

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. 2020-00160
Adjustment in Existing Rates)

THIRD PETITION FOR CONFIDENTIALITY

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 Items 3(g), 4(d), and 5(b) of the Attorney General’s second request for information. Specifically, WSCK seeks confidential treatment for employee salary information that has not been publicly disclosed by WSCK and other information that is generally considered confidential or proprietary.

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).

WSCK is providing salary information in response to Items 3(g) and 5(b) of the Attorney General’s second request for information. This confidential employee compensation information, if disclosed, would enable competitors to attempt to recruit key WSCK, Water Service Corporation, and Corix 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 other utility rate cases. See Order dated December 21, 2018 in Water Serv. Corp. of Kentucky, Case No. 2018-00208; Orders dated July 20, 2017, August 23, 2017, and June 19, 2018 in Kentucky Power Co., P.S.C. Case No. 2017-00179.

Accordingly, WSCK requests that information related to the employees’ salaries 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.

For the foregoing reasons, WSKK respectfully requests confidential treatment of the
aforementioned information for a permanent period of time.

Respectfully submitted,



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