

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF)	
AQUA AMERICA, INC.,)	
STEELRIVER INFRASTRUCTURE)	CASE NO. 2018-00369
FUND NORTH AMERICA LP,)	
STEELRIVER LDC INVESTMENTS)	
LP, LDC PARENT LLC, LDC)	
FUNDING LLC, LDC HOLDINGS)	
LLC, PNG COMPANIES LLC,)	
PEOPLES GAS KY LLC, AND)	
DELTA NATURAL GAS COMPANY,)	
INC. FOR APPROVAL OF AN)	
ACQUISITION OF OWNERSHIP)	
AND CONTROL OF PNG)	
COMPANIES LLC AND DELTA)	
NATURAL GAS COMPANY, INC.)	
)	

MOTION OF LDC PARENT LLC FOR CONFIDENTIAL
TREATMENT OF SELLER'S DISCLOSURE SCHEDULE

Aqua America, Inc. ("Aqua America") and LDC Parent LLC ("Parent") respectfully submit this motion pursuant to 807 KAR 5:001, Section 13 for confidential treatment of certain information relating to the Joint Application in this case. In support of this motion, Aqua America and Parent state as follows:

1. On this date, Aqua America, SteelRiver Infrastructure Fund North America LP, SteelRiver LDC Investments LP, Parent, LDC Funding LLC, LDC Holdings LLC, PNG Companies LLC, Peoples Gas KY LLC, and Delta Natural Gas Company, Inc. ("Delta") (collectively the "Applicants") filed their Joint Application for approval of an acquisition of ownership and control of PNG Companies LLC and Delta Natural Gas Company, Inc. with the Commission pursuant to KRS 278.020(6) and (7).

2. The proposed acquisition that is the subject of the Joint Application will occur, subject to the approval of the Commission and other regulatory agencies, under the terms of a Purchase Agreement between Aqua America and Parent dated as of October 22, 2018 (the "Agreement"). A fully executed copy of the Agreement is attached to the Joint Application as Exhibit A. The Buyer Disclosure Schedule of Aqua America is attached to the Joint Application as Exhibit B.

3. The other attachment to the Agreement is the Seller Disclosure Schedule of Parent, which is designated Exhibit C-CONF. Exhibit C-CONF contains confidential and proprietary information relating to the business of Parent and its subsidiaries, including Delta. In order to receive confidential treatment of Exhibit C-CONF, Delta is filing with the Commission this Motion for Confidential Treatment.

4. Much of the information in Exhibit C-CONF is not publicly disseminated and public disclosure of this information would harm Parent and its subsidiaries. In the event that the Commission does not approve the transaction, or in the event that the transaction otherwise does not close, Parent would suffer harm if this information were made public and therefore accessible to other potential purchasers, as it could lessen competition in a subsequent bidding process and allow other purchasers to bid down the price of Parent. Further, information in Exhibit C-CONF includes detailed business information about Parent and its subsidiaries that could be used by competitors to the disadvantage of Parent and its subsidiaries.

5. Under KRS 61.878(1)(c)(1), commercial information generally recognized as confidential is protected if disclosure would cause competitive injury and permits competitors an unfair commercial advantage. Public disclosure of much of the

information in Exhibit C-CONF may cause competitive harm to Parent and its subsidiaries and could cause a lessening of competition in a subsequent bidding process in the event the Commission denies the Joint Application or the proposed acquisition otherwise fails to close.

6. Much of the information in Exhibit C-CONF is treated as confidential by Parent and it is not widely disseminated even among the employees of Parent's subsidiaries. Only personnel with a business reason to use the confidential information are permitted to view it. The Agreement was required to be filed by Aqua America with the Securities and Exchange Commission ("SEC"), but neither of the Disclosure Schedules was required to be filed with the SEC.

7. If the Commission disagrees with Parent that Exhibit C-CONF is exempt from disclosure as confidential commercial information, it must hold an evidentiary hearing to protect the due process rights of Parent and permit it to supply the Commission with a complete record to enable it to reach a decision with regard to this matter.

8. Parent does not object to the disclosure of Exhibit C-CONF pursuant to a confidentiality agreement to the Attorney General or any intervenor who can demonstrate a legitimate interest in reviewing the confidential information for the purpose of participating in this proceeding.

9. As permitted by 807 KAR 5:001, Section 13(2)(a)(3)(b), Parent is seeking confidential treatment for Exhibit C-CONF in its entirety due to the confidential and proprietary nature of much of the information contained therein. Even though all of the information contained in Exhibit C-CONF is not confidential, it is impractical to redact

and highlight only the confidential portions as they constitute a large percentage of the information contained in Exhibit C-CONF.

10. In compliance with 807 KAR 5:001, Section 8(3) and 13(2)(e), Parent is filing with the Commission one paper copy of Exhibit C-CONF in its entirety.

11. 807 KAR 5:001, Section 13(2)(a)(2) provides that a motion thereunder shall state the time period in which the material should be treated as confidential and the reasons for this time period. Parent respectfully submits that five years from the date of the filing of the Joint Application is a reasonable period of time for the material in Exhibit C-CONF to be treated as confidential in light of the competitive conditions in the natural gas industry.

WHEREFORE, LDC Parent LLC respectfully requests that the Commission grant confidential treatment of the information described herein.

Dated: November 20, 2018.

Monica H. Braun (BY ALLISON L. BROWN,)
WITH PERMISSION

Robert M. Watt, III
robert.watt@skofirm.com
Monica H. Braun
monica.braun@skofirm.com
Stoll Keenon Ogden PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507
Phone: (859) 231-3000
Facsimile: (859) 253-1093
Counsel for LDC Parent LLC

CERTIFICATE OF COMPLIANCE

In accordance with 807 KAR 5:001, Section 8(7), this is to certify that LDC Parent LLC's November 20, 2018 electronic filing is a true and accurate copy of the documents being filed in paper medium; that the electronic filing has been transmitted to the Commission on November 20, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and one copy of the filing are being hand delivered to the Commission within two business days.

Monica H. Braun (BY ALLISON L. BROWN,
WITH PERMISSION)
Counsel for LDC Parent LLC

CERTIFICATE OF SERVICE

This further certifies that a true and accurate copy of LDC Parent LLC's November 20, 2018 electronic filing has been served on November 20, 2018, via first-class United States mail, postage prepaid, on the Office of the Kentucky Attorney General, Office of Rate Intervention, 700 Capital Avenue, Suite 20, Frankfort, Kentucky 40601.

Monica H. Braun (BY ALLISON L. BROWN,
WITH PERMISSION)
Counsel for LDC Parent LLC