

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC REQUEST OF ATMOS ENERGY)
CORPORATION FOR MODIFICATION AND)
EXTENSION OF ITS GAS COST ADJUSTMENT) CASE NO. 2020-00289
PERFORMANCE BASED RATEMAKING)
MECHANISM)

**PETITION FOR CONFIDENTIALITY OF CERTAIN INFORMATION
FILED WITH THE ANNUAL REPORT AND THE EVALUATION REPORT ON ATMOS
ENERGY CORPORATION'S
PERFORMANCE BASED RATEMAKING MECHANISM**

Atmos Energy Corporation (“Atmos Energy” or “Company”), by counsel, petitions the Kentucky Public Service Commission (“Commission”), pursuant to 807 KAR 5:001, Section 13, and all other applicable law, for confidential treatment of all the information contained in the Company’s annual report (“Annual Report”) of its Performance Based Ratemaking (“PBR”) Mechanism attached as Exhibit A, and certain information within the exhibit to the Company’s evaluation report (“Evaluation Report”) of its PBR Mechanism attached as Exhibit B. In support of this petition, Atmos Energy states as follows: On June 20, 2022, the Commission entered an Order in Case No. 2020-00289 approving an extension, as modified, of Atmos Energy’s PBR Mechanism for a period of four years through May 31, 2025. The Commission’s Order required Atmos Energy to file annual reports of its activities under the PBR program by August 31 of each year. The Annual Report attached as Exhibit A in this petition covers the period from June 2023 to May 2024.

The Commission’s Order in Case No. 2020-00289 also required Atmos Energy to file within 60 days after May 31, 2024, an evaluation report on the results of the PBR mechanism for

the PBR years ending in 2021 through 2024. The Evaluation Report attached as Exhibit B covers the PBR years ending 2021 through 2024. The exhibit within the Evaluation Report itself contains the cumulative quantitative data for PBR years ending 2021 through 2024.

1. The Company's current gas supply contracts contain significant pricing discounts. To fully report the results of the Company's current PBR program, disclosure of the discounts on gas purchases provided in the current supply contracts is required. To protect the confidentiality of that information, not only must the discounts themselves be redacted, but all information from which the discount could be calculated must likewise be redacted. Because this information is both disclosed in and determinable from data appearing throughout the quantitative results contained in the Annual Report, Exhibit A has been redacted in its entirety and the quantitative results in the attachment to the Evaluation Report in Exhibit B has been redacted in its entirety.

2. This type of information has been determined by the Commission in Atmos Energy's prior PBR proceedings and in Case Nos. 2015-00348, 2016-00052 and 2020-00289 to be entitled to confidential protection. Nothing has occurred since the Commission granted confidential protection to this type of information that would now disqualify it from protection.

3. The information for which confidentiality is sought is entitled to protection under KRS 61.878 (1)(c) 1. which provides that "...records confidentially disclosed to an agency or required by any agency to be disclosed to it, generally recognized as confidential or proprietary, which is openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records..." shall remain confidential unless otherwise ordered by a court of competent jurisdiction.

4. All the information sought to be protected as confidential reveals elements of the Company's natural gas purchasing strategies and, if publicly disclosed, would have serious adverse consequences to Atmos Energy and its customers. If that information was publicly disclosed, then all other participants in the natural gas commodity market, including those participants who Atmos Energy must compete against to purchase its gas supplies for its customers or who Atmos Energy negotiates with to acquire its gas supplies for its customers, would have that information as it pertains to Atmos Energy. For obvious reasons, this places Atmos Energy at a competitive disadvantage. The other participants in the natural gas commodity market, which is an unregulated and highly competitive marketplace, would have Atmos Energy's gas supply acquisition information, while Atmos Energy would not have access to the other participants' gas supply acquisition or gas supply sales information.

5. Atmos Energy would not as a matter of company policy disclose any of the information for which confidential protection is sought herein to any person or entity, except as required by law or pursuant to a court order or subpoena. Atmos Energy's internal practices and policies are directed towards non-disclosure of this information. In fact, the information contained in the attached report is not disclosed to any personnel of Atmos Energy except those who need to know to discharge their professional responsibility. Atmos Energy has never disclosed such information publicly. This information is not customarily disclosed to the public and is generally recognized as confidential and proprietary in the industry. There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is outweighed by the competitive interest in keeping the information confidential.

6. The attached information is also entitled to confidential treatment because it constitutes a trade secret under the two-prong test of KRS 365.880: (a) the economic value of the information

as derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure; and (b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The economic value of the information is derived by Atmos Energy maintaining the confidentiality of the information since competitors and entities with whom Atmos Energy transacts business could obtain economic value by its disclosure.

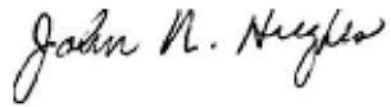
7. Pursuant to 807 KAR 5:001 (13) and the Commission's Order in Case No. 2020-00289, dated December 6, 2022, confidentiality of the attached information should be maintained for a period of ten (10) years. Given the competitive nature of the natural gas business and the efforts of non-regulated competitors to encroach upon traditional markets, it is imperative that regulated information remains protected and that the integrity of the information remains secure.

8. Atmos Energy does not object to the limited disclosure of the Confidential Information, pursuant to an acceptable confidentiality and nondisclosure agreement, to intervenors with a legitimate interest in reviewing the same for the sole purpose of participating in this proceeding.

For these reasons, Atmos Energy requests that the items identified in this petition be treated as confidential. Should the Commission determine that some or all the material is not to be given confidential protection, Atmos Energy requests a hearing prior to any public release of the information to preserve its rights to notice of the grounds for the denial and to preserve its right of appeal of the decision.

WHEREFORE, Atmos Energy petitions the Commission to treat as confidential all the material and information which is included in the Company's Annual Report, Exhibit A and the quantitative results included as an attachment within the Company's Evaluation Report attached as Exhibit B.

Submitted this 23rd day of July 2024.



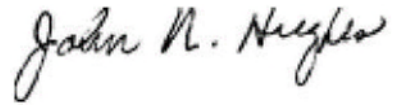
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CERTIFICATE OF SERVICE

This is to certify that this electronic filing was filed with the Commission on July 23, 2024 and there are no parties the Commission has excused from electronic participation. Pursuant to prior Commission Orders, no paper copies of this filing will be made.



Counsel, Atmos Energy Corporation