COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)UTILITIES COMPANY AND LOUISVILLE GAS)AND ELECTRIC COMPANY FOR CERTIFICATES)OF PUBLIC CONVENIENCE AND NECESSITY)AND SITE COMPATIBILITY CERTIFICATES)

JOINT PETITION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY <u>FOR CONFIDENTIAL PROTECTION</u>

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively, "Companies") petition the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001, Section 13 and KRS 61.878 to grant confidential protection for certain information the Companies are providing in their responses to Commission Staff ("PSC") requests for information Nos. 5-2(a), 5-4(a), 5-26, and 5-27.

Confidential Commercial Information – KRS 61.878(1)(c)(1)

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.¹ Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

¹ KRS 61.878(1)(c)(1).

Load Growth Workpapers

2. PSC 5-4(a) requests that the Companies model the net present value revenue requirements ("PVRR") and LOLE for alternative load growth scenarios and resource portfolios proposed by the Commission.

3. Certain supporting workpapers produced as an attachment to the Companies' response to PSC 5-4(a) contain commercially sensitive information including RFP responses, forecasted fuel prices, emission price forecasts, long term service agreement ("LTSA") terms for the proposed natural gas combined cycle ("NGCC") units, and planned maintenance schedules. This information has not been publicly disclosed and is only shared with employees and third parties who have a need for this information for resource and revenue planning purposes.

4. The fuel and emission price forecasts included in the workpapers are commercially sensitive predictions of what the Companies expect to pay and receive for commodities they buy and sell. If the Commission grants public access to this information, LG&E and KU could be disadvantaged in negotiating contracts to buy or sell these commodities in the future. The Companies could also be disadvantaged in the wholesale energy market because fuel costs are important components of energy pricing. The Commission has previously granted the Companies' requests to protect this information from public disclosure.²

5. Public disclosure of the Companies' unit maintenance schedules would unfairly advantage the Companies' competitors for wholesale power sales. This information would allow the Companies' competitors to know when generating plants will be down for maintenance and thus know a crucial input into the Companies' generating costs and need for power and energy

² See, e.g., Electronic Joint Application of Kentucky Utilities Company and Louisville Gas & Electric Company for Certificates of Public Convenience and Necessity and Site Compatibility Certificates and Approval of a Demand Side Management Plan and Approval of Fossil Fuel-Fired Generating Unit Retirements, Case No. 2022-00402, Order (Ky. PSC Aug. 17, 2023); Id., Order (Ky. PSC Aug. 31, 2023); Id., Order (Ky. PSC Nov. 20, 2023).

during those periods. The commercial risk of the disclosure of this information is that potential suppliers would be able to manipulate the price of power bid to the Companies to maximize their revenues, thereby causing higher prices for the Companies' customers and giving a commercial advantage to LG&E's and KU's competitors. The Commission has previously granted the Companies' requests to protect this information from public disclosure.³

6. The disclosure of the confidential terms of the Companies' NGCC LTSA contained in the attached workpapers could harm the Companies' competitive position in the wholesale power market. Public disclosure would give the Companies' contractors, vendors, and competitors insights into the factors and inputs considered by the Companies in evaluating the viability of possible generation projects, as well as the Companies' operational parameters and insight into the Companies' contracting practices – information which would invariably harm the Companies' ability to negotiate with prospective contractors and vendors. Any impact on the Companies' contract negotiations with vendors and contractors would ultimately harm the Companies customers, who would have to pay higher rates if the disclosures resulted in higher operating costs or adversely affected the Companies' generation asset procurement process. The Commission has recognized the confidential nature of contract terms and granted confidential protection in previous cases.⁴

7. The disclosure of RFP bid information would reveal the procedures followed and the factors and inputs considered by the Companies in evaluating the viability of possible generation projects. Public disclosure would give the Companies' contractors, vendors, and competitors access to the Companies' cost and operational parameters, and insight into the Companies' contracting practices. Public access to this information would impact the Companies'

³ See, e.g., Case No. 2022-00402, Order (Ky. PSC Aug. 17, 2023).

⁴ Id.

ability to negotiate with prospective contractors and vendors, which, as stated above, would harm the Companies' market position and ultimately harm the Companies' customers. The Commission has granted confidential protection for sensitive RFP information in previous cases, including the Companies' last CPCN proceeding.⁵

8. For the foregoing reasons the disclosure of any of the commercially sensitive information contained in the workpapers would harm the Companies' competitive market position and ultimately harm the Companies customers. Therefore, the Companies respectfully request that the Commission grant confidential treatment to certain commercially sensitive workpapers filed in response to Commission Staff Request No. 5-4(a).

