

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 A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY FOR ALTERATION OF)
CERTAIN EQUIPMENT AT THE COOPER)
STATION AND APPROVAL OF A COMPLIANCE)
PLAN AMENDMENT FOR ENVIRONMENTAL)
SURCHARGE COST RECOVERY)

PSC CASE NO. 2013-00259

MOTION FOR CONFIDENTIAL TREATMENT

Comes now East Kentucky Power Cooperative, Inc. ("EKPC"), by and through counsel, pursuant to KRS 61.878, 807 KAR 5:001, Section 13 and other applicable law, and for its Motion requesting that the Kentucky Public Service Commission ("Commission") afford confidential treatment to a portion of the responses to the post-hearing request for information in the above-captioned proceeding, respectfully states as follows:

1. EKPC's Application requests the Commission to issue a Certificate of Public Convenience and Necessity ("CPCN"), pursuant to KRS 278.020(1), for an environmental compliance project that involves re-routing the existing duct work for EKPC's Cooper Station Unit #1 ("Cooper #1") such that its emissions are able to flow to the Cooper Station Unit #2 Air Quality Control System ("Cooper #2 AQCS") (the "Project"). For a capital investment of approximately \$15 million, EKPC will be able to retain 116 MW of existing capacity, thereby reducing its need to procure new capacity from other sources. The Application also requests that

the Commission authorize EKPC to amend its Environmental Compliance Plan, pursuant to KRS 278.183, so that EKPC may recover the costs associated with the Project through its existing environmental surcharge mechanism.

2. At the hearing in this matter, beginning on January 14, 2014, the Commission requested for EKPC to file certain information as responses to Post-Hearing Data Requests. Contemporaneous with this filing, EKPC is tendering the redacted responses to certain Post-Hearing Data Requests.

3. In Post-Hearing Request 1, the Commission requested EKPC's total operating costs of Cooper Unit 1. The information is being provided for the entire Cooper Station because EKPC's financial forecasts are not prepared on a "by unit" basis. In Post-Hearing Requests 2 and 13, the Commission requested EKPC to provide price and transmission data for certain wind projects. In Post-Hearing Request 9, the Commission requested detailed information regarding the capital spending forecast for the Cooper Station in 2016. The responses to the foregoing requests contain information that reveals projected cost and expense data for the Cooper Station as well as information and analysis regarding a bid and negotiations with third-party renewable power producers.

4. The above-described information (the "Confidential Information") that is included in EKPC's responses to the foregoing Post-Hearing Requests is proprietary and commercially sensitive information that is retained by EKPC on a "need-to-know" basis and that is not publicly available. If disclosed, the Confidential Information would give other bidders, competitors and potential business partners a tremendous advantage in the broader energy market and a material advantage in commercial relations with EKPC as a result of knowing detailed cost data projections, anticipated generation availability, transmission analysis, business strategies and

opportunities considered or implemented by EKPC and various market assumptions made by EKPC. These commercial advantages would very likely translate into higher costs for EKPC and, by extension, detrimentally higher rates for EKPC's Members. Should EKPC be forced to make the Confidential Information publicly available, it would be much more difficult to negotiate with vendors in the future if they are concerned that their proprietary contractual parameters may become public. This too would likely lead to higher costs as EKPC would have fewer vendors with which to contract and a weakened bargaining position in future negotiations.

5. The Kentucky Open Records Act exempts the Confidential Information from public disclosure. *See* KRS 61.878(1)(c). As set forth above, disclosure of the Confidential Information would permit an unfair advantage to third parties. Moreover, the Kentucky Supreme Court has stated, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary.'" *Hoy v. Kentucky Industrial Revitalization Authority*, 907 S.W.2d 766, 768 (Ky. 1995). Because the Confidential Information is critical to EKPC's effective execution of business decisions and strategy, it satisfies both the statutory and common law standards for affording confidential treatment.

6. EKPC does not object to limited disclosure of the Confidential Information described herein, pursuant to an acceptable confidentiality and nondisclosure agreement, to Gallatin Steel or the Sierra Club or any other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.

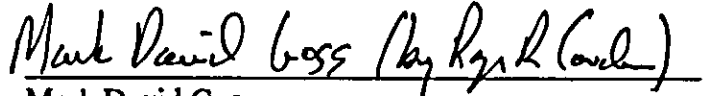
7. In accordance with the provisions of 807 KAR 5:001, Section 13(2), EKPC is filing one copy of the unredacted response to the Confidential Information (with the Confidential Information highlighted) separately under seal. Redacted copies of EKPC's Post-Hearing Data Request responses are filed contemporaneously herewith.

8. In accordance with the provisions of 807 KAR 5:001, Section 13(3), EKPC respectfully requests that the Confidential Information be withheld from public disclosure for a period of ten years. This will assure that the Confidential Information – if disclosed after that time – will no longer be commercially sensitive so as to likely impair the interests of EKPC if publicly disclosed.

WHEREFORE, on the basis of the foregoing, EKPC respectfully requests the Commission to enter an Order granting this Motion for Confidential Treatment and to so afford such protection from public disclosure to the Confidential Information, which is filed herewith under seal, for a period of ten (10) years from the date of entry of such an Order.

This 24th day of January 2014.

Respectfully submitted,



Mark David Goss
David S. Samford
GOSS SAMFORD, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KY 40504
(859) 368-7740
mdgoss@gosssamfordlaw.com
david@gosssamfordlaw.com

Counsel for East Kentucky Power Cooperative, Inc.

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing was deposited in the custody and care of the U.S. Mail, postage prepaid, on this the 24th day of January 2014, addressed to the following:

Mr. Mike Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 510
Cincinnati, OH 45202

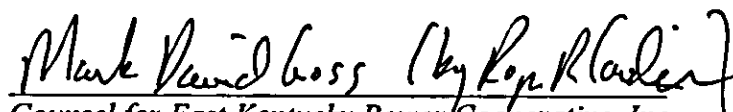
Kristen Henry
Sierra Club
85 Second Street
San Francisco, CA 94105

Joe Childers
Joe F. Childers & Associates
300 Lexington Building
201 West Short Street
Lexington, KY 40507

Matthew E. Gerhart
705 Second Avenue, Suite 203
Seattle, WA 98104

Shannon Fisk
Earthjustice
1617 JFK Boulevard, Suite 1675
Philadelphia, PA 19103

Susan Laureign Williams
Sierra Club
50 F. St. NW, Eighth Floor
Washington, DC 20001


Mark David Boss (by Rep. R. L. ...)
Counsel for East Kentucky Power/Cooperative, Inc.