

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

Electronic Application of Water Service                    )  
Corporation of Kentucky for a General                    )            Case No. 2018-00208  
Adjustment in Existing Rates                                    )

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**PETITION FOR CONFIDENTIALITY**

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Water Service Corporation of Kentucky (“WSCK”), by counsel and pursuant to 807 KAR 5:001, Section 13, respectfully requests the Public Service Commission to grant confidential protection to documents it filed in response to the Commission’s Order dated July 19, 2018. Specifically, WSCK seeks confidential treatment for employee salary information that has not been publicly disclosed by WSCK.

Administrative Regulation 807 KAR 5:001, Section 13(2) sets forth the procedure by which certain information filed with the Commission shall be treated as confidential. Specifically, the party seeking confidential treatment must establish “specific grounds pursuant to KRS 61.878 [the Kentucky Open Records Act] for classification of that material as confidential.” 807 KAR 5:001, Section 13(2)(a)(1).

The Kentucky Open Records Act exempts certain records from the requirement of public inspection. *See* KRS 61.878. In particular, KRS 61.878(1)(c)(1) exempts from disclosure:

Records confidentially disclosed to an agency or required by an agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would present an unfair commercial advantage to competitors of the entity that disclosed the records.

This exception “is aimed at protecting records of private entities which, by virtue of involvement in public affairs, must disclose confidential or proprietary records to a public agency, if disclosure of those records would place the private entities at a competitive disadvantage.” Ky. OAG 97-ORD-66 at 10 (Apr. 22, 2008).

In response to Items 3 and 9 of the Request for Information contained in the Commission’s Order dated July 19, 2018, WSCK seeks to provide the Commission with information related to salaries and wages paid to employees. The Company does not publicly disclose employees’ salaries and wages. This confidential employee compensation information, if disclosed, would enable competitors to attempt to recruit key WSCK and Water Service Corporation personnel, and would compromise the Company’s position in negotiating employee compensation terms. This is especially true for highly specialized personnel that are vital within the utility industry. This information is sensitive and is only available on a need-to-know basis, even within WSCK. Public disclosure of this information is likely to result in increased costs and a loss of negotiating ability for the Company. Disclosure of this information also increases the risk of a higher cost of service resulting from greater employee compensation demands and higher costs to recruit and retain skilled employees and managers

The Commission has awarded confidential treatment to salary and wage information in at least one other utility rate case. See Orders dated July 20, 2017, August 23, 2017, and June 19, 2018 in Kentucky Power Company, P.S.C. Case No. 2017-00179.

Accordingly, WSCK requests that the names of employees and their identifying titles receive permanent confidential treatment on documentation that matches their salaries and/or wages. WSCK will produce these materials to parties in this proceeding that enter into a mutually agreeable confidentiality agreement.

Respectfully submitted,



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