

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)
KENTUCKY UTILITIES COMPANY FOR AN)
ADJUSTMENT OF ITS ELECTRIC RATES, A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO DEPLOY ADVANCED) CASE NO. 2020-00349
METERING INFRASTRUCTURE,)
APPROVAL OF CERTAIN REGULATORY)
AND ACCOUNTING TREATMENTS, AND)
ESTABLISHMENT OF A ONE-YEAR)
SURCREDIT)

In the Matter of:

ELECTRONIC APPLICATION OF)
LOUISVILLE GAS AND ELECTRIC)
COMPANY FOR AN ADJUSTMENT OF ITS) CASE NO. 2020-00350
ELECTRIC AND GAS RATES, A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO DEPLOY ADVANCED)
METERING INFRASTRUCTURE,)
APPROVAL OF CERTAIN REGULATORY)
AND ACCOUNTING TREATMENTS, AND)
ESTABLISHMENT OF A ONE-YEAR)
SURCREDIT)

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

Kentucky Utilities Company (“KU”) and Louisville Gas and Electric Company (“LG&E”) (collectively, the “Companies”) hereby petition the Kentucky Public Service Commission (“Commission”) pursuant to 807 KAR 5:001, Section 13 and KRS 61.878(1) to grant confidential protection for attachments the Companies seek to provide in response to Item No. 1(2a) of Joint Intervenor Mountain Association, Kentuckians for the Commonwealth, Kentucky Solar Energy Society, and Metropolitan Housing Coalition’s (“MA/KFTC/KSES/MHC”) Second Supplemental

Data Requests to LG&E and KU and Item Nos. 29 and 31(a) of Commission Staff's Seventh Request for Information to the Companies.

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

1. The Kentucky Open Records Act exempts from disclosure certain records which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records.¹

2. MA/KFTC/KSES/MHC Item No. 1(2a) asks if the Companies have updated the range of values used for fuel prices and requests the updated values and plans reflecting those new fuel and CO2 prices. In response, KU and LG&E are providing an attachment that shows projected fuel and CO2 prices in the Companies' Integrated Resource Plan and 2021 Business Plan. Similarly, Commission Staff Item No. 29 requests updated support for the Companies' revised avoided energy cost relating to Qualifying Facilities. In response, KU and LG&E are providing five attachments containing the support for the avoided energy cost calculations, including projected fuel prices, hourly outputs of unit level operations and dispatch costs, and other very detailed data.²

3. Information regarding projected fuel prices and support for avoided energy cost calculations is confidential information, the public disclosure of which would provide the Companies' competitors a commercial advantage in the wholesale market. Further, public disclosure of the information would provide a commercial advantage to the Companies' retail and wholesale customers and qualifying cogeneration and small power production facilities when negotiating power requirement contracts. This information was developed internally by the

¹ KRS 61.878(1)(c)(1).

² Attachment 1 is an update to the Excel spreadsheet filed as an attachment to Item No. 172 of the Joint Initial Data Requests of the Attorney General and Kentucky Industrial Utility Customers, Inc., which the Companies requested confidential protection for in their Petitions filed on January 22, 2021.

Companies' personnel, is not on file with any public agency, is not available from any commercial or other source outside the Companies, and is distributed within the Companies only to those employees who must have access for business reasons. If the Commission grants public access to the projected fuel price information or avoided energy cost information, KU and LG&E could be disadvantaged in negotiating future fuel contracts and could also be disadvantaged in the wholesale energy market because fuel costs are important components of energy pricing. Thus, KU and LG&E request confidential protection for the highlighted portions of the attachment to MA/KFTC/KSES/MHC Item No. 1(2a) and the entirety of the attachments to Commission Staff Item No. 29.

4. Commission Staff Item No. 31(a) requests information regarding the Companies' 2019 request for proposals for renewable energy and how various contracting terms can impact PPA prices and examples. In response, the Companies are providing a chart that shows the range of bid prices for the proposed wind and solar projects, as well as the proposed term of the projects.

5. Confidential protection of the competitive bid information is necessary because disclosure would disrupt the competitive bid process. Public disclosure would place the Companies at a considerable disadvantage when negotiating future contracts and could disadvantage them in the wholesale energy market. Furthermore, public disclosure would provide insight into the Companies' evaluation of bids to the detriment of the Companies and their ratepayers. The public disclosure of this information would create precisely the kind of competitive harm KRS 61.878(1)(c)(1) intends to prevent. Thus, KU and LG&E request confidential protection for the highlighted portion of the attachment to Commission Staff Item No. 31(a). The Companies previously requested the Commission to afford this kind of information

confidential protection in Case No. 2020-00016.³ The Commission granted the Companies' request to protect this information from public disclosure.⁴

The Confidential Information Subject to this Petition

6. The information for which the Companies are seeking confidential treatment is not known outside of the Companies, and it is not disseminated within the Companies except to those employees with a legitimate business need to know the information.

7. 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.

8. If the Commission disagrees with this request for confidential protection, however, 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.⁵

9. The Companies are filing with the Commission one electronic copy that identifies with redactions the information for which confidential protection is sought. The Companies will upload the confidential copies to its encrypted file-share site for the Commission's retrieval. Access to the encrypted file-share site will be provided to intervenors pursuant to existing confidentiality agreements.

10. The Companies request that confidential protection be granted for five years due to the sensitive nature of the information at issue.

³ *Electronic 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*, Petition for Confidential Protection (Ky. PSC Jan. 23, 2020).

⁴ Case No. 2020-00016, Order (Ky. PSC May 8, 2020).

⁵ *Utility Regulatory Commission v. Kentucky Water Service Company, Inc.*, 642 S.W.2d 591, 592-94 (Ky. App. 1982).

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

Dated: August 2, 2021

Respectfully submitted,



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CERTIFICATE OF COMPLIANCE

In accordance with the Commission's Order of July 22, 2021 in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), this is to certify that the electronic filing has been transmitted to the Commission on August 2, 2021; and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.



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