

**COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION**

In the Matter of:

GAS COST ADJUSTMENT)	CASE NO.
FILING OF)	2022-00307
ATMOS ENERGY CORPORATION)	

**PETITION FOR CONFIDENTIALITY OF INFORMATION
BEING FILED WITH THE KENTUCKY PUBLIC SERVICE COMMISSION**

Atmos Energy Corporation ("Atmos Energy"), by counsel, petitions the Kentucky Public Service Commission ("Commission" or "KYPS") pursuant to 807 KAR 5:001 Section (13) and KRS 61.878(1)(c)1 for confidential treatment of the information which is described below and which is attached. In support of this Petition, Atmos Energy states as follows:

1. Atmos Energy is filing its Gas Cost Adjustment ("GCA") for the quarterly period commencing on November 1, 2022 through January 31, 2023. This GCA filing contains a change to Atmos Energy's Correction Factor (CF) as well as information pertaining to Atmos Energy's projected gas prices. The following attachments contain information which requires confidential treatment.

- a. The attached Exhibit D, Page 5 of 6 contains confidential information from which the actual price being paid by Atmos Energy for natural gas to its suppliers can be determined.
- b. The attached Weighted Average Cost of Gas ("WACOG") schedule in support of Exhibit C, Page 2 of 2 contains confidential information pertaining to prices projected to be paid by Atmos Energy for purchase contracts.

- c. Invoices and monthly usage reports for each month of the reporting period.
- d. Purchases of sustainable natural gas from a renewable source during the reporting period identifying the supplier, cost, and amount.

Information of the type described in items a and b above has previously been filed by Atmos Energy with the Commission under petitions for confidentiality in Case No. 2022-00086. The information contained in the attached WACOG schedule has also been filed with the Commission under a Petition for Confidentiality in Case No. 2022-00188.

2. The Commission order in Case No. 2022-00188 requires the additional filing of invoices and monthly usage reports for each month of the reporting period and information related to purchases of sustainable natural gas from a renewable source during the reporting period with the name of the supplier, cost, and amount.

3. The invoices, monthly usage reports and required additional information for both the pipeline suppliers and the renewable source suppliers identify Atmos Energy's suppliers, unit costs, volumes and interconnection points. Disclosure of this information would provide suppliers with all of the relevant competitive information about Atmos Energy's gas supply purchasing practices.

4. Disclosure of the suppliers' identities, unit costs, and volumes will damage Atmos Energy's competitive position and business interests by allowing competitors to know the unit price and overall cost of the gas purchased from each supplier. This information provides Atmos Energy's competitors the identity of lowest-cost suppliers and information that would allow them to attempt to modify their bids to get more favorable agreements. This could raise prices to Atmos Energy, which would hurt its competitive position and harm its ratepayers. Disclosure will provide competitors of Atmos Energy's suppliers with information which will enable future

gas bidding to be manipulated to the competitors' advantage and to the detriment of Atmos Energy and its customers. A gas supply competitor with knowledge of the recent pricing practices of other suppliers could adjust its bid so that it just beats other bidders' prices or other terms.

5. Atmos Energy requests that the information identified in this petition be kept confidential in its entirety.

6. KRS 61.878 (1)(c) 1. 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. The natural gas industry is very competitive. Atmos Energy has active competitors, who could use this information to their advantage and to the direct disadvantage of Atmos Energy.

7. All of the information sought to be protected as confidential, if publicly disclosed, would have serious adverse consequences to Atmos Energy and its customers. Public disclosure of this information would impose an unfair commercial disadvantage on Atmos Energy. Atmos Energy has successfully negotiated an extremely advantageous gas supply contract that is very beneficial to Atmos Energy and its ratepayers. Detailed information concerning that contract, including commodity costs, demand and transportation charges, reservations fees, etc. on specifically identified pipelines, if made available to Atmos Energy's competitors, (including specifically non-regulated gas marketers), would clearly put Atmos Energy to an unfair commercial disadvantage. Those competitors for gas supply would be able to gain information that is otherwise confidential about Atmos Energy's gas purchases and transportation costs and

strategies. The Commission has accordingly granted confidential protection to such information.

8. Atmos Energy would not, as a matter of company policy, disclose any of the information for which confidential protection is sought 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 the attached 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 in order to discharge their 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.

9. 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.

10. 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.

11. Pursuant to 807 KAR 5:001 (13) confidentiality of the attached information should be maintained 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 information remain secure.

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 of 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 of the material and information which is included in the attached volume marked "Confidential".

Respectfully submitted this 29th day of September 2022.



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