

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DELTA)	
NATURAL GAS COMPANY, INC. FOR)	
APPROVAL OF LOGO DISCLAIMER AND)	CASE NO. 2024-00057
NOTICE OF NONREGULATED ACTIVITY)	

PETITION FOR CONFIDENTIAL PROTECTION

Delta Natural Gas Company, Inc. (“Delta”) petitions the Kentucky Public Service Commission (“Commission”) pursuant to 807 KAR 5:001, Section 13 to grant confidential protection for certain information that Delta is providing in response to Commission Staff’s First Request for Information, Item No. 2(a) (“PSC 1-2(a)”). In support of its Petition, Delta states as follows:

Confidential Commercial Information — KRS 61.878(1)(c)(1)

1. The Kentucky Open Records Act exempts from disclosure certain records which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records.¹ Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

2. In response to PSC 1-2(a), Delta is providing as an attachment the Marketing Agreement between Delta and HomeServe USA Repair Management Corp. (“HomeServe”). Exhibit B to the Marketing Agreement is confidential because it discloses the compensation structure and terms associated with the Marketing Agreement. The compensation structure is a result of proprietary negotiations between Delta and HomeServe. Delta’s parent company,

¹ KRS 61.878(1)(c)(1).

Essential Utilities, Inc. (“Essential”) has entered into similar agreements with HomeServe in other states over the previous twenty years.² The terms set forth in Exhibit B of the attachment to PSC 1-2(a) are the culmination of the professional working relationship that Essential and Delta have expended substantial resources to develop with HomeServe.

3. Public disclosure of the information in Exhibit B of the attachment to PSC 1-2(a) would allow other home repair service companies like HomeServe, and other third-party vendors, to have an unfair commercial advantage when negotiating with Delta in the future. Third-party vendors could use the information in Exhibit B to set a floor or a ceiling for compensation terms in future contracts with Delta. If these carefully negotiated contracting terms are publicly disclosed, Delta will be harmed in its ability to negotiate terms that supply the most benefit to Delta and its customers. Any hinderance of Delta’s negotiating abilities with third-party vendors will ultimately harm Delta’s customers.

4. Because of the proprietary nature of the information at issue, Delta requests confidential protection for Exhibit B of the attachment to PSC 1-2(a). The Commission has previously granted confidential protection for similar information.³

Confidential Information Subject to this Petition

5. With the exception of information provided between Delta or Essential and HomeServe pursuant to contractual agreements, the information for which Delta is seeking confidential treatment is not known outside of Delta, its parent companies, their consultants with a need to know the information, and Delta’s counsel, is not disseminated within Delta except to

² Essential has operating subsidiaries that provide water through its Aqua entities, and gas through its Peoples entity.

³ See, e.g., *Notice of Kentucky Power Company Pursuant to 807 KAR 5:080 for Establishment of a New Nonregulated Activity*, Case No. 2014-00420, Order at 1-2 (Ky. PSC Apr. 29, 2015).

those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry.

6. Delta will disclose the confidential information, pursuant to a confidentiality agreement, to intervenors with a legitimate interest in this information and as required by the Commission. No person has requested intervention in this case at this time.

7. If the Commission disagrees with this request for confidential protection, it must hold an evidentiary hearing (a) to protect Delta's due process rights and (b) to supply the Commission with a complete record to enable it to reach a decision with regard to this matter.⁴

8. Pursuant to 807 KAR 5:001, Section 13(2)(b), Delta is providing written notification that the confidential portions of the attachment to PSC 1-2(a) have been redacted from the publicly filed version. In accordance with the Commission's March 24, 2020 and July 22, 2021 Orders in Case No. 2020-00085, Delta will transmit the confidential version of the attachment to PSC 1-2(a) to the Commission via email, noting the confidential information with highlighting.

9. Delta requests that confidential protection be granted for five years due to the sensitive nature of the information at issue.

WHEREFORE, Delta Natural Gas Company, Inc. respectfully requests that the Commission issue an order granting protection from public disclosure for the confidential information specifically described in this Petition.

⁴ *Utility Regulatory Commission v. Kentucky Water Service Company, Inc.*, 642 S.W.2d 591, 592-94 (Ky. App. 1982).

Dated: April 10, 2024

Respectfully submitted,



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CERTIFICATE OF COMPLIANCE

In accordance with the Commission's Order of July 22, 2021 in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), this is to certify that the electronic filing has been transmitted to the Commission on April 10, 2024; and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.



Counsel for Delta Natural Gas Company, Inc.