## **COMMONWEALTH OF KENTUCKY**

## **BEFORE THE PUBLIC SERVICE COMMISSION**

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In the Matter of:

ELECTRONIC JOINT APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR APPROVAL OF A SOLAR POWER CONTRACT AND TWO RENEWABLE POWER AGREEMENTS TO SATISFY CUSTOMER REQUESTS FOR A RENEWABLE ENERGY SOURCE UNDER GREEN TARIFF OPTION #3

CASE NO. 2020-00016

## JOINT PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR CONFIDENTIAL PROTECTION

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively, the "Companies") petition the Public Service Commission of Kentucky ("Commission") pursuant to 807 KAR 5:001, Section 13 and KRS 61.878(1) to grant confidential protection for the information described herein, which the Companies seek to provide in response to Item No. 3 of Commission Staff's Initial Request for Information. In support of this Joint Petition, the Companies state as follows:

1. Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure commercially sensitive information to the extent that open disclosure would permit an unfair commercial advantage to competitors of the entity disclosing the information to the Commission. See KRS 61.878(1)(c). Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. Item No. 3 of Commission Staff's Initial Request for Information requests the Companies' marginal unit dispatch order and cost for every unit in one-hour increments over the

past two years. In response, the Companies are providing an Excel spreadsheet listing the energy cost for each hour of 2018 and 2019 for each of the Companies' thermal generating units. The energy costs detailed in the listing include fuel and variable operating costs. The highlighted portions of the Excel spreadsheet containing incremental costs should be afforded confidential protection. Public disclosure of such cost information will place the Companies at a considerable disadvantage when negotiating future contracts and could disadvantage them in the wholesale energy market because power production data is an important component of energy pricing. The public disclosure of this information will provide insight into the Companies' cost of producing power and indicate the prices at which the Companies are willing to sell and purchase power. Public access to this information would impact the Companies' competitive position in the wholesale power market. All such commercial harms would ultimately harm the Companies' customers, who would have to pay higher rates if the disclosed information resulted in higher production prices.

3. The incremental cost information highlighted in the Excel spreadsheet is based on information that the Companies' personnel developed internally and is not on file with any public agency or available from any commercial or other source outside the Companies. Such information is distributed within the Companies only to those employees who must have access for business reasons.

4. The information for which the Companies are seeking confidential treatment is not known outside of the Companies and its counsel. It is not disseminated within LG&E and KU except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry.

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5. The Companies will disclose the confidential information, pursuant to a confidentiality agreement, to intervenors with a legitimate interest in this information and as required by the Commission.

6. If the Commission disagrees with this request for confidential protection, it must hold an evidentiary hearing (a) to protect the Companies' 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. <u>Utility Regulatory Commission v. Kentucky Water Service Company, Inc.</u>, Ky. App., 642 S.W.2d 591, 592-94 (1982).

7. Because of the size of the Excel file, LG&E and KU are requesting a deviation from the rule in 807 KAR 5:001, Section 8(3) that provides the filing party must file one copy in paper medium with the Commission. The Companies are requesting permission to instead file with the Commission on a portable electronic storage medium the Excel spreadsheet. That Excel spreadsheet identifies by highlighting that all the information is considered confidential.

8. LG&E and KU request that the information be kept confidential for at least five years from the date of this filing as that is the amount of time necessary before the confidential information becomes dated to the point that the need for protection no longer exists.

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**WHEREFORE,** Louisville Gas and Electric Company and Kentucky Utilities Company respectfully request that the Commission grant confidential protection for the information described herein.

Dated: February 5, 2020

Respectfully submitted,

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Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

## **CERTIFICATE OF COMPLIANCE**

This is to certify that Louisville Gas and Electric Company and Kentucky Utilities Company's February 5, 2020 electronic filing of the Joint Petition for Confidential Protection is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on February 5, 2020; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Petition and an unobscured copy of the material for which confidentiality is sought on a portable electronic storage medium are being hand delivered to the Commission within two business days from the date of the electronic filing.

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company