

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

THE FINAL REPORT OF ATMOS ENERGY CORPORATION
ON ITS HEDGING PROGRAM FOR THE 2015-2016
HEATING SEASON

Case No. 2012-00440

**PETITION FOR CONFIDENTIALITY OF ATMOS'
FINAL HEDGING REPORT**

Atmos Energy Corporation ("Atmos") 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 Atmos' Final Hedging Report for the 2015-2016 heating season.

1. In KPSC Case No. 2013-00421, Atmos filed a request with the Kentucky Public Service Commission for approval to extend its existing gas cost hedging program for five years, through March 31, 2019. On March 10, 2014 the Commission entered an Order approving the continuation of Atmos' hedging program pending issuance of a final Commission Order.

On September 18, 2014, the Commission entered its Final Order in this proceeding denying Atmos' request to extend its hedging program and ordering Atmos to cease hedging activities as of the date following the date of the Order.

2. Portions of the attached Report, together with the Exhibits attached thereto, contain sensitive pricing information and confidential information about Atmos' hedging strategies. Atmos' hedging strategies (including the prices Atmos would likely pay for hedging contracts under various market conditions) constitutes sensitive, proprietary information which if publicly disclosed could put Atmos at a commercial disadvantage in future hedging negotiations. Prospective brokers of hedging devices would gain insight into how Atmos is likely to react to changing market conditions in terms of what Atmos might be willing to pay for hedging contracts. This information would not otherwise be available. Although the full extent to which Atmos would be disadvantaged in future negotiations is difficult to predict, it is clear that

Atmos would likely be disadvantaged in future negotiations if the information contained in the attachments to this Petition is made public.

3. Atmos would not, as a matter of company policy, disclose information like that contained in the attachments 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 attachments 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. The Commission has historically granted Atmos confidential protection to information concerning the actual price being paid by Atmos to individual marketing companies and other suppliers of natural gas.

4. There is no significant interest in public disclosure of the information contained in the attachments. Any public interest in favor of disclosure of the information is out weighed by the competitive interest in keeping the information confidential.

5. The information contained in the attachments is also entitled to confidential treatment because it constitutes a trade secret under the two prong test of KRS 365.880(4): (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. The economic value of this information is derived by Atmos maintaining the confidentiality of the information since prospective brokers could obtain economic value by its disclosure.

6. Because the competitively sensitive nature of the information sought to be protected will last indefinitely, the Commission is requested to treat the information confidential for an indefinite period.

WHEREFORE, Atmos petitions the Commission to treat as confidential all of the material and information contained in the attached that is redacted or marked CONFIDENTIAL.

Respectfully submitted this 4th day of May, 2016.



Mark R. Hutchinson
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VERIFICATION

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


Mark A. Martin

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of May, 2016 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 sent by overnight delivery to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40206.


Mark R. Hutchinson