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WILSON, HUTCHINSON, POTEAT & LITTLEPAGE CEIVED

JUL 07 2015

611 Frederica Street Owensboro, Kentucky 42301 Telephone (270) 926-5011 Facsimile (270) 926-9394

PUBLIC SERVICE COMMISSION

William L. Wilson, Jr. Mark R. Hutchinson T. Steven Poteat T. Tommy Littlepage

bill@whplawfirm.com randy@whplawfirm.com steve@whplawfirm.com ttommy@whplawfirm.com

July 6, 2015

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

Re:

Atmos Energy Corporation Case No. 2015-00161

Dear Mr. Derouen:

Atmos Energy Corporation herewith submits an original and ten redacted copies of a Petition for Confidentiality of New Gas Supply Agreement in the above referenced docket. The non-redacted copy is included in a sealed envelope.

If you have any questions please contact myself or Mark Martin at 270-685-8024.

Respectfully,

Mark R. Hutchinson

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE COMMISSION

N THE MATTER OF:)
)
APPLICATION OF ATMOS ENERGY) Case No.
CORPORATION FOR APPROVAL OF THIRD) 2015-00161
PARTY NATURAL GAS SUPPLY AND ASSET)
MANAGEMENT AGREEMENT AND FOR A DEVIATION	j .
FROM THE PRICING REQUIREMENTS OF KRS 278,2207	í

PETITION FOR CONFIDENTIALITY OF NEW GAS SUPPLY AGREEMENT BEING FILED WITH KENTUCKY PUBLIC SERVICE COMMISSION

Atmos Energy Corporation ("Atmos" or "Company"), respectfully petitions the Kentucky Public Service Commission ("Commission"), pursuant to 807 KAR 5:001, Section 13, and all other applicable law, for confidential treatment of the gas supply and asset management agreement consisting of an Addendum to Base Contract For Sale and Purchase of Natural Gas ("Addendum") attached hereto. In support of this Petition, Atmos states as follows:

1. As stated in the Company's original Application in this proceeding, upon execution by all parties, the new natural gas supply and asset management agreement for which Commission approval is sought, would be filed in the record under a Petition For Confidentiality.

- 2. Atmos has now entered into the proposed new gas supply and asset management with Atmos Energy Marketing, LLC, ("AEM").
- 3. In prior proceedings before the Commission, confidential protection has always been afforded to gas supply agreements such as one involved in this proceeding. See e.g., KPSC Cases 97-513, 2002-00245, 2006-00194, 2011-00201 and 2013-00434.
- 4. The Commission has consistently determined that gas supply agreements of this nature are entitled to confidential protection. The Addendum is no different and is likewise entitled to confidential protection. The information sought to be protected includes prices, purchase volumes and flexibility, points of receipt and delivery, expiration dates, and other competitively sensitive information contained throughout the Addendum. In future negotiations with other suppliers to manage its commodity, pipeline transportation and storage requirements, disclosure of the information contained in the Addendum would reveal confidential information that other suppliers could use in negotiating with Atmos, thereby putting Atmos at a competitive disadvantage.
- 5. KRS 61.872(1) requires information filed with the Commission to be available for public inspection <u>unless specifically exempted by statute</u>. Exemptions from this requirement are provided in KRS 61.878(1)(c)(1)exempts commercial information, confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage of 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.

- 6. As the Commission is well aware, Atmos must compete for both gas supply and gas transportation services in the deregulated world of natural gas acquisition and transportation. Disclosure of the information sought to be protected in the attached gas supply agreement would allow Atmos' competitors to gain confidential information about Atmos' gas purchasing and transportation costs and strategies. It would 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.
- 7. Additionally, to the extent that Atmos chooses, in the future, to purchase gas supply or transportation services from other suppliers or potential suppliers, disclosure of the information contained in the attached agreement 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.
- 8. Except for the parties to the Addendum, 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.
- 9. The attached Addendum requires the parties to keep the agreement confidential. This provision recognizes that the parties could be competitively damaged

if the terms of the agreement 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.

10. The Company requests that the Addendum be kept confidential for an indefinite period.

WHEREFORE, Atmos petitions the Commission to treat as confidential the attached Addendum in its entirety.

Respectfully submitted this 6 day of July, 2015.

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

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

Ву:

VERIFICATION

I, Mark A. Martin, being duly sworn under oath state that I am Vice President of Rates and Regulatory Affairs Kentucky Midstates Division for Atmos Energy Corporation, and that the statements contained in the foregoing Petition are true as I verily believe.

Mark A Martin

CERTIFICATE OF SERVICE

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I hereby certify that on the 6 day of July, 2015 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 overnight delivery.