

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

AN APPLICATION OF EAST KENTUCKY)
POWER COOPERATIVE, INC. FOR)
APPROVAL OF THE ISSUANCE OF)
\$900,000,000 OF SECURED PRIVATE)
PLACEMENT DEBT AND UP TO \$21,435,000)
OF UNSECURED DEBT)

CASE NO. 2009-00476

PETITION FOR CONFIDENTIAL
TREATMENT OF INFORMATION

Comes now the petitioner, East Kentucky Power Cooperative, Inc. ("EKPC") and, as grounds for this Petition for Confidential Treatment of Information (the "Petition"), states as follows:

1. This Petition is filed in conjunction with the filing of certain information in Exhibits 2 and 8 of EKPC's Application for Approval of the Issuance of \$900,000,000 of Secured Private Placement Debt and Up to \$21,435,000 of Unsecured Debt, and relates to confidential information contained in those exhibits that are entitled to protection pursuant to 807 KAR 5:001 Section 7 and KRS §61.878(1)(c)1, §61.878(1)(c)2a, §61.878(1)(j) and §61.878(1)(c)2c.

2. The information designated as confidential in the subject Application describes anticipated interest rates and proprietary loan terms and conditions on the proposed financing. Through internal analysis, EKPC has derived the estimated interest rate and spread to U.S. Treasuries on the subject financing. EKPC plans to competitively bid the interest rate that lenders will pay on the debt. Disclosure of such an anticipated interest rate could arm lenders with information permitting them to adjust interest rates in a way

so as to maximize their return, to the competitive disadvantage of EKPC and its members. As such, this information is confidential and not subject to public disclosure pursuant to KRS §61.878(1)(c)1. In addition, these proprietary loan terms and conditions are also protected under KRS §61.878 (1)(c)2a, as it is a required disclosure to an agency in conjunction with an application for a loan.

3. Preliminary recommendations in which opinions are expressed are likewise exempted from disclosure under KRS §61.878 (1) (j). The preliminary interest rate recommendations by EKPC management concern debt issues not yet publicly offered by EKPC. Because EKPC has not made a final decision regarding the precise circumstances surrounding the issuance of the debt, disclosure of this preliminary information could hinder EKPC's ability to market this private placement to lenders at a future date. Because the interest rate expectations contain preliminary recommendations expressing the opinion of EKPC management reflecting the quality of the securities, this information should be afforded confidential status, as per KRS §61.878 (1) (j).

4. The subject information is also entitled to protection pursuant to KRS §61.878(1)(c) 2 c, as records generally recognized as confidential or proprietary which are confidentially disclosed to an agency in conjunction with the regulation of a commercial enterprise.

5. Along with this Petition, EKPC has enclosed one copy each of Exhibits 2 and 8, with the confidential information identified by highlighting or other designation, and 10 copies of the same exhibits, with the confidential information redacted. The identified confidential information is not known outside of EKPC and is distributed within EKPC only to persons with a need to use it for business purposes. It is entitled to confidential

treatment pursuant to 807 KAR 5:001 Section 7 and the various sections of KRS 61.878 delineated above.

WHEREFORE, EKPC respectfully requests the Public Service Commission to grant confidential treatment to the identified information and deny public disclosure of said information.

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that an original and 10 copies of the foregoing Petition for Confidential Treatment of Information in the above-styled case were hand-delivered to the Office of Jeffrey Derouen, Executive Director of the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601 on December 4, 2009.



Counsel for East Kentucky Power Cooperative, Inc.