

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE UNION LIGHT, HEAT AND POWER)
COMPANY'S FILING OF A PROPOSED CONTRACT) CASE NO. 91-139
WITH NEWPORT STEEL CORPORATION)

O R D E R

This matter arising upon petition of The Union Light, Heat and Power Company ("ULH&P") filed April 5, 1991 and supplemented May 24, 1991 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the billing information contained in its proposed contract with Newport Steel Corporation ("Newport Steel") on the grounds that disclosure of the information is likely to cause ULH&P competitive injury, and it appearing to this Commission as follows:

In this proceeding, ULH&P seeks approval of its "Full Requirements Interruptible Natural Gas Transportation Contract" with Newport Steel. The proposed contract contains billing information which ULH&P has petitioned be protected from public disclosure as confidential. Specifically, this information sets out rates and charges for gas transportation on behalf of Newport Steel which are not otherwise included in ULH&P's general tariff and, therefore, not available to the public from any other source.

807 KAR 5:001, Section 7, protects information as confidential when it is established that disclosure is likely to cause substantial competitive harm to the party from whom the

information was obtained. In order to satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

Newport Steel is ULH&P's single largest natural gas customer. ULH&P's competitors for this business include not only current gas transportation customers of ULH&P, but also suppliers of Number 6 fuel oil. Newport Steel's location on the Licking River affords it ready access to shipments of Number 6 fuel oil, which is an alternate fuel to natural gas. If ULH&P's contract rate to Newport Steel is available for public inspection, its competitors could use the information in pricing their products to Newport Steel. Therefore, disclosure of the information is likely to cause ULH&P competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,


IT IS ORDERED that:


1. The billing information contained in ULH&P's contract with Newport Steel, which ULH&P has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

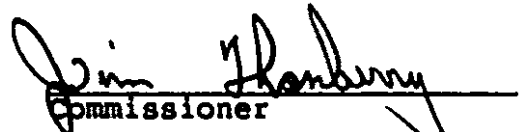
2. ULH&P shall, within 10 days of the date of this Order, file an edited copy of the contract with the confidential material obscured for inclusion in the public record, with copies to all parties of record.

Done at Frankfort, Kentucky, this 13th day of June, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director