Proprietary Software Information Licensed to the Companies

9. The Companies are providing proprietary energy risk valuation information obtained from a third party, namely the SERVM scenario modeling software. The .bak file provided in response to PSC 5-2(a) is in the native SERVM file format. The Companies' use of the SERVM modeling software and file formats is subject to license agreements that disallow circulation of these formats to parties without a valid SERVM license. If this proprietary information is disclosed, the vendor may seek to cancel the Companies' license agreement and pursue additional remedies. Additionally, other third-party suppliers of the same kinds of information and systems may be less willing to supply reports to the Companies in the future. Without these systems the Companies would be unable to adequately model and prepare for system risks, which would harm the Companies and their customers. This proprietary information should therefore be afforded confidential protection to protect the Companies and their customers. The

⁵ See, e.g., 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, Case No. 2020-00016, Order (Ky. PSC May. 8, 2020) (Granting confidential protection to RFP information and fuel price forecasts).

Commission has previously recognized that third party documents containing proprietary formulas, computations, and information are subject to confidential treatment.⁶

10. Because the Companies' agreement with SERVM disallows the disclosure of any SERVM files in their original format to any party without a valid SERVM license, the Companies will provide the PSC 5-2(a) file to any party to this proceeding with both an executed confidentiality agreement with the Companies and an active SERVM license.

Detailed BESS and SCR Cost Estimates

11. In response to Commission Staff Request Nos. 5-26 and 5-27, the Companies are producing detailed cost estimates for the SCR and BESS systems proposed in Commission Case No. 2022-00402.

12. On August 31, 2023, the Commission granted full confidential treatment for the Ghent 2 SCR cost estimates that are attached in response to PSC 5-27, and ordered that the cost estimates remain confidential for five (5) years.⁷

13. The Companies request confidential treatment for the SCR and BESS cost estimates because the public disclosure of this information would create an opportunity for prospective vendors to manipulate the bidding process and cause commercial harm to the Companies and their customers. The Companies are in the process of seeking bids for the construction of both the Brown BESS and Ghent 2 SCR. The detailed cost estimates would provide prospective vendors and subcontractors with insights into the expected pricing of the units, allowing them to manipulate the bidding process and create higher prices for the Companies, and therefore their customers, whether in this proceeding or in the Companies' future efforts to acquire and construct BESS or

⁶ See, e.g. Electronic Application of Delta Natural Gas Company for an Adjustment of Gas Rates, Case No. 2024-00346, Order at 2 (Apr. 24, 2025).

⁷ See Case No. 2022-00402, Order at 13 (Aug. 31, 2023).

SCR systems. Furthermore, public disclosure would provide insights into the Companies' evaluation of bids to the detriment of the Companies and their customers.

14. For the reasons stated, the Companies request that the Commission maintain the confidential treatment of the confidential attachment to PSC 5-27 and grant confidential protection to PSC 5-26.

Confidential Information Subject to this Petition

15. The information for which the Companies are seeking confidential treatment is not known outside of LG&E and KU and its contractors, 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.

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

17. 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.⁸

18. For the attachment to PSC 5-27, the Companies request that the Commission maintain the confidential treatment for the full period granted in Case No. 2022-00402. For all other requests for confidential protection, the Companies request that confidential protection be granted for five years due to the sensitive nature of the information at issue.

⁸ Utility Regulatory Commission v. Kentucky Water Service Company, Inc., 642 S.W.2d 591, 592-94 (Ky. Ct. App. 1982).

19. For the workpapers attached to the Companies' response to PSC 5-4(a), the Companies are providing both a confidential zip file, which contains all workpapers and identifies the confidential workpapers, and a public zip file, which contains only the public workpapers.

20. In compliance with 807 KAR 5:001, Section 13, LG&E and KU are providing written notification that the .bak file being produced in response to PSC 5-22(a), certain workpapers produced in response to PSC 5-4(a), and the confidential attachments to PSC 5-26 and PSC 5-27 are confidential in full.

21. The Companies will upload the confidential information 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 a confidentiality agreement.

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

Dated: July 15, 2025

Respectfully submitted,

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Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

CERTIFICATE OF SERVICE

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 July 15, 2025; and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

En 25th

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

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