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May 15, 2019

VIA e-Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17120

Re: Application of Pennsylvania-American Water Company pursuant to Sections 507, 1102(a), and 1329 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 507, 1102(a) and 1329, for approval of its acquisition of the water system assets of Steelton Borough Authority

Docket No. A-2019-3006880

Pennsylvania-American Water Company's Petition for Protective Order

Dear Secretary Chiavetta:

Enclosed please find Pennsylvania-American Water Company's Petition for Protective Order in the above-referenced matter. The enclosed Petition does not contain any facts not of record. As a result, no verification is necessary.

Copies have been served on the parties as indicated on the enclosed Certificate of Service. Should you have any questions or concerns, please feel free to contact me.

Sincerely,

Susan Simms Marsh

Enclosures

cc: Honorable Steven K. Haas
Honorable Benjamin J. Myers
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Pennsylvania-American Water Company :
under Sections 507, 1102 and 1329 of the Public Utility : Docket No. A-2019-3006880
Code for Approval of its Acquisition of water system :
assets of Steelton Borough Authority :

PETITION FOR PROTECTIVE ORDER

Pennsylvania-American Water Company (“PAWC”) files this petition pursuant to 52 Pa. Code § 5.365 for the protection from public disclosure of certain confidential and proprietary information that PAWC has included in its application in the above matter and which PAWC anticipates submitting to and exchanging with the Pennsylvania Public Utility Commission (“Commission”) and the parties during the course of these proceedings. In support, PAWC states as follows.

1. On January 2, 2019, PAWC filed an application and accompanying appendices in the above matter under Section 1102(a) of the Pennsylvania Public Utility Code (“Code”), 66 Pa. C.S. § 1102(a), and Section 1329 of the Code, 66 Pa. C.S. § 1329, requesting (among other things) approval from the Commission to issue Certificates of Public Convenience to PAWC for the transfer to PAWC, by sale, of all of the assets, properties, and rights related to the water system of Steelton Borough Authority (the “System”) and to set the fair market value of the acquisition for rate-base ratemaking purposes (the “Application”).

2. By Secretarial Letter dated January 17, 2019, the Commission notified PAWC that the Application was conditionally accepted for filing. The Commission further notified PAWC that the Application would be finally accepted for filing upon PAWC’s filing of a verification that it had satisfied certain consumer notification requirements and amend the Application to include a revised *pro forma* tariff supplement adopting rates equal to the rates of Steelton Borough Authority at the time of the acquisition.

3. On February 19, 2019, PAWC filed an Amended Application *pro forma* tariff supplement as directed by the Commission.

4. On April 15, 2019, PAWC filed the necessary verification that it had satisfied the requirements for final acceptance of the Application, as amended.

5. By Secretarial Letter dated April 16, 2019, the Commission notified PAWC that the Application, as amended, was accepted for filing.

8. The Application, as amended, and its appendices, along with additional materials that PAWC anticipates exchanging in this proceeding pursuant to Commission rules and regulations, formal and informal discovery procedures, testimony or oral examination, or as a courtesy to parties contain information that PAWC considers confidential and proprietary.

9. Section 5.365(a) of the Commission's regulations provide that a petition for protective order will be granted "when a party demonstrates that the potential harm to the party of providing the [confidential or proprietary] information would be substantial and that the harm to the party if the information is disclosed without restriction outweighs the public's interest in free and open access to the administrative hearing process." The factors that the Commission evaluates include: "(1) The extent to which the disclosure would cause unfair economic or competitive damage. (2) The extent to which the information is known by others and used in similar activities. (3) The worth or value of the information to the party and to the party's competitors. (4) The degree of difficulty and cost of developing the information. (5) Other statutes or regulations dealing specifically with disclosure of the information." *See* 52 Pa. C.S. § 5.365(a)(1)-(5).

10. Confidential and proprietary information contained in the Application, as amended, and in materials PAWC anticipates will be exchanged during these proceedings would cause PAWC unfair economic or competitive disadvantage because the information that PAWC would seek to protect is not generally known, is valuable to PAWC, derives value in part due to PAWC's efforts to maintain the confidentiality of the information, and could be valuable to competitors (and, in turn, harmful to PAWC) if disclosed publicly.

11. The issuance of a protective order adequate to cover all parties and establish procedures in accordance with 52 Pa. Code § 5.365 for the provision of information believed to be confidential or proprietary would serve administrative economy and efficiency by obviating the need for parties to address confidential/proprietary concerns on a piecemeal basis every time confidential/proprietary information is requested.

12. The proposed protective order included with this Petition is in the usual accepted form, consistent with due process rights and evidentiary burdens. It allows parties to retain the right to question or challenge the confidential or proprietary nature of information; to challenge the admissibility of confidential or proprietary information; to refuse or object to the production of confidential or proprietary information on any proper ground; to seek disclosure of confidential or proprietary information beyond that allowed in the Protective Order; and to seek additional measures of protection beyond those provided in the Protective Order. The Protective Order also provides that the party claiming that the information is confidential or proprietary retains the burden of demonstrating that such designation is necessary and appropriate.

