

RECEIVED
FEB 11 2014
PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF ATMOS ENERGY)
CORPORATION FOR APPROVAL OF THIRD)
PARTY NATURAL GAS SUPPLY AND ASSET)
MANAGEMENT AGREEMENT AND FOR A DEVIATION)
FROM THE PRICING REQUIREMENTS OF KRS 278.2207)

Case No.
2013-00434

**PETITION FOR CONFIDENTIALITY OF INFORMATION BEING FILED
WITH KENTUCKY PUBLIC SERVICE COMMISSION IN RESPONSE TO DATA
REQUESTS OF COMMISSION STAFF**

Atmos Energy Corporation ("Atmos" or "Company"), respectfully petitions the Kentucky Public Service Commission ("Commission"), pursuant to 807 KAR 5:001, Section 7, and all other applicable law, for confidential treatment of a portion of the information being provided in response to the Initial Data Requests of Commission Staff to Atmos dated January 18, 2014 which are attached hereto. In support of this Petition, Atmos states as follows:

1. In its Initial Data Request 1, Commission Staff requested a detailed description of the current gas supply agreement with Twin Eagle Resource Management, LLC. The detailed description is contained the Confidential Transaction

Confirmation which is herein provided in response to this Data Request. This document contains sensitive and confidential information and is entitled to be filed confidentially. The Commission has historically provided confidential treatment to gas supply agreements. See e.g., KPSC cases 97-513, 2002-00245, 2006-00194 and 2011-00201.

2. In Data Request 2, Commission Staff requested a copy of the RFP issued September 12, 2013. Neither the RFP, nor the identities of entities reviewing the on-line proposal, are confidential. However, the remaining information contained in the Company's response is entitled to confidential treatment. The confidential information consists of: the four proposals received by Atmos;(the identity of the bidders should be kept confidential because it could affect future bidding; i.e. if a potential bidder knew that only a few bids are being submitted or if they knew the identity of who has bid in the past, such information could affect the amount they are willing to bid) the comparative cost analysis of the proposals received by Atmos; and the confidential recommendation summary. In accordance with the RFP, the Company assured bidders that reasonable care would be exercised so the proposal data would not be disclosed or used without the respondent's permission, except to meet regulatory filing requirements. Further, Atmos stated that "such data filed for regulatory requests shall be filed as confidential information".

As to the analysis Atmos performed to determine the best bid, the Commission has consistently provided it confidential protection. See, e.g. KPSC cases 2002-00245 and 2006-00194. Confidentiality was granted for all information relating to

pricing of bids and calculations of dollar savings. The Company requests that the names of the parties supplying the bids be deemed confidential. The Company is requesting confidentiality of those elements of the analysis dealing with the pricing provisions of each bid.

The Company is providing a computation estimating gas cost savings under the new contract and compares the savings to those that might be achieved under the competing proposals submitted in the RFP process. Details of pricing provisions for the new and previous contracts are entitled to confidential treatment.

KRS requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). KRS 61.878(1)(c)(1) exempts commercial information, confidentially disclosed to the Commission which is made public would permit an unfair commercial advantage to competitors of the parties from whom the information was obtained. To qualify for the exemption, actual competition must be demonstrated, as well as a likelihood of substantial competitive injury if the information is publicly disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

As the Commission is well aware, Atmos must compete for both gas supply and gas transportation services in the deregulated world of natural gas procurement and transportation. Disclosure of the information sought to be protected in this Petition would allow Atmos' competitors to gain confidential information about Atmos' gas purchasing and transportation costs and strategies. This information would enable

competitors to identify Atmos' low cost supplier and if the attached information contains terms more favorable than theirs, they could, and would, attempt to outbid or otherwise interfere with Atmos and its gas supplier. It would also enable those competitors to negotiate similar terms with other gas suppliers, thereby depriving Atmos of the commercial benefits it enjoys by negotiating the attached gas supply agreement.

Additionally, to the extent that Atmos chooses or is compelled, in the future, to purchase gas supply or transportation services from other suppliers or potential suppliers, disclosure of the information contained in the attached contract would reveal the prices and terms Atmos has agreed to pay for gas supply and transportation services. Suppliers with that information, who might otherwise offer a lower price, would have no incentive to offer any price lower than that currently being paid by Atmos.

Except for the parties to the RFP process or the AEM Agreement, the information sought to be protected is not known outside Atmos and is not disseminated within Atmos except to those employees with a legitimate business need to know and act upon the information.

The Company's RFP promised that parties would keep the bid information confidential. This provision recognizes that the parties could be competitively damaged if the terms of their proposals were made publicly available to their competitors including specifically those unregulated competitors who would have no corresponding requirement to make a public disclosure of the terms of their gas supply agreements.

Pursuant to 807 KAR 5:001, Section 7(3), temporary confidentiality of the

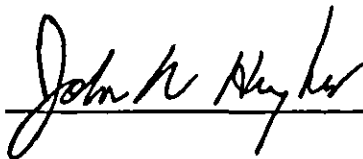
attached agreement should be maintained until the Commission enters an order as to the Petition. Atmos requests that the information be maintained as confidential indefinitely. Once the order regarding confidentiality has been issued, Atmos would have twenty (20) days to seek alternative remedies pursuant to 807 KAR 5:001, Section 7(4).

WHEREFORE, Atmos petitions the Commission to treat as confidential the information referenced herein and attached hereto in its entirety, which is included in the attached as "CONFIDENTIAL".

Respectfully submitted this 11th day of February, 2014.

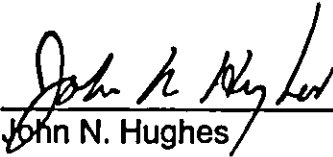
Mark R. Hutchinson
WILSON, HUTCHINSON, POTEAT
AND LITTLEPAGE
611 Frederica Street
Owensboro, Kentucky 42301

John N. Hughes
124 West Todd Street
Frankfort, Kentucky 40601
502-227-7270
No Fax
jnhughes@fewpb.net

By:  _____

CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of February, 2014, the original of this Petition, with the Confidential information for which confidential treatment is sought, together with ten (10) copies of the Petition without the confidential information, were filed with the Kentucky Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40602, by hand delivery.



John N. Hughes

