

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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**PUBLIC SERVICE
COMMISSION**

Application of Water Service Corporation)
of Kentucky for an Adjustment of Rates) Case No. 2010-00476
)

PETITION FOR CONFIDENTIALITY

Water Service Corporation of Kentucky (WSCK) petitions the Commission (“Commission”), pursuant to 807 KAR 5:001, Section 7 and all other applicable law, for confidential treatment of a portion of the response to item 11 of the initial data request. In support of its Petition, WSCK states as follows:

In the Commission’s initial data request, dated January 14, 2011, certain information about employee salaries and benefits is requested. Based on the reasons set forth below, the information in question is entitled to confidential treatment under 807 KAR 5:001, Section 7, and all other applicable law, which if publicly disclosed could have adverse consequences to the company’s competitive standing and to the privacy of certain employees.

Utilities, Inc. is a privately held company operating in several states. The disclosure of detailed corporate salary and benefit information for the executive employees located in the Northbrook office will provide its competitors with information that those competitors do not disclose to Utilities, Inc.

WSCK and Utilities, Inc. do not as a matter of company policy publicly disclose the information described above, except as required by law or pursuant to a court order or subpoena. The company’s internal policies are directed toward non-disclosure of the information in question. In fact, the information will not be disclosed to any personnel, except those who need to know in order to discharge their responsibilities. The information sought by the Commission

is not information customarily disclosed to the public and is generally recognized as confidential and proprietary.

There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is outweighed by the competitive interest in keeping the information confidential, enabling WSCK to successfully compete for business in Kentucky and other states. Disclosure of the information in question would put Utilities, Inc. at a competitive disadvantage. Moreover, the public interest would be best served by the nondisclosure of the materials in question because competition would thereby be promoted.

The information is also of such a personal nature to be exempt from disclosure. As the Commission held in Case No. 90-013, In the Matter of: Adjustment of Rates of Western Kentucky Gas Company, dated June 5, 1990:

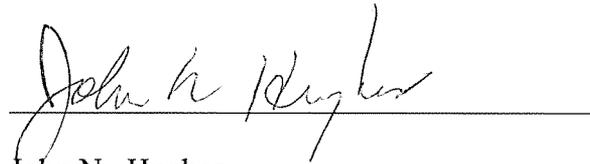
KRS 61.872(1) requires all public records to be open for inspection unless specifically exempted by law. The exemptions from this requirement are contained in KRS 61.878. Subsection (1) of that section exempts from disclosure "information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy." This provision is intended to exempt from public disclosure any information contained in public records that relates the details of an individual's private life. The information is exempt from disclosure when the individual's privacy interest in the information outweighs the public's interest in the information. Salaries and wages are matters of private interest which individuals have a right to protect, unless the public has an overriding interest in the information. No such overriding interest is presented here and the salaries and wages of the identified individual employees need not be disclosed.

The information that WSCK seeks to be afforded confidential treatment also constitutes a trade secret under the two prong test of KRS 365.880: a) the economic value of the information is 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. Both of the statutory tests are met in this instance. Only WSCK and Utilities, Inc. are in a position to know its business operations and financial condition. The economic value of this information is derived by WSCK and its parent maintaining the secrecy of the information, since its competitors could obtain economic value through its disclosure.

Pursuant to 807 KAR 5:001, Section 7(3), temporary confidentiality for the enclosed information should be maintained until the Commission enters an Order as to this Petition. Once the Order regarding confidentiality has been issued, WSCK would have the opportunity to seek alternative remedies pursuant to 807 KAR 5:001, Section 7(4).

WHEREFORE, WSCK petitions the Commission to treat as confidential the information identified in this Petition.

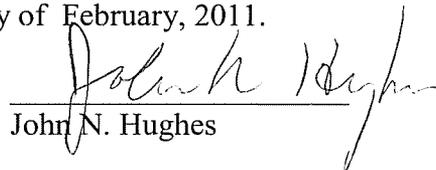


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Certificate of Service:

A copy of this petition was delivered to David Spenard of the Attorney General's Office, 1024 Capital Center Dr, Frankfort, KY 40601 the 17th day of February, 2011.



John N. Hughes

