

PUBLIC DISCLOSURE

March 30, 2004

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PUBLIC SERVICE COMMISSION

Honorable Thomas M. Dorman, Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602

Re: Case No. 2004-00122

Dear Mr. Dorman:

We are filing the enclosed original and three (3) copies of a notice under the provisions of our Gas Cost Adjustment Clause, Case No. 2004-00122 This filing contains a Petition of Confidentiality and confidential documents.

Please indicate receipt of this filing by stamping and dating the enclosed duplicate of this letter and returning it in the self-addressed stamped envelope to the following address:

Atmos Energy Corporation 381 Riverside Drive, Suite 440 Franklin, TN 37064

If you have any questions, feel free to call me at 615-261-2273.

Sincerely,

Bobby J. Cline

Manager, Rate Administration

Enclosures

COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE COMMISSION

In the Matter of:

GAS COST ADJUSTMENT) CASE NO.
FILING OF) 2004- 00122
ATMOS ENERGY CORPORATION)

PETITION FOR CONFIDENTIALITY OF INFORMATION BEING FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION

Atmos Energy Corporation ("Atmos") 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 the information which is described below and which is attached hereto. In support of this Petition, Atmos states as follows:

- 1. Atmos is filing its Gas Cost Adjustment ("GCA") for the quarterly period commencing on May 1, 2004. This GCA filing also contains Atmos' quarterly Correction Factor (CF), as well as information pertaining to Atmos' projected gas prices. The following two attachments contain information which require confidential treatment.
 - a. The attached Exhibit D contains information from which the actual price being paid by Atmos for natural gas to its supplier can be determined.
 - b. The attached Weighted Average Cost of Gas ("WACOG") schedule in support of Exhibit C, page 19 contains confidential information pertaining to prices projected to be paid by Atmos for purchase contracts.
- 2. Information of the type described above has previously been filed by Atmos with the Commission under petitions for confidentiality. Exhibit D contains information from which it

could be determined what Atmos is paying for natural gas under its gas supply agreement with its existing supplier. The Commission has consistently granted confidential protection to that type of information in each of the prior GCA filings in KPSC Case No. 1999-070. The information contained in the attached WACOG schedule has also been filed with the Commission under a Petition for Confidentiality in Case No. 97-513.

- 3. All of the information sought to be protected herein as confidential, if publicly disclosed, would have serious adverse consequences to Atmos and its customers. Public disclosure of this information would impose an unfair commercial disadvantage on Atmos. Atmos has successfully negotiated an extremely advantageous gas supply contract that is very beneficial to Atmos and its ratepayers. Detailed information concerning that contract, including commodity costs, demand and transportation charges, reservations fees, etc. on specifically identified pipelines, if made available to Atmos' competitors, (including specifically non-regulated gas marketers), would clearly put Atmos to an unfair commercial disadvantage. Those competitors for gas supply would be able to gain information that is otherwise confidential about Atmos' gas purchases and transportation costs and strategies. The Commission has accordingly granted confidential protection to such information.
- 4. Likewise, the information contained in the WACOG schedule in support of Exhibit C, page 19, also constitutes sensitive, proprietary information which if publicly disclosed would put Atmos to an unfair commercial disadvantage in future negotiations.
- 5. Atmos would not, as a matter of company policy, disclose any of the information for which confidential protection is sought herein to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos' internal practices and policies are directed towards non-disclosure of the attached information. In fact, the information contained in the

attached report is not disclosed to any personnel of Atmos except those who need to know in order to discharge their responsibility. Atmos has never disclosed such information publicly. This information is not customarily disclosed to the public and is generally recognized as confidential and proprietary in the industry.

- 6. There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.
- 7. The attached information is also entitled to confidential treatment because it constitutes a trade secret under the two prong test of KRS 265.880: (a) the economic value of the information as derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure; and, (b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The economic value of the information is derived by Atmos maintaining the confidentiality of the information since competitors and entities with whom Atmos transacts business could obtain economic value by its disclosure.
- 8. Pursuant to 807 KAR 5:001 Section 7(3) temporary confidentiality of the attached information should be maintained until the Commission enters an order as to this petition. 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 all of the material and information which is included in the attached one volume marked "Confidential".

Respectfully submitted this 30th day of March, 2004.

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