13. Counsel for PAWC has contacted Counsel for the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and Steelton Borough Authority, and they advise that they do not object to the entry of the proposed protective order.

WHEREFORE Pennsylvania-American Water Company requests that the Pennsylvania Public Utility Commission enter the Protective Order included with this Petition.

Respectfully submitted,



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Date: May 15, 2019

Attorneys for *Pennsylvania-American Water Company*

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Pennsylvania-American Water Company :
under Sections 507, 1102 and 1329 of the Public Utility : Docket No. A-2019-3006880
Code for Approval of its Acquisition of water system :
assets of Steelton Borough Authority :

PROTECTIVE ORDER

THEREFORE, upon consideration of the petition for protective order filed by the applicant in the above matter and any response thereto,

IT IS ORDERED:

1. That the Petition for a Protective Order is granted with respect to all materials and information identified in Paragraphs 2 and 3 below, which are filed with the Pennsylvania Public Utility Commission (“Commission”), produced in discovery, or otherwise presented during these proceedings. All persons now and hereafter granted access to the materials and information identified in Paragraphs 2 and 3 of this Protective Order shall use and disclose such information only in accordance with this Protective Order.

2. That materials subject to this Protective Order are all correspondence, documents, data, information, excerpts, summaries, studies, methodologies and other materials (including materials derived therefrom) which a party or an affiliate of a party furnishes in this proceeding pursuant to Commission rules and regulations, formal and informal discovery procedures, testimony or oral examination, or provided as a courtesy to a party to this proceeding, which are claimed to be of a proprietary or confidential nature and which are designated “PROPRIETARY INFORMATION” or “CONFIDENTIAL AND PROPRIETARY” or “PRIVILEGED AND CONFIDENTIAL” (hereinafter collectively referred to as “Proprietary Information”).

3. That, in addition, the parties may designate extremely sensitive Proprietary Information as “HIGHLY CONFIDENTIAL INFORMATION” or “HIGHLY CONFIDENTIAL MATTER” (hereinafter referred to as “Highly Confidential Information”) and thus secure the additional protections set forth in this Protective Order pertaining to such material.

4. That Proprietary Information and Highly Confidential Information produced in this proceeding shall be made available, solely for use in this proceeding, to the Commission and its Staff, the Commission’s Bureau of Investigation and Enforcement (“I&E”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), Steelton Borough Authority (“Authority”), and additional parties, if any. To the extent that Proprietary Information or Highly Confidential Information is placed in the Commission’s report folders, such information shall be handled in accordance with routine Commission procedures inasmuch as the report folders are not subject to public disclosure. To the extent that Proprietary Information or Highly Confidential Information is placed in the Commission’s testimony or document folders, such information shall be separately bound, conspicuously marked, and accompanied by a copy of this Protective Order. Public inspection of Proprietary Information and Highly Confidential Information shall be permitted only in accordance with this Protective Order.

5. That Proprietary Information and Highly Confidential Information shall be made available to counsel of record in this proceeding pursuant to the following procedures:

a. Proprietary Information. To the extent required for participation in this proceeding, a party’s counsel, upon execution of the attached Appendix A, may afford access to Proprietary Information made available by another party (“the producing party”) to the party’s expert(s) and staff. Any information provided under this provision may be used only for and to the extent that it is necessary for participation in this proceeding. Any person obtaining information disclosed through this provision may not use that information to gain any commercial advantage and any person obtaining information may not forward it to any person to gain commercial advantage.

b. Highly Confidential Information. Where information is asserted to be Highly Confidential Information, it will be made available for inspection and review as provided for in this Protective Order and copying only as specified herein. The producing party shall permit counsel for I&E, OCA, OSBA (individually “public advocate” and collectively the “public advocates”) and other counsel to take custody of a copy of such Highly Confidential Information, provided that it shall not be copied, except for counsel, the Acting Consumer Advocate, the Small Business Advocate, and the I&E Chief Prosecutor, and the public advocates’ in-house staff, independent consultants, or non-lawyer representatives, in accordance with the protocols set forth below and shall be returned as provided for in this Protective Order. Such Highly Confidential Information may be provided by a public advocate to its eligible in-house staff without the need for execution of Appendix A. Additionally, such Highly Confidential Information may be provided by a public advocate or other counsel to its eligible independent consultants (as defined in 52 Pa. Code § 5.365(d)) or other non-lawyer representatives who are assisting counsel with these proceedings, provided that such consultants and non-lawyer representatives execute and return the attached Appendix A to the producing party pursuant to Paragraph 6 of this Protective Order.

c. No other persons may have access to the Proprietary or Highly Confidential Information except as authorized by order of the Commission or of the presiding Administrative Law Judge. No person who may be entitled to receive, or who is afforded access to any Proprietary or Highly Confidential Information, shall use or disclose such information for the purposes of business or competition, or any purpose other than the preparation for and conduct of this proceeding or any administrative or judicial review thereof.

