

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF COLUMBIA GAS)
OF KENTUCKY, INC. TO IMPLEMENT)
GAS COST INCENTIVE RATE MECHANISMS) CASE NO. 96-079

O R D E R

This matter arising upon petition of Columbia Gas of Kentucky, Inc. ("Columbia Gas"), filed May 8, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of its strategic gas supply plan for 1996 through 2000, its 1995 long range gas supply report, and its business plan for gas cost incentive programs, on the grounds that disclosure of the information is likely to cause Columbia Gas competitive injury and that the information is a trade secret specifically exempted from public disclosure by statute, and it appearing to this Commission as follows:

On April 24, 1996, the Commission directed Columbia Gas to furnish information in response to 43 data requests. In responding to Item 35, Columbia Gas provided a strategic gas supply plan for the years 1996 - 2000 and its 1995 long range gas supply report, and in responding to Item 43, Columbia Gas furnished its business plan for gas cost incentive programs. Columbia Gas does not disclose this information to the public and by this petition seeks to protect its confidentiality.

KRS 61.872(1) requires information filed with a public agency to be available for public inspection unless specifically exempted by statute. Exemptions from this

requirement are provided in subsection (1) of KRS 61.878. That subsection exempts several categories of information. Any person claiming an exemption for information filed with the Commission under that subsection may petition the Commission to protect such information as confidential by following the procedure set forth in 807 KAR 5:001, Section 7.

One of the categories exempted by KRS 61.878(1) is information confidentially disclosed to the Commission which, if made public, would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. That exemption is contained in paragraph (c)1 of the subsection. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is publicly disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

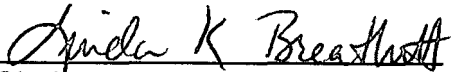
While the petition does not identify Columbia Gas's competitors who would benefit from the information, it is well known and beyond reasonable dispute, that with the advent of deregulation in recent years, Columbia Gas faces increasing competition from other participants in the natural gas industry. These competitors could use the information sought to be protected to gain insight into Columbia Gas's operations and plans. Therefore, disclosure of the information is likely to cause Columbia Gas competitive injury and the information should be protected under KRS 61.878(1)(c).

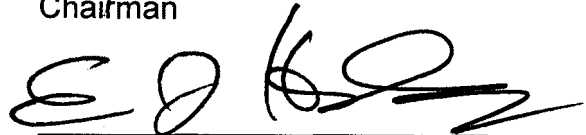
This Commission being otherwise sufficiently advised,

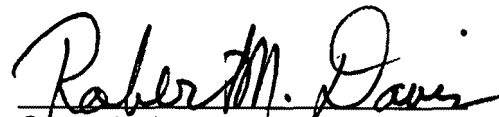
IT IS ORDERED that the strategic gas supply plan for 1996 - 2000, the 1995 long range gas supply report, and the business plan for gas cost incentive programs, which Columbia Gas has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be opened for public inspection.

Done at Frankfort, Kentucky, this 29th day of July, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director