

September 10, 2010

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PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Public Service Commission
Commonwealth of Kentucky
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

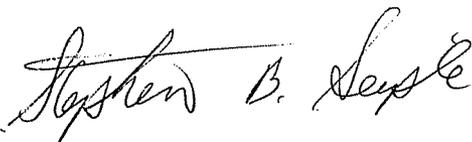
RE: New Case – *In the Matter of Columbia Gas of Kentucky, Inc. to Extend its Gas Price Hedging Plan*

Dear Mr. Derouen:

Columbia Gas of Kentucky, Inc. submits an original and ten (10) redacted copies of its Petition for Confidential Treatment of Data in the above case.

If you have questions, please don't hesitate to contact me at (614) 460-4648 or sseiple@nisource.com.

Sincerely,



Stephen B. Seiple
Assistant General Counsel

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**PUBLIC SERVICE
COMMISSION**

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:)
)
THE APPLICATION OF COLUMBIA GAS OF) Case No. 2010-_____
KENTUCKY, INC. TO EXTEND ITS GAS)
PRICE HEDGING PLAN.)

**PETITION OF COLUMBIA GAS OF KENTUCKY, INC.
FOR CONFIDENTIAL TREATMENT OF DATA**

Columbia Gas of Kentucky, Inc. ("Columbia") has this same day filed in the instant docket an Application in which it is asking the Commission to approve an extension of Columbia's Gas Price Hedging Plan ("Plan"). Under the proposed Plan, historically based Benchmark Price is derived from winter period price information. Trigger Prices are then determined based on the Benchmark Price. Each Trigger Price has a specified quantity of Columbia's winter gas purchase requirements associated with it. Columbia will hedge the price on specified gas quantities that are to be purchased in future winter months when the New York Mercantile Exchange winter strip price is less than or equal to a Trigger Price. Pursuant to 807 KAR 5:001, Section 7, Columbia is requesting confidential treatment for that part of the Plan that identifies information about the Trigger Prices, and the quantities of gas to be hedged at the identified Trigger Prices. Attached to the Application is a detailed description of Columbia's Plan, redacted to obscure the confidential data. Attached to the original copy of this Petition, as Attachment A, is a copy of the Plan with the confidential information identified by yellow highlighting. All other copies of this Petition include as Attachment A the gas price hedging plan with the confidential information obscured.

The Trigger Price information is confidential and proprietary, and, if publicly disclosed would damage Columbia's competitive position and business interests by providing competitors and financial traders with information that would enable them to determine the timing and approximate volume of Columbia's hedging activity, which might enable them to take financial positions based on that knowledge to the detriment of Columbia's ability to obtain the lowest cost gas for its customers and its ability to compete for customers. This Trigger Price information is not disclosed to the public, and is being provided only to the Commission in compliance with 807 KAR 5:001, Section 7.

In view of the foregoing considerations, the data should be classified as confidential, pursuant to KRS §§ 61.870 *et seq.*, on the following specific grounds:

- (1) Trigger Price information is exempt from disclosure pursuant to KRS § 61.878(1)(c)(1) because the information would permit an unfair commercial advantage to Columbia's competitors, and to financial traders with whom Columbia might be negotiating for the purchase of the financial instruments necessary to implement Columbia's gas price hedging plan.
- (2) All the information provided herewith is further exempt from disclosure pursuant to KRS 61.878(1)(l), which exempts "information the disclosure of which is prohibited or restricted or otherwise made confidential by enactment of the General Assembly." This is so because the Trigger Price information constitutes "data" which "[d]erives independent economic value...from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use..." It is also kept confidential by Columbia, and is therefore

“the subject of efforts that are reasonable under the circumstances to maintain its secrecy.” As a result, the Trigger Price data constitutes “trade secrets” within the meaning of KRS § 365.880(4)(a) and (b), and its disclosure is either prohibited or restricted by the express provisions of §§ KRS 365.880 through 365.894.

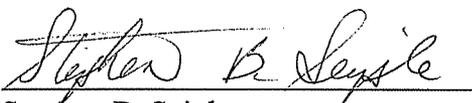
By granting this Petition and providing for confidential treatment of the Trigger Price data, the Commission can fully evaluate Columbia’s proposed Gas Price Hedging Plan, while maintaining the general confidentiality of such data, thereby balancing the public interest with the private competitive interest in such information.

WHEREFORE, Columbia respectfully requests that the Commission issue an order authorizing the confidential treatment of Columbia’s gas price hedging plan attached hereto, pursuant to 807 KAR 5:001, Section 7, for the reasons stated herein.

Dated at Columbus, Ohio, this 10th day of September 2010.

Respectfully submitted,

COLUMBIA GAS OF KENTUCKY, INC.

By: 
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Assistant General Counsel

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Attorneys for
COLUMBIA GAS OF KENTUCKY, INC.

ATTACHMENT A