Kentucky, Inc. during normal business hours. A copy of this IRP will be provided, at cost, to cover expenses incurred, upon request.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of Duke Energy Kentucky,)
Inc.'s Integrated Resource Plan) Case No. 2018-00195
)

PETITION OF DUKE ENERGY KENTUCKY, INC.
FOR CONFIDENTIAL TREATMENT OF INFORMATION
CONTAINED IN ITS INTEGRATED RESOURCE PLAN

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 that is contained in Duke Energy Kentucky's 2018 Integrated Resource Plan (IRP) contemporaneously filed with this Petition. The information that Duke Energy Kentucky seeks confidential treatment on generally includes: (1) information related to operations and management (O&M) costs, projected fuel and environmental compliance forecasted costs, power market prices, and projected capacity and resource alternative capital costs; (3) supply side screening curves and resource evaluations; (4) third party owned and licensed modeling tools; and (5) critical system maps. The information which the Company is requesting to remain confidential includes, charts, tables, and figures, including, but not limited to, Figures 4.5, 4.6, 4.7, 4.8 and Tables 4.1, A.2, A.5. Additional text contained on pages 31 and 32 and system maps and detailed system information included in response to 807 KAR 5:058 section 8(3) of the IRP regulation are also considered confidential.

The public disclosure of the information described would place Duke Energy Kentucky at a commercial disadvantage as it negotiates contracts with various suppliers and vendors and could potentially harm Duke Energy Kentucky's competitive position in the

marketplace, to the detriment of Duke Energy Kentucky and its customers. Moreover, Duke Energy Kentucky's system descriptions and maps show the location of critical utility infrastructure necessary to deliver safe and reliable electric service to its consumers. The public release of this information would create a security risk for both the Company and its customers.

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 information regarding power production costs that Duke Energy Kentucky wishes to protect from public disclosure - including supply side screening curves, projected costs of fuel and various compliance and other O&M expenses, capital costs, power market prices, and projected capacity cost - is identified in the filing submitted concurrently herewith. This information was developed internally by 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. If publicly disclosed, this information setting forth Duke Energy Kentucky's costs of operation, expected need for fuel and allowances and projected capacity could give competitors an advantage in bidding for and securing new resources. Similarly, disclosure

would afford an undue advantage to Duke Energy Kentucky's vendors and suppliers as they would enjoy an obvious advantage in any contractual negotiations to the extent they could calculate Duke Energy Kentucky's requirements and what Duke Energy Kentucky anticipates those requirements to cost. Finally, public disclosure of this information, particularly as it relates to supply-side alternatives, would reveal the business model Duke Energy Kentucky uses - the procedure it follows and the factors and inputs it considers - in evaluating the economic viability of various generation related projects. Public disclosure would give Duke Energy Kentucky's contractors, vendors and competitor's access to Duke Energy Kentucky's cost and operational parameters, as well as insight into its contracting practices. Such access would impair Duke Energy Kentucky's ability to negotiate with prospective contractors and vendors, and could harm Duke Energy Kentucky's competitive position in the power market, ultimately affecting the costs to serve customers.

3. Duke Energy Kentucky requests confidential protections for certain third-party data contained in the IRP. In developing the 2018 IRP, Duke Energy Kentucky used certain confidential and proprietary data consisting of confidential information belonging to third parties who take reasonable steps to protect their confidential information, such as only releasing such information subject to confidentiality agreements. Duke Energy Kentucky used forecasts of various commodities and inputs such as power market data and fuel price forecasts (coal prices and gas prices) developed by independent third parties, ABB and IHS Markit, subject to confidentiality restrictions. Burns and McDonnell provided operating specifications and costs for potential future generating units, and Moody's Analytics provided economic forecasts, both subject to confidentiality agreements. Specifically, the fuel forecasts contained in Figures 4.5 and 4.6 were constructed using proprietary data from

IHS. The expansion plan capacity mix described on pages 31 and 32 of the IRP were derived from the proprietary information from ABB, the Capital cost data contained in Table 4.1 was derived from data obtained from Navigant and Burns & McDonnell. Duke Energy Kentucky is contractually bound to maintain such information confidential. Moreover, this information is deserving of protection to protect Duke Energy Kentucky's customers. If allowance brokers or equipment vendors knew Duke Energy Kentucky's forecasted emissions and fuel prices, by station or otherwise, such brokers or vendors would have an unfair advantage in negotiating future emission allowance or emission control equipment sales, to the detriment of Duke Energy Kentucky and its customers. Furthermore, if competitors of Duke Energy Kentucky knew such forecasts, they could have an advantage in competing for new business against Duke Energy Kentucky. For further consideration, please see Affidavit of Peter Augustini, IHS Markit's Commercial Head of Power, Gas, Coal, Renewables attached hereto as Exhibit 1.

