

January 26, 2012

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VIA HAND DELIVERY

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

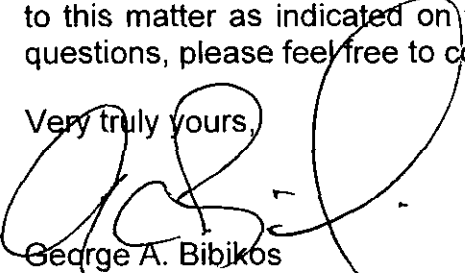
Re: Pennsylvania Public Utility Commission v. Penn Estates Utilities, Inc. (Water),
Rate Filing at Docket No. R-2011-2255159

Dear Secretary Chiavetta:

Enclosed please find an original and three copies of an Application for Protective Order for filing in the above-referenced matter.

Copies of these documents have been served on the Presiding Officers and parties to this matter as indicated on the enclosed Certificate of Service. If you have any questions, please feel free to contact me.

Very truly yours,



George A. Bibikos
PA Attorney I.D. No. 91249
Counsel for Penn Estates Utilities, Inc. (Water)

cc: Administrative Law Judge Kandace F. Melillo (w/ enclosures)
Administrative Law Judge Joel H. Cheskis (w/ enclosures)
Certificate of Service

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PA PJC
SECRETARY'S BUREAU

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION
ADMINISTRATIVE LAW JUDGES KANDACE F. MELILLO
AND JOEL H. CHESKIS, PRESIDING**

Pennsylvania Public Utility Commission,	:	R-2011-2255159
Office of Consumer Advocate,	:	C-2011-2268982
Richard Ennis, and	:	C-2011-2271703
Penn Estates Property Owners Association	:	C-2011-2279569
vs.	:	
Penn Estates Utilities, Inc.	:	
Water Division	:	

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APPLICATION FOR PROTECTIVE ORDER

Pursuant to Section 5.423 of the Public Utility Commission's ("Commission's") regulations, 52 Pa. Code § 5.423, Penn Estates Utilities, Inc. ("the Company") requests that the Presiding Officer grant this application for a protective order restricting the disclosure of proprietary and confidential information of the Company provided in discovery in this proceeding. In support the Company states as follows:

BACKGROUND

1. On September 30, 2011, Penn Estates Utilities, Inc. - Water filed Supplement No. 7 to Tariff Water - Pa. P.U.C. No. 3 to become effective November 29, 2011, containing proposed changes in rates, rules and regulations calculated to produce \$157,511, or 29.25% in additional annual service revenues based on a test year ended June 30, 2011. By order entered November 10, 2011, the Commission instituted a formal investigation at Docket No. R-2011-2255159 to determine the

lawfulness, justness and reasonableness of the Company's existing and proposed rates, rules and regulations. Supplement No. 7 was suspended by operation of law until June 29, 2012, unless otherwise directed by order of the Commission to become effective at an earlier date. A complaint was filed against the Company's proposed increase by the OCA. BI&E entered its appearance in the case also. The case was assigned to ALJs Melillo and Cheskis for purposes of conducting hearings and issuing a Recommended Decision. On or about November 8, 2011, Richard Ennis filed a complaint which was docketed at C-2011-2271703. On or about December 23, 2011, the Penn Estates Property Owners Association filed a complaint which was docketed at C-2011-2279569.

2. By letter dated November 18, 2011, Penn Estates agreed to mediation of the case and voluntarily extended the suspension period identified in the Commission's November 2011 Order by 60 days. With the 60-day extension, the suspension period for the proposed tariff supplement will expire on August 29, 2012.

3. The Company filed the prepared direct testimony of three witnesses and related exhibits on December 15, 2011. A prehearing conference was held on December 16, 2011, where a schedule was discussed for the submission of testimony and evidentiary hearings. Immediately following the prehearing conference, the initial mediation session was held with Mediator Cynthia Lehman. An additional mediation session was held with Mediator Lehman on January 5, 2012.

4. Additional information concerning the Company's rate filing was provided by the Company in response to interrogatories and informal data requests served by the BI&E and OCA. The parties operated under a stipulated confidentiality agreement in

which the parties agreed to maintain the confidentiality of information marked confidential or proprietary, including (but not limited to) certain schedules included in the rate filing and salary and tax information of the Company disclosed during the course of discovery.