6. Prior to making Proprietary or Highly Confidential Information available to any independent consultant or non-lawyer representatives, counsel shall, except as specifically exempted under Paragraph 5(b) of this Protective Order, deliver a copy of this Protective Order to such person and shall receive a written acknowledgment from that person in the form attached to

this Protective Order and designated as Appendix A. Counsel shall promptly deliver to the producing party a copy of the executed Appendix A.

7. A producing party shall designate data or documents as constituting or containing Proprietary or Highly Confidential Information by affixing an appropriate proprietary stamp or type-written designation on such data or documents. Where only part of data compilations or multi-page documents constitutes or contains Proprietary or Highly Confidential Information, the producing party shall designate only the specific data or pages of documents which constitute or contain Proprietary or Highly Confidential Information.

8. Any public reference to Proprietary or Highly Confidential Information by counsel or persons afforded access thereto shall be to the title or exhibit reference in sufficient detail to permit persons with access to the Proprietary or Highly Confidential Information to fully understand the reference and not more. The Proprietary or Highly Confidential Information shall remain a part of the record, to the extent admitted, for all purposes of administrative or judicial review.

9. Part of any record of this proceeding containing Proprietary or Highly Confidential Information, including but not limited to all exhibits, writings, testimony, cross examination, argument and responses to discovery, and including reference thereto as mentioned in paragraph 8 above, shall be sealed for all purposes, including administrative and judicial review, unless such Proprietary or Highly Confidential Information is released from the restrictions of this Protective Order, either through the agreement of the parties or pursuant to Order of the Administrative Law Judge, the Commission or appellate court. Unresolved challenges arising under paragraph 10 shall be decided on petition by the presiding officer or the Commission as provided by 52 Pa. Code § 5.365(a). All such challenges will be resolved in conformity with existing rules, regulations, orders, statutes, precedent, *etc.*, to the extent that such guidance is available.

10. The parties affected by the terms of this Protective Order shall retain the right to question or challenge the confidential or proprietary nature of Proprietary or Highly Confidential Information; to question or challenge the admissibility of Proprietary or Highly

Confidential Information; to refuse or object to the production of Proprietary or Highly Confidential Information on any proper ground, including but not limited to irrelevance, immateriality or undue burden; to seek an order permitting disclosure of Proprietary or Highly Confidential Information beyond that allowed in this Protective Order; and to seek additional measures of protection of Proprietary or Highly Confidential Information beyond those provided in this Protective Order. If a challenge is made to the designation of a document or information as Proprietary or Highly Confidential, the party claiming that the information is Proprietary or Highly Confidential retains the burden of demonstrating that the designation is necessary and appropriate.

11. This Protective Order shall continue to be binding throughout and after the conclusion of this proceeding.

12. Upon completion of this proceeding, including any administrative or judicial review, all copies of all documents and other materials, including notes, which contain any Proprietary or Highly Confidential Information, shall be immediately returned upon request to the party furnishing such Proprietary or Highly Confidential Information. In the alternative, parties may provide an affidavit of counsel affirming that the materials containing or reflecting Proprietary or Highly Confidential Information have been destroyed.

Dated: _____

Administrative Law Judge

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Pennsylvania-American Water Company :
under Sections 507, 1102 and 1329 of the Public Utility : Docket No. A-2019-3006880
Code for Approval of its Acquisition of water system :
assets of Steelton Borough Authority :

ACKNOWLEDGMENT

TO WHOM IT MAY CONCERN:

The undersigned is the _____ of _____ (the receiving party).

The undersigned has read the Protective Order dated _____, 2019, and understands that it deals with the treatment of Proprietary and Highly Confidential Information. The undersigned agrees to be bound by, and to comply with, the terms and conditions of said Protective Order. In the case of an independent expert, the undersigned represents that he/she has complied with the provisions of paragraph 5 of the Protective Order prior to submitting this Acknowledgement.

SIGNATURE

PRINT NAME

ADDRESS

EMPLOYER

DATE

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Pennsylvania-American :
Water Company Pursuant to Section 507, :
1102, and 1329 of the Pubic Utility Code : Docket No. A-2019-3006880
for Approval of it's Acquisition of the :
Water Assets of Steelton Borough Authority :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing Petition for Protective Order, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL AND USPS FIRST-CLASS MAIL

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PAWC's Petition for Protective Order
Docket No. A-2019-3006880
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The Petition and Certificate of Service have been electronically filed on the Pennsylvania Public Utility Commission's eFiling system.

Dated: May 15, 2019



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