

JOHN N. HUGHES
ATTORNEY AT LAW
PROFESSIONAL SERVICE CORPORATION
124 WEST TODD STREET
FRANKFORT, KENTUCKY 40601

Telephone: (502) 227-7270

jnhughes@johnnhughespsc.com

February 1, 2016

Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: Atmos Energy Corporation
Case No. 2015-00343

Dear Mr. Derouen:

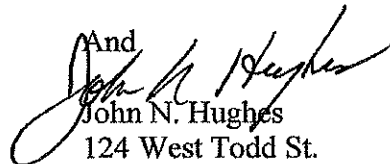
Atmos Energy submits for filing a supplemental response to PSC Initial Data request Item 59. This information includes additional work-papers and details of the calculations provided in the original response. The information is being filed with a petition for confidentiality for the entire response. I certify that the electronic documents are true and correct copies of the original documents.

If you have any questions about this filing, please contact me.

Submitted By:

Mark R. Hutchinson
Wilson, Hutchinson and Littlepage
611 Frederica St.
Owensboro, KY 42301
270 926 5011
randy@whplawfirm.com

And



John N. Hughes
124 West Todd St.
Frankfort, KY 40601
502 227 7270
jnhughes@johnnhughespsc.com

Attorneys for Atmos Energy Corporation

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

IN THE MATTER OF:

Application of Atmos Energy Corporation)
for an Adjustment of Rates) Case No. 2015-00343
and Tariff Modifications)

**PETITION FOR CONFIDENTIALITY
FOR ITEM1-59 of PSC'S
FIRST SET OF INFORMATION REQUESTS**

Atmos Energy Corporation (Atmos Energy) petitions for an order granting confidential protection of its supplemental response to Item 1-59 of the Commission's first data request dated October 30, 2015, pursuant to 807 KAR 5:001, Section 13 and KRS 61.878. The information sought in the data requests is commercial information that if disclosed could cause substantial competitive harm to Atmos Energy. This information is not publicly available. It would be difficult or impossible for someone to discover this information from other sources. If this information were available to competitors in this form, they could use it to the competitive detriment of Atmos Energy. This information is not generally disclosed to non-management employees of Atmos Energy and is protected internally by the Company as proprietary information. The disclosure of this proprietary information would result in significant or irreparable competitive harm to Atmos Energy by providing its competitors with non-reciprocal competitive advantage. No public purpose is served by the disclosure of such information.

The Kentucky Open Records Act exempts from disclosure certain confidential or proprietary information. KRS 61.878(1)(c). To qualify for this exemption, and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of

the information would permit an unfair commercial advantage to competitors of the party seeking confidentiality.

Item 1-59 requests: "To the extent not included in other responses, provide all work papers, calculations, and assumptions Atmos used to develop its forecasted test period financial information." Atmos is supplementing its initial response to that request with information about special contract negotiations and the effect of those contracts on the derivation of the overall revenue requirement. The supplemental information includes spreadsheets showing each customer, its distance from a pipeline alternative and the price out of the necessary pipeline and interstate pipeline tap. These capital costs divided by 7 years formed the initial assessment of a fair renewal rate (which was utilized in the spreadsheet submitted in 1-59). Additionally, maps of each customer location showing the assumed bypass pipeline route and footage are provided.

This supplemental response provides information that identifies customer name, customer identifiable information, such as contracts, location, and specific volumetric usage and plant facilities associated with the customer. All of this information is protected by the scope of confidentiality. The applicable statutes provide that "records confidentially disclosed to an agency or required by any agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records" shall remain confidential unless otherwise ordered by a court of competent jurisdiction." KRS 81.878(1).

