

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS) CASE NO. 9331-J
ADJUSTMENT FILING OF) CASE NO. 9331-K
DELTA NATURAL GAS COMPANY, INC.) CASE NO. 9331-L
) CASE NO. 9331-M

O R D E R

On May 18, 1988, in Case No. 9331-J, In the Matter of Notice of Purchased Gas Adjustment Filing of Delta Natural Gas Company, Inc.; on June 10, 1988, in Case No. 9331-K, In the Matter of Notice of Purchased Gas Adjustment Filing of Delta Natural Gas Company, Inc.; on September 28, 1988, in Case No. 9331-L, In the Matter of Notice of Purchased Gas Adjustment Filing of Delta Natural Gas Company, Inc.; and on January 3, 1989, in Case No. 9331-M, In the Matter of Notice of Purchased Gas Adjustment Filing of Delta Natural Gas Company, Inc. ("Delta") filed requests for confidential treatment of its supplier gas costs. The requests cite "increasing competitiveness" and "competitive disadvantage" as grounds for confidentiality. The Commission's regulation on confidentiality, 807 KAR 5:001(7), prescribes the criteria which must be met to qualify for confidential treatment of information. Delta has not adequately complied with that regulation. It has not provided the extent to which the information is known outside

its business; the extent to which it is known by its employees; the measures taken to safeguard the information; the value of the information to Delta and to its competitors; the amount of effort or money expended to develop the information; the difficulty of others to duplicate or acquire the information; the evidence which reveals competition and actual competitive harm; the extent to which the information is customarily disclosed to the public; and evidence indicating that the balancing of public and private interests favors nondisclosure. Additionally, the portion of the material filed which is sought to be confidential is not highlighted. All of these factors are required by 807 KAR 5:001(7).

It should also be pointed out that the Commission in Administrative Case No. 297, An Investigation of the Impact of Federal Policy on Natural Gas to Consumers and Suppliers, declared information available to subsidiaries of regulated utilities to be public information. Because Delta has requested confidential treatment for information which is known by and available to its unregulated subsidiaries, it should provide the factors which justify a classification of the material which differs from that set forth in Administrative Case No. 297.

If Delta continues to desire to keep the information confidential, it should file supplemental support for its request. The information should provide as much detail as it can to explain its purchasing practices, the competitive nature of its supply acquisition, a quantification of the actual injury that may result

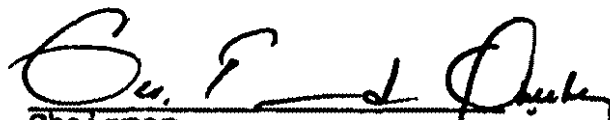
from disclosure of supply costs and any other pertinent information which might substantiate the need for confidentiality.

The Commission finds that the information supplied by Delta is not adequate to support its request. However, the material will be held confidential for 60 days. Delta may within 20 days supplement the information it has filed. Upon receipt of the information, the Commission will determine its compliance with the requirements of the regulation.

IT IS, THEREFORE, ORDERED that the material filed shall be held confidential for 60 days and that Delta shall have 20 days to file supplemental information to support its request for confidentiality.

Done at Frankfort, Kentucky, this 26th day of January, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director