COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN AMENDED GAS LINE TRACKER

) CASE NO. 2019-00301

PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR CONFIDENTIAL PROTECTION

Louisville Gas and Electric Company ("LG&E" or "Company") hereby petitions 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 information described herein, which LG&E seeks to provide in the Direct Testimonies of Mr. John P. Malloy and Mr. Robert M. Conroy. In support of this Petition, LG&E states as follows:

Confidential or Proprietary Commercial Information (KRS 61.878(1)(c)(1))

1. The Kentucky Open Records Act exempts from disclosure certain commercial information.¹ To qualify for the exemption and maintain the confidentiality of the information, a party must establish that the material is of a kind "generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records."²

2. Included in the Direct Testimonies of Mr. John P. Malloy and Mr. Robert M. Conroy is the contract price agreed upon between LG&E and Rosen USA, an in-line inspection ("ILI") tool vendor, for the design and subsequent use of a multi-diameter ILI tool. Pursuant to

¹ KRS 61.878(1)(c).

 $^{^{2}}$ Id.

807 KAR 5:001, Section 13, page 5 of Mr. Malloy's Direct Testimony and page 5 of Mr. Conroy's Direct Testimony contain redactions of the contract price to protect this confidential information from public disclosure.

3. Public disclosure of this confidential information would prove harmful to both LG&E and Rosen USA. If the Commission grants public access to this information, LG&E could be disadvantaged in negotiating future contracts with third party vendors for pipeline inspection services and the development of pipeline inspection tools. This commercial harm could ultimately harm LG&E's customers, who may have to pay higher rates if the disclosed information results in increased contract prices for pipeline inspection services and tools.

4. Furthermore, Rosen USA could suffer competitive harm if the same pricing information is publicly disclosed because such information could be used against it in future negotiations with other customers or by its competitors. Rosen USA and other similar parties are more likely to enter into contracts when they know that contract prices will not be known to their competitors or their other customers. If the Commission allows public disclosure of the contract price, Rosen USA may be less willing to enter into contracts with LG&E or offer LG&E concessions in future negotiations. This will ultimately harm LG&E's relationship with Rosen USA.

5. The public disclosure of this information will create precisely the kind of competitive harm that KRS 61.878(1)(c)(1) intends to prevent. Thus, the Commission should grant confidential protection for this information.

6. The information for which LG&E is seeking confidential treatment is not known, to the Company's knowledge, outside of the Company and its counsel and Rosen USA. It is not

2

disseminated within the Company except to those employees with a legitimate business need to know and act upon the information.

7. If the Commission disagrees with this request for confidential protection, however, it must hold an evidentiary hearing (a) to protect LG&E's due process rights and (b) to supply the Commission with a complete record to enable it to reach a decision with regard to this matter.³

8. In compliance with 807 KAR 5:001, Sections 8(3) and 13(2)(e), LG&E is 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.

9. LG&E requests that confidential protection be granted for five years due to the sensitive nature of the information at issue.

WHEREFORE, Louisville Gas and Electric Company respectfully requests that the Commission grant confidential protection for the information described herein.

Dated: 09-27-2019

Respectfully submitted,

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³ Utility Regulatory Commission v. Kentucky Water Service Company, Inc., 642 S.W.2d 591, 592-94 (Ky. App. 1982).

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CERTIFICATE OF COMPLIANCE

In accordance with 807 KAR 5:001 Section 8(7), this is to certify that Louisville Gas and Electric Company's September 27, 2019 electronic filing is a true and accurate copy of the Petition being filed in paper medium; that the electronic filing has been transmitted to the Commission on September 27, 2019; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original of the filing is being hand-delivered to the Commission on September 27, 2019.

Counsel for Louisville Gas and Electric Company