COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

Application of Atmos Energy Corporation for an Adjustment of Rates and Tariff Modifications

) Case No. 2021-00214

PETITION FOR CONFIDENTIALITY FOR THE COMMISSION'S THIRD INFORMATION REQUEST AND ATTORNEY GENERAL'S SECOND REQUEST

Atmos Energy Corporation (Atmos Energy), by counsel, petitions for an order granting confidential protection of certain portions of the responses to the Commission's Third Request for Information and the Attorney General's Second Request pursuant to 807 KAR 5:001, Section 13 and KRS 61.87. The responses included in the petition are: PSC DR 3-02 and Attorney General DR 2-15 and DR 2-24.

The confidential information in PSC DR 3-02, Attachment 1 and AG DR 2-24 consists of sensitive internal, strategic information that has not been finalized and has not been publicly disclosed about potential future changes to the company's capital structure. The Commission has consistently recognized that such internal strategic planning information and related materials are entitled to confidential treatment as this information typically relates to the company's economic status and business strategies. Information such as this which bears upon a company's detailed inner workings is generally recognized as confidential or proprietary. See, e.g., *Hoy v. Kentucky Indus. Revitalization Authority*, 907 S.W.2d 766, 768 (Ky. 1995) ("It does not take a degree in

finance to recognize that such information concerning the inner workings of a corporation is 'generally recognized as confidential or proprietary"); *Marina Management Servs. v. Cabinet for Tourism, Dep't of Parks*, 906 S.W.2d 318, 319 (Ky. 1995) (unfair commercial advantage arises simply from "the ability to ascertain the economic status of the entities without the hurdles systemically associated with the acquisition of such information about privately owned organizations").

The information requested in Attorney General DR 2-15, Attachment 1 includes how the Company acquires the storage gas, how the gas is priced (pricing terms, including relevant indexes and any premiums or adders) when acquired, whether the cost to inject the gas is included in the cost of the storage gas included in the balance sheet account, and if so, the cost per mcf to inject. The responses to these items provide planning and strategic information such as contracts, location, and specific volumetric usage and facilities associated with the storage fields. All of this information is protected by the scope of confidentiality.

The information sought by the Commission is not information customarily disclosed to the public and is generally recognized as confidential and proprietary. Atmos Energy is a utility operating in several states. The disclosure of detailed corporate financial and tax information will provide its competitors with information that those competitors do not disclose to Atmos Energy.

The Kentucky Open Records Act exempts from disclosure certain confidential or proprietary information. KRS 61.878(1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the information would permit an unfair commercial advantage to competitors of the party seeking confidentiality.

The information sought in the data requests is commercial information that if disclosed could cause substantial competitive harm to Atmos Energy. These portions of Atmos Energy's Response contain proprietary information that would aid competitors of Atmos Energy and such proprietary information is subject to protection from disclosure pursuant to Kentucky law. This information is not publicly available. It would be difficult or impossible for someone to discover this information from other sources. If this information were available to competitors in this form, they could use it to the competitive detriment of Atmos Energy. This information is not generally disclosed to non-management employees of Atmos Energy and is protected internally by the Company as proprietary information. The disclosure of this proprietary information would result in significant or irreparable competitive harm to Atmos Energy by providing its competitors with non-reciprocal competitive advantage. No public purpose is served by the disclosure of such information.

Atmos Energy requests that the information be held confidentially indefinitely. The statutes cited above do not allow for disclosure at any time. 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 remain protected and that the integrity of the tax filings remain secure.

For these reasons, Atmos Energy requests that the items identified in this petition be treated as confidential in their entirety. 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. Submitted by:

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And

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Certification:

I certify that is a true and accurate copy of the documents; that the electronic filing was transmitted to the Commission on September 16, 2021 and that no party has been excused from participation by electronic means.

John N. Hugher