

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EXAMINATION OF THE	)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF LOUISVILLE GAS & ELECTRIC	)	2016-00233
COMPANY FROM NOVEMBER 1, 2015	)	
THROUGH APRIL 30, 2016	)	

ORDER

Louisville Gas and Electric Company ("LG&E") has filed three petitions with the Commission, pursuant to KRS 61.878(1)(c) and 807 KAR 5:001, Section 13, for confidential treatment of certain information submitted to the Commission as part of this proceeding. The Commission will address each request in turn.

August 30, 2016 Petition

On August 30, 2016, LG&E filed a petition requesting confidential treatment of information contained in its Responses to Items 12 and 19 of the information requested in the Appendix to the Commission's Order dated August 12, 2016, in this matter. LG&E describes the information as coal price settlement agreement information (Response to Item 12) and coal bid analysis information (Response to Item 19). LG&E states this information is not known outside of LG&E, is not disseminated within LG&E 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. LG&E notes that the Commission has afforded this type of information confidential treatment in previous proceedings to review LG&E's fuel adjustment clause.

In support of its petition, LG&E states that the disclosure of the information for which it seeks confidential treatment would damage its competitive position and business interests. Respecting its coal price settlement agreements, LG&E states that the agreements consider and analyze the costs that LG&E's coal suppliers incur to comply with the MINER Act, which affects the coal price increases LG&E is willing to pay its coal suppliers for their claimed compliance costs. LG&E asserts that disclosure of coal price settlement agreement information would enable its current and potential coal suppliers to manipulate their bids to the detriment of LG&E and its ratepayers by tailoring bids to correspond to and comport with LG&E's MINER Act cost evaluation criteria and process.

Respecting its coal bid analysis information, LG&E states that the information reveals the business model LG&E uses, the procedures it follows, and the factors it considers in evaluating bids for coal supply. LG&E states that disclosure of this information would allow potential bidders to manipulate the bid solicitation process to the detriment of LG&E and its ratepayers by tailoring bids to correspond to and comport with LG&E's bidding criteria and process.

KRS 61.878(1)(c) exempts from public disclosure confidential information which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records. Having carefully considered the petition filed by LG&E on August 30, 2016, and the materials at issue, the Commission finds that the materials contained in LG&E's Responses to Item 12 and 19 of the information requested in the Appendix to the Commission's Order dated August 12, 2016, meet the criteria for confidential protection as set forth in KRS 61.878(1)(c), and should not be placed in the

public record for a period of five years from the date of this Order, or until further Orders of this Commission.

October 7, 2016 Petition

On October 7, 2016, LG&E filed a petition requesting confidential treatment of information contained in its Response to Request No. 2 of Commission Staff's Second Request for Information ("Staff's Second Request"). LG&E describes the information as fuel cost information. LG&E states this information is not known outside of LG&E, is not disseminated within LG&E 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. LG&E notes that the Commission has afforded this type of information confidential treatment in previous proceedings to review LG&E's fuel adjustment clause.

In support of its petition, LG&E states that public disclosure of unit fuel costs would damage its competitive position and business interests. LG&E states that disclosure of this information would impair LG&E's ability to negotiate with prospective contractors and vendors and arm LG&E's competitors with information with which they could erode LG&E's competitive position in the wholesale power market.

KRS 61.878(1)(c) exempts from public disclosure confidential information which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records. Having carefully considered the petition filed by LG&E on October 7, 2016, and the materials at issue, the Commission finds that the materials contained in LG&E's Response to Request No. 2 of Staff's Second Request meet the criteria for confidential protection as set forth in KRS 61.878(1)(c) and should not be

placed in the public record for a period of five years from the date of this Order, or until further Orders of this Commission.

October 27, 2016 Petition

On October 27, 2016, LG&E filed a petition requesting confidential treatment of information contained in its Response to Request No. 3 of Commission Staff's Third Request for Information ("Staff's Third Request"). LG&E describes the information as fuel cost information. LG&E states this information is not known outside of LG&E, is not disseminated within LG&E 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. LG&E notes that the Commission has afforded this type of information confidential treatment in previous proceedings to review LG&E's fuel adjustment clause.

In support of its petition, LG&E states that public disclosure of unit fuel costs would damage its competitive position and business interests. LG&E states that disclosure of this information would impair LG&E's ability to negotiate with prospective contractors and vendors and arm LG&E's competitors with information with which they could erode LG&E's competitive position in the wholesale power market.

KRS 61.878(1)(c) exempts from public disclosure confidential information which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records. Having carefully considered the petition filed by LG&E on October 27, 2016, and the materials at issue, the Commission finds that the materials contained in LG&E's Response to Request No. 3 of Staff's Third Request meet the criteria for confidential protection as set forth in KRS 61.878(1)(c), and should

not be placed in the public record for a period of five years from the date of this Order, or until further Orders of this Commission.

IT IS THEREFORE ORDERED that:

1. LG&E's petition for confidential protection for its Responses to Items 12 and 19 of the information requested in the Appendix to the Commission's Order dated August 12, 2016, is granted.

2. LG&E's petition for confidential protection for its Response to Request No. 2 of Staff's Second Request, dated October 7, 2016, is granted.

3. LG&E's petition for confidential protection for its Response to Request No. 3 of Staff's Third Request, dated October 27, 2016, is granted.

4. The materials granted confidential protection will not be placed in the public record or made available for public inspection for a period of five years from the date of this Order, or upon further Orders of this Commission.

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

6. LG&E shall inform the Commission if the materials granted confidential protection become publicly available or no longer qualify for confidential treatment.

7. If a non-party to this proceeding requests to inspect materials granted confidential treatment by this Order and the period during which the materials have been granted confidential treatment has not run, LG&E 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 LG&E is unable

to make such demonstration, the requested materials shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

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

By the Commission



ATTEST:

  
Executive Director

\*Honorable Allyson K Sturgeon  
Senior Corporate Attorney  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Rick E Lovekamp  
Manager - Regulatory Affairs  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Robert Conroy  
LG&E and KU Energy LLC  
220 West Main Street  
Louisville, KENTUCKY 40202

\*Louisville Gas and Electric Company  
220 W. Main Street  
P. O. Box 32010  
Louisville, KY 40232-2010