COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY UTILITIES COMPANY FOR APPROVAL OF ITS 2020 COMPLIANCE PLAN FOR RECOVERY BY ENVIRONMENTAL SURCHARGE

CASE NO. 2020-00060

PETITION OF KENTUCKY UTILITIES COMPANY FOR CONFIDENTIAL PROTECTION

Kentucky Utilities Company ("KU" or the "Company") petitions 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 Company seeks to provide as an exhibit to the Direct Testimony of Stuart A. Wilson. In support of this Petition, KU states 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. Exhibit SAW-1, which is attached to the Direct Testimony of Stuart A. Wilson, contains an analysis of the environmental projects considered by the Company for compliance with the United States Environmental Protection Agency's amended 2015 Effluent Limitations Guidelines Rule. The analysis includes the inputs and assumptions for each of the alternatives and confirms that the projects included in the Company's 2020 Environmental Cost Recovery Plan are

in the best interest of the customers. Two portions of Exhibit SAW-1 are highlighted and are considered confidential.

3. Table 5 in Exhibit SAW-1 displays the projected sales prices for fly ash and gypsum at Mill Creek, Ghent, and Trimble County generating stations for years 2021 through 2050. Because the Company used existing contract prices in the calculation of the projected sales prices for these coal combustion residuals, public disclosure of this information could harm the relationship between KU, the contract vendor, and others that enter into similar agreements with KU. If this information is provided to the public, vendors may be less willing to enter into contracts with KU in the future to the detriment of KU and its ratepayers. Furthermore, public disclosure would signal to KU competitors how the Company prices and expects to price its coal combustion residuals in the future. Additionally, many of these contracts between KU and vendors include a provision that the terms of the agreement shall be kept confidential.

4. Similarly, Table 9 in Exhibit SAW-1 contains the Company's natural gas and coal price forecasts for years 2021 through 2050. If the Commission grants public access to this information, KU could be disadvantaged in negotiating contracts in the future and could also be disadvantaged in the wholesale energy market because power production data is an important component of energy pricing. Public disclosure would provide insight into the Company's cost of producing power and would indicate the prices at which the Company is willing to sell power. Public access to this information would impact KU's ability to negotiate with prospective contractors and vendors, and could harm the Company's competitive position in the wholesale power market. All such commercial harms would ultimately harm KU's customers, who would have to pay higher rates if the disclosed information resulted in higher production prices. The projected cost of fuel information is developed internally by the Company's personnel, is not on

file with any public agency, is not available from any commercial or other source outside the Company, and is distributed within the Company only to those employees who must have access for business reasons.

5. For the reasons stated above, KU is requesting confidential protection for the highlighted portions of Exhibit SAW-1. The information for which KU is seeking confidential treatment is not known outside of the Company and its counsel. It is not disseminated within 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.

6. KU 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.

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

8. KU requests 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, Kentucky Utilities Company respectfully requests that the Commission

grant confidential protection for the information described herein.

Dated: March 31, 2020

Respectfully submitted,

Kendrick R. Riggs

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Counsel for Kentucky Utilities Company

CERTIFICATE OF COMPLIANCE

This is to certify that Kentucky Utilities Company's electronic filing of the Petition for Confidential Protection has been transmitted to the Commission on March 31, 2020; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an electronic copy of the Petition and one copy of the confidential information in electronic form are being submitted using one of the means described in the Commission's March 24, 2020 Order in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19).

Counsel for Kentucky Utilities Company