

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

*Electronic* Application of Bluegrass Water )  
Utility Operating Company, LLC for an )  
Adjustment of Rates and Approval of )  
Construction )

Case No. 2020-00290

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**Bluegrass Water’s Motion for Confidential Treatment of Information**

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Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water”), respectfully submits this Motion pursuant to 807 KAR 5:001, Section 13, for confidential treatment of certain information responsive to the supplemental requests for information in this case. In support of this Motion, Bluegrass Water states as follows:

1. On this date, Bluegrass Water filed its Responses to Commission Staff’s Second Request for Information (“2 PSC \_\_\_”), the Attorney General’s Supplemental Data Requests (“2 AG \_\_\_”), and the Joint Intervenors’ Initial Data Requests (“1 INT \_\_\_”).

2. From the 2 PSC responses, Bluegrass Water is seeking confidential treatment for the Excel workbook/spreadsheets named *2 PSC 1 f-g.xlsx*, *2-PSC-11g (confidential).xlsx*, and *2-PSC-14 (confidential).xlsx*. From the 2 AG responses, Bluegrass Water is seeking confidential treatment for *2-AG-10(confidential).xlsx* and 2 AG 13 attachment KY2020-00290\_BW\_0660 to BW\_0661. From the 1 INT responses, Bluegrass Water is seeking confidential treatment for the loan proposal responsive to 1 INT 07.

3. 2 PSC 01(f)-(g) seeks information about the projected and actual Utility Plant in Service, Revenue and Direct Labor for each utility identified in Schedule\_OHA1. *2 PSC 1 f-g.xlsx*, for which Bluegrass seeks confidential treatment, provides sensitive business information in response. 2 PSC 11 and 2 PSC 14 seek sensitive information regarding employee and officer

compensation, provided by *2-PSC-11g (confidential).xlsx*, and *2-PSC-14 (confidential).xlsx*. *2-AG-10 (confidential).xlsx* and the 2 AG 13 “Current Premiums” attachment KY2020-00290\_BW\_0660 to BW\_0661 also provide sensitive and personal information about employee and officer compensation in response to 2 AG 10 and 2 AG 13. Bluegrass Water is additionally seeking confidential treatment in full for the loan proposal provided in response to 1 INT 7 (pursuant to 807 KAR 5:001 Section 13(2)(a)(3)(b)), because this proposal contains sensitive financial information including the identity of the proposing bank. These documents for which confidential treatment is sought are submitted in full under seal.

4. Confidential treatment is being sought for certain information in *2-PSC-11g (confidential).xlsx*, *2-PSC-14 (confidential).xlsx*, *2-AG-10(confidential).xlsx* and KY2020-00290\_BW\_0660 to BW\_0661 – specifically, the dollar amounts contained in these documents.

5. All the documents herein for which confidential treatment is being sought are not publicly disseminated and public disclosure of this information would harm CSWR because these reveal sensitive information regarding the internal financial ability and workings of CSWR, a non-party who is not a utility nor is subject to regulation by the Commission. The sensitive, commercially-valuable, and financial information contained therein is not publicly distributed or disseminated outside of CSWR, and only disseminated internally to certain personnel with permission or a business reason to use it are permitted to view these documents, as well as sensitive personal information regarding the compensation of various employees. The redacted information in these documents for which confidential treatment is sought are treated as confidential by Bluegrass Water and its affiliates.

6. Disclosure of this information reveals Bluegrass’s trade secrets and business practices for acquisition and expansion strategy and may affect its affiliates’ ability to negotiate

economically in future. The information about Bluegrass Water and its future business plans identified above could be used by competitors to the business injury of Bluegrass Water in other ways as well. An example of potential harm if not kept confidential is that it would give sensitive information about Bluegrass Water and CSWR Group's capability and its valuation of systems and their potential.

7. 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 the information in the documents for which Bluegrass Water seeks confidential treatment may cause competitive harm to CSWR in anticipated future acquisitions and operation of its systems in Kentucky.

8. If the Commission disagrees with Bluegrass Water that the material for which this Motion seeks confidential treatment is exempt from disclosure, it must hold an evidentiary hearing to protect the due process rights of Bluegrass Water and permit movant the opportunity to supply the Commission with a complete record and to address its specific questions to enable it to reach a decision with regard to this confidentiality request.

9. In compliance with 807 KAR 5:001, Sections 8(3) and 13(2)(3), Bluegrass Water is filing with the Commission a copy of the proposed loan and attachment KY2020-00290\_BW\_0660 to BW\_0661, entirely unredacted and with highlighting of the material for which confidential treatment is sought. The unredacted copies are filed under seal pursuant to the instructions regarding confidential filings in the 3/24/20 Order issued in Ky. PSC Case No. 2020-00085; redacted pages of the subject documents are being publicly filed with the electronic copy of this Motion. The confidential Excel format (.xlsx) files are not publicly filed and only filed with the Commission under seal.

10. Bluegrass Water would not object to the disclosure of these confidential filings pursuant to a confidentiality agreement with any intervenor who can demonstrate a legitimate interest in reviewing the confidential information for the purpose of participating in this proceeding.<sup>1</sup>

11. 807 KAR 5:001, Section 13(2)(a)(2) provides that a motion for confidential treatment shall state the time period in which the material should be treated as confidential and the reasons for this time period. Movant respectfully submits that five years from the date of the filing of this Motion is a reasonable period of time for these documents to be treated as confidential in light of the competitive conditions in the water and wastewater industry.

WHEREFORE, Bluegrass Water respectfully requests that the Commission grant confidential treatment of the information described herein.

Respectfully submitted,

*/s/ Kathryn A. Eckert*

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MOTION ATTACHMENT

*(redacted version is filed herewith; highlighted version is filed under seal)*

KY2020-00290\_BW\_0660 to BW\_0661

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<sup>1</sup> Bluegrass Water has executed a confidentiality agreement with the Attorney General and will provide these confidential documents pursuant to the terms of that agreement.



### Current Premiums

| <i>Employee</i> | <i>Basic Term Life</i>     | <i>Dep Life</i> |             | <i>Ltd</i>                                     | <i>Std</i>                                    | <i>Total Premium</i> |
|-----------------|----------------------------|-----------------|-------------|--|---|----------------------|
|                 | <i>Premium/<br/>Volume</i> | <i>Premium</i>  | <i>Ins.</i> | <i>Premium/<br/>Covered Payroll<br/>Volume</i> | <i>Premium/<br/>Weekly Benefit<br/>Volume</i> |                      |



continued



Current Premiums (cont'd.)

| <i>Employee</i>              | <i>Basic Term Life</i>     | <i>Dep Life</i> |             | <i>Ltd</i>                                     | <i>Std</i>                                    | <i>Total Premium</i> |
|------------------------------|----------------------------|-----------------|-------------|--|---|----------------------|
|                              | <i>Premium/<br/>Volume</i> | <i>Premium</i>  | <i>Ins.</i> | <i>Premium/<br/>Covered Payroll<br/>Volume</i> | <i>Premium/<br/>Weekly Benefit<br/>Volume</i> |                      |
|                              |                            |                 |             |  |   |                      |
| <i>TOTAL</i>                 |                            |                 |             |  |   |                      |
| <b>Total Current Premium</b> |                            |                 |             |  |   |                      |