5. Settlement negotiations were conducted by the parties in an effort to settle some or all of the issues in the case. On January 12, 2012, the parties notified the ALJs that a settlement in principle had been reached. The parties submitted a Joint Petition for Settlement and supporting documents, including a Stipulation for Admission of Evidence on January 25, 2012. The evidence sought to be admitted includes confidential schedules, as set forth in Supporting Schedules 7a-c. As a result, the Company moves for a protective order to protect the confidentiality of information.

REASONS FOR GRANTING PROTECTIVE ORDER

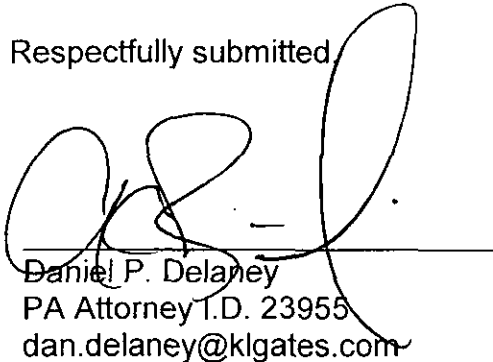
6. The Company requests that the Presiding Officer issue the protective order which is attached to this application. The proposed protective order is consistent with the requirements of Section 5.423 of the Commission's regulations, 52 Pa. Code § 5.423, and is designed to avoid potential harm to the Company from the disclosure of confidential and proprietary information while at the same time applying the least restrictive limitation on OCA and BI&E to review information.

7. The potential harm to the Company of providing the information publicly would be substantial, and the harm to the Company if the confidential information is disclosed without restriction outweighs the public's interest in free and open access to the documents and information deemed confidential and proprietary by the Company.

8. The Company circulated the proposed protective order to OCA and BI&E for their review and comment. OCA and BI&E have reviewed and commented on the proposed protective order, and any suggested changes have been incorporated.

WHEREFORE, the Company requests that the Commission adopt and issue the protective order which is attached to this application and grant any further relief that is just and reasonable under the circumstances.

Respectfully submitted



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K&L GATES LLP

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George A. Bibikos
PA Attorney I.D. 91249
george.bibikos@klgates.com

Dated: January 26, 2011

Counsel for Penn Estates Utilities, Inc.

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION
ADMINISTRATIVE LAW JUDGES KANDACE F. MELILLO
AND JOEL H. CHESKIS, PRESIDING**

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Penn Estates Property Owners Association	:	C-2011-2279569
	:	
	:	
vs.	:	
	:	
Penn Estates Utilities, Inc.	:	
Water Division	:	

PROTECTIVE ORDER

1. This Protective Order is granted with respect to all materials identified at Ordering Paragraph No. 2 herein, which are filed with the Public Utility Commission ("Commission"), produced in discovery, or otherwise presented during this proceeding. All persons now, and hereafter, granted access to the information identified in Ordering Paragraph No. 2 shall use and disclose such information only in accordance with this Order.

2. The Confidential or Proprietary Information subject to this Order includes all correspondence, documents, data, information, studies, methodologies, and other materials, which a party or an affiliate of a party furnishes in this proceeding pursuant to the Commission's rules and regulations, discovery procedures, or cross-examination or provides as a courtesy to the active parties in this proceeding, which identify information the Company considers confidential or proprietary, including (but not limited to) salary information, tax returns, audited financial statements, credit card information of the Company's employees or customers, customer identification numbers, and customer

addresses; which is claimed to be of a proprietary or confidential nature; and which are marked and designated "CONFIDENTIAL" or "PROPRIETARY INFORMATION."

3. Confidential or Proprietary Information shall be made available to the Commission and its Staff for use in this and any related proceeding and for all internal Commission analyses, studies or investigations related to the same. For purposes of filing, to the extent that Confidential or Proprietary Information is placed in the Commission's report folders, such information shall be handled in accordance with *routine Commission procedures for Confidential or Proprietary Information inasmuch as the report folders are not subject to public disclosure*. To the extent the Confidential or Proprietary 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 Order. Public inspection of the Confidential or Proprietary Information shall be permitted only in accordance with this Protective Order.

