COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION) OF THE FUEL ADJUSTMENT CLAUSE OF) CASE NO. DUKE ENERGY KENTUCKY, INC. FROM) 2015-00236 NOVEMBER 1, 2014 THROUGH APRIL 30, 2015)

<u>ORDER</u>

On October 21, 2015, Duke Energy Kentucky, Inc. ("Duke Kentucky") filed a petition, pursuant to KRS 61.878(1) and 807 KAR 5:001, Section 13, requesting that the Commission grant confidential protection to its Fuel Cost Policy filed in response to Commission Staff's Post-Hearing Data Request, Item No. 5 ("PHDR-5"). The Fuel Cost Policy is more specifically described as detailing the policy for offering Duke Kentucky generating units, which Duke Kentucky states is for internal use only and can only be shared externally with the PJM Market Monitor per section 4 of the PJM Manual 15. Duke Kentucky argues that public disclosure of its Fuel Cost Policy would provide an unfair competitive advantage to its competitors and result in competitive commercial injury to Duke Kentucky and its customers. Therefore, Duke Kentucky seeks confidential treatment of the Fuel Cost Policy for ten years.

In support of its petition, Duke Kentucky asserts that the Fuel Cost Policy contains sensitive information detailing instructions on how Duke Kentucky calculates the dispatch costs of its generating units, which contains the efficiencies (heat rate), fuel costs (market, contract, etc.), emission rates, and variable operating and maintenance

calculations. Duke Kentucky states that access to this information would enable competitors to manipulate the market and undermine its ability to manage costs.

Having carefully considered the petition and materials at issue, the Commission finds that the designated materials contained in the Fuel Cost Policy, filed by Duke Kentucky in response to Commission Staff's PHDR-5, are records that are generally recognized as confidential or proprietary, and which, if openly disclosed, could result in commercial harm to Duke Kentucky, and therefore meet the criteria for confidential treatment and are exempted from public disclosure pursuant to KRS 61.878(1) and 807 KAR 5:001, Section 13.

IT IS THEREFORE ORDERED that:

 Duke Kentucky's petition for confidential protection for its Fuel Cost Policy, filed in response to Commission Staff's PHDR-5, is granted.

2. The materials for which Duke Kentucky has been granted confidential treatment should not be placed in the public record or be made available for public inspection for a period of ten years, or until further Order of this Commission.

3. Use of the materials in question in this proceeding shall be in compliance with 807 KAR 5:001, Section 13(9).

4. Duke Kentucky shall inform the Commission if the materials in question become publicly available or no longer qualify for confidential treatment.

5. If a non-party to this proceeding requests to inspect materials granted confidential treatment by this Order, then Duke Kentucky shall have 20 days from receipt of written notice of the request to demonstrate that the materials still fall within the exclusions from disclosure requirements established in KRS 61.878. If Duke

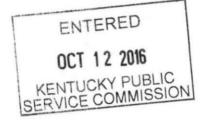
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Kentucky is unable to make such demonstration, the requested materials shall be made available for inspection.

6. The Commission shall not make the requested materials available for inspection for 20 days following an Order finding that the materials no longer qualify for confidential treatment in order to allow Duke Kentucky to seek a remedy afforded by law.

By the Commission



ATTEST:

Masheur

Executive Director

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