The natural gas industry is very competitive. Atmos Energy has competitors, who could use this information to their advantage and to the direct disadvantage of Atmos Energy. Atmos Energy would be at a competitive threat

of loss of business due to the ability of its competitors to leverage the information to their advantage. The public disclosure of the customer name, customer identifiable information, monetary terms negotiated with each customer and critical monetary terms would permit an unfair advantage to those competitors. With the identity of the customer and the knowledge of the contract terms, competitors would have inside information to target these customers. For these reasons, the customer name, customer identifiable information, and monetary terms in the contracts are exempt from public disclosure pursuant to KRS 61.878(c)(1).

As for the information specifically requested in Item 1-59, the Commission has previously ruled in each of these contract submissions for approval that they are confidential in the prior rate case 2013-00148. The contract terms are also excluded from public disclosure by KRS 278.160(3).

The supplemental information also includes maps of Atmos Energy's' and its customers' infrastructure. Exemption from public disclosure of the information relevant to this petition are provided in KRS 61.878(1)(m). Under the Kentucky Open Records Act, the Commission is entitled to withhold from public disclosure information disclosed to it to the extent that open disclosure would "have a reasonable likelihood of threatening the public safety by exposing a vulnerability in preventing, protecting against, mitigating, or responding to a terrorist act and limited to: . . . ,

(f) infrastructure records that expose a vulnerability referred to in this subparagraph through the disclosure of the location, configuration, or security of critical systems, including public utility critical systems. These critical systems shall include but not be limited to information technology, communications,

electrical, fire suppression, ventilation, water, wastewater, sewage, and **gas** systems and;

(g) The following records when their disclosure will expose a vulnerability referred to in this subparagraph: **detailed drawings, schematics, maps, or specifications of structural elements**, floor plans, and operating, utility, or security systems of any building or facility owned, occupied, leased, or maintained by a public agency.”

This Commission has recognized that similar reports with diagrams and maps "are infrastructure records that disclose the location, configuration, or security of public utility systems" and therefore, should be treated as confidential. See Case No. 2014-00166 *In the Matter of 2104 Integrated Resource Plan of Big Rivers Electric Corporation*, KY PSC Order, p. 7 (August 26, 2014).

The information contained in the specified document may provide detailed information about Atmos' Energy's distribution system and the location of critical components; as such, the disclosure of which could threaten the public safety generally and provide sensitive information relevant to the security against terroristic events.

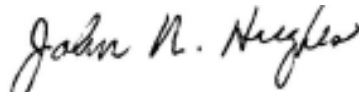
Atmos Energy requests that the information be held confidentially indefinitely. The statutes cited above do not allow for disclosure at any time. Given the competitive nature of the natural gas business and the efforts of non-regulated competitors to encroach upon traditional markets, it is imperative that regulated information remain protected and that the integrity of the information remain secure.

For these reasons, Atmos Energy requests that the items identified in this petition be treated as confidential. Should the Commission determine that some

or all of the material is not to be given confidential protection, Atmos Energy requests an hearing prior to any public release of the information to preserve its rights to notice of the grounds for the denial and to preserve its right of appeal of the decision.

Submitted by:

Mark R. Hutchinson
Wilson, Hutchinson & Littlepage
611 Frederica St.
Owensboro, KY 42303
270 926 5011
Fax: 270-926-9394
Randy@whplawfirm.com



John N. Hughes
124 West Todd Street
Frankfort, KY 40601
502 227 7270
jnhughes@johnnhughespsc.com

Attorneys for Atmos Energy Corporation

Case No. 2015-00343
Atmos Energy Corporation, Kentucky Division
Staff RFI Set No. 1
Question No. 1-59 (Supplement 1)
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SUPPLEMENTAL RESPONSE (2/01/2016)

REQUEST:

To the extent not included in other responses, provide all work papers, calculations, and assumptions Atmos used to develop its forecasted test period financial information.

SUPPLEMENTAL RESPONSE:

Please see Confidential supplemental Attachment 1 for additional workpapers.

ATTACHMENT:

ATTACHMENT 1 - Atmos Energy Corporation, Staff_1-59_Att1_Suppl - Smith Workpapers.pdf, 21 Pages.

Respondent: Gary Smith