4. Confidential or Proprietary Information shall be made available to the Office of Consumer Advocate ("OCA") and the Commission's Bureau of Investigation & Enforcement ("BI&E"), and the other Active Parties to this proceeding. No other persons may have access to the Confidential or Proprietary Information, except as authorized by order of the Commission or the Presiding Administrative Law Judge. No person entitled to receive, or who is afforded access to any Confidential or Proprietary Information, shall use or disclose such information for the purpose of business or competition, or any purpose other than the presentation for and conduct of this proceeding or any administrative or judicial review thereof. The Confidential or Proprietary Information may not be publicly disclosed.

5. Any public reference to Confidential or Proprietary Information by the Commission or by counsel or persons afforded access thereto shall be to the title and date of the document. Confidential or Proprietary Information shall remain a part of the record, to the extent admitted, for all purposes of administrative or judicial review.

6. The part of the record of this proceeding containing Confidential or Proprietary Information shall be sealed for all purposes, including administrative and judicial review, unless such Confidential or Proprietary Information is released from the restrictions of this Order, either through the agreement of the parties or pursuant to an Order of the Administrative Law Judge or the Commission.

7. The parties affected by the terms of this Order shall retain the right to question or challenge the alleged confidential or proprietary nature of Confidential or Proprietary Information; to question or challenge the admissibility of Confidential or Proprietary Information; to refuse or object to the production of Confidential or Proprietary Information on any proper ground, including but not limited to irrelevance, immateriality, or undue burden; and to seek additional measures of protection of Confidential or Proprietary Information beyond those provided in this Order. If a challenge is made to the designation of a document or information as Confidential or Proprietary, the party claiming that the information is proprietary retains the burden of demonstrating that the designation is necessary and appropriate.

8. Upon completion of this proceeding, including any administrative or judicial review, all copies of all documents and other materials, including notes, whether written or oral, which contain any Confidential or Proprietary Information, shall, upon written request, either be immediately returned to the party furnishing such Confidential or Proprietary Information or shall be destroyed and the party furnishing such Confidential or Proprietary Information shall be so notified in writing.

9. Prior to making Confidential or Proprietary Information available to any person as provided in paragraph 4 of this Protective Order, that party's counsel shall deliver a copy of this Order to such person and shall receive a written acknowledgment from that person in the form attached to this Order and designated as Appendix A. Counsel shall promptly deliver to the producing party a copy of the executed acknowledgment form; except that the BI&E Prosecutor may afford access to such

Confidential or Proprietary Information to its assigned BI&E experts, all of whom are full-time employees of BI&E and bound by all the provisions of this order, without the need for each expert to execute an individual acknowledgment form.

Dated: _____

APPENDIX A

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION
ADMINISTRATIVE LAW JUDGES KANDACE F. MELILLO
AND JOEL H. CHESKIS, PRESIDING**

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vs.	:	
	:	
Penn Estates Utilities, Inc.	:	
Water Division	:	

TO WHOM IT MAY CONCERN:

The undersigned has read and understands the Protective Order that deals with the treatment of Confidential or Proprietary Information in this case. The undersigned agrees to be bound by, and comply with, the terms and conditions of said Order. An executed copy of this acknowledgement will be returned to the producing party prior to the delivery of any Confidential or Proprietary Information.

SIGNATURE

PRINT NAME

ADDRESS

EMPLOYER

DATE

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :

v. :

Docket No. R-2011-2255159

Penn Estates Utilities, Inc. - Water
Division :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed, in accordance with the requirements of Section 1.54 (relating to service by a party).

Via U.S. Mail and E-Mail

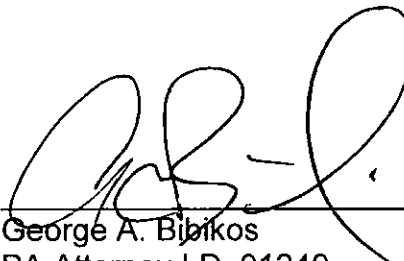
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Harrisburg, PA 17101-1923

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Dated: January 26, 2012