4. Duke Energy Kentucky requests confidential treatment for the transmission system maps and descriptions included in the IRP. This information shows the location of Critical Energy Infrastructure Information (CEII) and the interconnected nature of the system, which has been granted confidential treatment in the past. Duke Energy Kentucky takes all reasonable steps in order to protect CEII, including, but not limited to, only sharing such information internally on a need-to-know basis. The reliability entities with access to such data, such as PJM Interconnection L.L.C. (PJM), also take appropriate precautions to protect such data. This information needs to be kept confidential in order to continue to provide delivery of safe and reliable electric service to Duke Energy Kentucky customers.

Furthermore, the release of this information would provide a security risk for the Company and its customers.

5. The information contained in Figures 4.7, 4.8, Tables A.2 and A.5 include various forecasts depicting the Company's view of power prices, facility operations, and fuel consumption respectfully. This information is considered proprietary to Duke Energy Kentucky and depicts its views of operations in the future. The Company would be placed at a competitive disadvantage if such information is released publicly as it would provide the competitors and potential counterparties and vendors for Duke Energy Kentucky with a competitive advantage that would prevent the Company from having the ability to manage its costs. It would also allow such counterparties and/or competitors to make decisions regarding pricing they otherwise would not have done, thereby making Duke Energy Kentucky and, in turn, its customers pay more than they otherwise would absent such information.

6. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, with the Attorney General or other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.

7. 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).

8. 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 ten copies without the confidential information included.

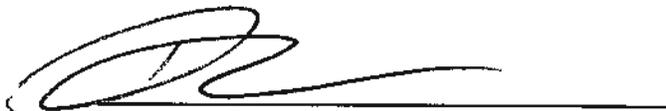
9. Duke Energy Kentucky respectfully requests that the Confidential Information, excluding the CEII which the Company requests be withheld indefinitely, be withheld from public disclosure for a period of ten years. This will assure that the Confidential Information – if disclosed after that time – will no longer be commercially sensitive so as to likely impair the interests of the Company or its customers if publicly disclosed.

10. 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 the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

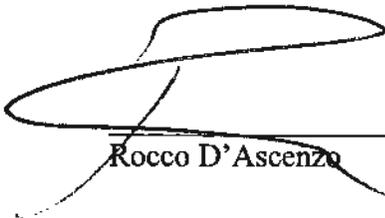


Rocco O. D'Ascenzo (92796)
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Cincinnati, Ohio 45201-0960
Phone: (513) 287-4320
Fax: (513) 287-4385
E-mail: rocco.d'ascenzo@duke-energy.com
Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing was served on the following via
U.S. Mail, first class, postage prepaid, this 21st day of June, 2018:

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



Rocco D'Ascenzo

AFFIDAVIT OF
PETER AUGUSTINI

COMES NOW Peter Augustini, being duly sworn, deposes and says:

1. My name is Peter Augustini. I am employed by IHS Markit as commercial head of Power, Gas, Coal, Renewables.
2. IHS Markit provided certain information such as forecasts of fuel prices, wholesale market prices, emission allowance prices, capacity additions, and related energy market data fuel to Duke Energy, pursuant to an agreement whereby Duke Energy and its subsidiaries would keep such information confidential.
3. IHS Markit has furnished similar information to other entities subject to similar agreements requiring such entities to maintain the confidentiality of such information.
4. To the best of my information, knowledge and belief such data has not been filed, produced, published or otherwise furnished to third parties without appropriate confidentiality agreements, protective orders, or other appropriate means to protect the confidentiality of such information.
5. IHS Markit derives actual economic value from the sale and protection of such information. In my opinion, such value would be damaged if such information were made available to the public so that such information could be used without compensation to IHS Markit who developed such information and sells such information as a strategic part of its business.

FURTHER AFFIANT SAITH NOT.



Peter Augustini

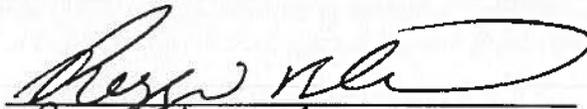
COMMONWEALTH OF MASSACHUSETTS)

) SS:

COUNTY OF MIDDLESEX
Suffolk

)

Subscribed and sworn to before me this 20 day of June, 2018.



(Reginald R. Blaise) Notary Public

My Commission Expires:

DEC 09, 2022

My County of Residence:

Suffolk

