COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN	THE	M	A	TTER	OF.
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ELECTRONIC APPLICATION OF)	
KENTUCKY-AMERICAN WATER)	CASE NO. 2018-00358
COMPANY FOR AN ADJUSTMENT OF)	
RATES)	

PETITION FOR CONFIDENTIAL TREATMENT

Kentucky-American Water Company ("KAWC") petitions the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:001, Section 13 and KRS 61.878 to grant confidential protection for KAWC's response to Item 17 of Lexington-Fayette Urban County Government's ("LFUCG") Post-Hearing Request for Information. In support of this Petition, Kentucky American Water states as follows:

- 1. The Kentucky Open Records Act exempts from disclosure certain commercial information.¹ To qualify for the exemption and, therefore, maintain the confidentiality of the information, a party must establish that the material is of a kind generally recognized to be confidential or proprietary, the disclosure of which would place the party seeking confidentiality at an unfair commercial advantage.
- 2. LFUCG Post-Hearing Data Request Item 17 requests a copy of the billing manual, memoranda, and all other documents that dictate how costs are calculated from American Water Works Service Company ("Service Company") to KAWC. The response to LFUCG Item 17 includes an attachment containing the Service Company's Billing and Accounting Manual that is the product of extensive time and money invested by the Service Company. This attachment contains confidential and proprietary information, the disclosure of

¹ KRS 61.878(1)(c).

which would unfairly advantage American Water and KAWC's competitors. If those competitors have free access to the same information that the Service Company expended substantial resources to develop, they will derive an unfair commercial advantage. Because of the proprietary nature of the information at issue, KAWC requests confidential protection for the entirety of the attachment provided in response to LFUCG Item 17.

- 3. In this proceeding, the Commission has already granted confidential protection to similar manuals and accounting policies and procedures for the same proprietary reasons.²
- 4. The information for which KAWC is seeking confidential treatment pursuant to KRS 61.878 is not known outside of the utility, is not disseminated within KAWC except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information within the utility industry.
- 5. KAWC will disclose the confidential information (pursuant to a confidentiality agreement) to intervenors and others with a legitimate interest in this information and as required by the Commission.
- 6. If the Commission disagrees with this request for confidential protection, however, it must hold an evidentiary hearing (a) to protect KAWC's due process rights and (b) to supply the Commission with a complete record to enable it to reach a decision with regard to this matter.³
- 7. Pursuant to 807 KAR 5:001, Section 13(2)(a)(3)(b), confidential treatment is sought for the entire document produced in response to LFUCG Item 17. Written notification

³ Utility Regulatory Commission v. Kentucky Water Service Company, Inc., 642 S.W.2d 591, 592-94 (Ky. App. 1982).

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² Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, Case No. 2018-00358, Order (Ky. PSC Mar. 14, 2019).

that the entire document is confidential has been submitted with the document in lieu of highlighting in accordance with 807 KAR 5:001, Section 13(2)(b).

8. Due to the proprietary nature of the information at issue, Kentucky American Water requests that the information remain confidential indefinitely.

WHEREFORE, the Kentucky-American Water Company respectfully request that the Commission grant confidential protection for the information described herein.

Date: May 24, 2019 Respectfully submitted,

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CERTIFICATE

This certifies that Kentucky-American Water Company's electronic filing is a true and accurate copy of the documents to be filed in paper medium with the exception of documents for which confidential treatment is sought; that the electronic filing has been transmitted to the Commission on May 24, 2019; that a paper copy of the filing will be delivered to the Commission within two business days of the electronic filing; and that no party has been excused from participation by electronic means.

STOLL KEENON OGDEN PLLC

By:

Attorneys for Kentucky-American Water Company