

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of Electronic Purchased Gas    )  
Adjustment Filing of Duke Energy            )     Case No. 2018-00143  
Kentucky, Inc.                                    )

---

**PETITION OF DUKE ENERGY KENTUCKY, INC.  
FOR CONFIDENTIAL TREATMENT OF CERTAIN  
INFORMATION CONTAINED IN ITS RESPONSES TO STAFF'S  
FIRST SET OF DATA REQUESTS**

---

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 its responses to Staff's First of Data Requests. Specifically, the attachments to STAFF-DR-01-001, STAFF-DR-01-002, STAFF-DR-01-007, STAFF-DR-01-008, and STAFF-DR-01-014, along with the chart included in the response to STAFF-DR-01-007. The information that Duke Energy Kentucky seeks confidential treatment (Confidential Information) in STAFF-DR-01-001 and STAFF-DR-01-002 includes contracts between the Company and its suppliers; STAFF-DR-01-007 includes contracts between the Company and asset managers, along with payments received from those asset managers; STAFF-DR-01-008 includes bids from suppliers in response to the Company's request for proposals; and STAFF-DR-01-014 includes the Company's strategic plan.

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.

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. Included in the Confidential Information Duke Energy Kentucky is providing are copies of contracts, the Company's business strategy, and written request for proposal solicitations, that include a summary of the responses received in the Company selection criteria. The response also includes documentation of the responses selected as part of the solicitation and describes the Company's strategy for procuring fuel. Public disclosure of this information would reveal commercially valuable information about the manner in which Duke Energy Kentucky conducts solicitations for natural gas to meet its customer demand and would reveal bid data gathered from a high percentage of companies in the industry. This information, if disclosed, would have the potential to cause market manipulations in the future and may impair the Company's ability to conduct further solicitations by chilling the response from potential suppliers. Additionally, 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 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, ultimately affecting the costs to serve customers.

3. The Confidential Information was developed internally by Duke Energy Corporation and Duke Energy Kentucky personnel, is not on file with any public agency, and is not available from any commercial or other source outside of Duke Energy Kentucky. The aforementioned Confidential Information is distributed within Duke Energy Kentucky, only to those who must have access for business reasons, and is generally recognized as confidential and proprietary in the energy industry.

4. The Confidential Information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Corporation.

5. 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.

6. 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).

7. 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.

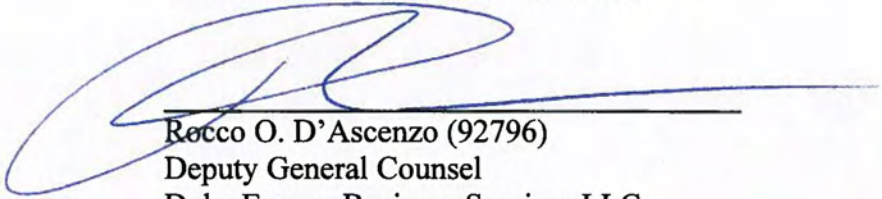
8. Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure for a period of ten years. This will assure that the Confidential Information – if disclosed after that time – will no longer be commercially sensitive so as to likely impair the interests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

9. 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)

Deputy General Counsel

Duke Energy Business Services LLC

139 East Fourth Street, 1303 Main

Cincinnati, Ohio 45201-0960

Phone: (513) 287-4320

Fax: (513) 287-4385

E-mail: [rocco.d'ascenzo@duke-energy.com](mailto:rocco.d'ascenzo@duke-energy.com)

*Counsel for Duke Energy Kentucky, Inc.*