COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DUKE ENERGY KENTUCKY, INC. TO AMEND ITS DEMAND SIDE MANAGEMENT PROGRAMS

Case No. 2019-00277

PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS RESPONSES TO THE ATTORNEY GENERAL'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 provided by Duke Energy Kentucky filed in response to AG-DR-01-007. The information for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information), specifically AG-DR-01-007 subsections (b) and (f), AG-DR-01-007(d) Confidential Attachment, and AG-DR-01-007(e) Attachments 1 and 2, include sensitive information regarding vendor services provided to Duke Energy Kentucky pursuant to a request for proposal (RFP) process, as well as its jurisdictional counterparts. The disclosure of this Confidential Information would injure Duke Energy Kentucky and its competitive position and business interests placing the Company at a commercial disadvantage as it negotiates contracts with various vendors and suppliers and discourage future participation by potential vendors.

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 public disclosure of the information described above contains sensitive information, the disclosure of which would injure Duke Energy Kentucky and its competitive position and business interest. Duke Energy Corporation's Market Solutions organization, located within Duke Energy Business Services LLC, is responsible for the procurement of energy efficiency education and incentive programs in the Duke Energy Corporate footprint and thus its policies and procedures are all-encompassing and include multiple jurisdictions. The public disclosure of the information described above would place Duke Energy Kentucky and its parent utility, Duke Energy Ohio, Inc., at a commercial disadvantage as they collectively negotiate contracts with various suppliers and vendors and could potentially harm Duke Energy Kentucky and its customers. Moreover, this information involves the prices for services provided by vendors who compete for these contracts.

3. The public disclosure of this information would put these vendors at a competitive disadvantage in that it would allow their direct competitors to have access to pricing and terms and conditions that were negotiated with Duke Energy Business Services. Because this blanket contract involves services provided in jurisdictions beyond Kentucky, the release of this information could potentially harm Duke Energy Kentucky's affiliated utilities and respective customers as well.

2

Competitors could use this information to manipulate their own prices and put Duke Energy Kentucky or its utility affiliates at a commercial disadvantage in negotiations for similar services going forward. Competitors could use this information to manipulate their own prices and put Duke Energy Kentucky or its affiliates at a commercial disadvantage in negotiations for similar services going forward. Moreover, disclosure of this information could stifle future participation by such vendors that would not want to risk their competitive sensitive information being disclosed publicly.

4. The 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.

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

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*, 904 S.W.2d 766, 768 (Ky, 1995).

3

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 one copy without the Confidential Information included.

9. 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.

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

Respectfully submitted,

Rocco O. D'Ascenzo (92796) Deputy General Counsel Duke Energy Business Services LLC 139 East Fourth Street, 1303-Main Cincinnati, Ohio 45202 (513) 287-4320 (513) 287-4385 (f) <u>Rocco.D'ascenzo@duke-energy.com</u> 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

overnight mail, this 25th day of October 2019.

Kent Chandler The Office of the Attorney General Utility Intervention and Rate Division 700 Capital Avenue, Suite 20 Frankfort, Kentucky 40601-8204

Rocco O. D'Ascenzo