### BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Authority to Provide for a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security Plan

Case No. 14-1297-EL-SSO

# MOTION OF OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY FOR A PROTECTIVE ORDER

Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company (collectively, the "Companies"), pursuant to Rule 4901-1-24(A)(7), and Rule 4901-1-24(D), hereby file under seal their Post-Hearing Reply Brief and move for a protective order to guard the confidentiality of proprietary business information contained therein. Such information is highly competitively sensitive and has been protected throughout this proceeding. The information sought to be protected was only disclosed during the confidential portions of the hearing in this matter and through discovery with parties that have executed a protective agreement with the Companies. The Companies' Reply Brief also contains information claimed to be proprietary and confidential by EPSA/P3 and Exelon. The Companies' move to protect this information as well. Pursuant to Rule 4901-1-24(D)(1)-(2), a minimally-redacted version of the Post-Hearing Reply Brief, and two copies of an unredacted version thereof, have been filed under seal contemporaneously herewith. Accordingly, as set forth in the attached Memorandum in Support, the Companies seek a protective order to prevent the public disclosure of the redacted confidential and proprietary business information contained in their Post-Hearing Reply Brief.

Date: February 26, 2016

Respectfully Submitted,

/s/ N. Trevor Alexander

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# MEMORANDUM IN SUPPORT OF THE MOTION OF OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY FOR A PROTECTIVE ORDER

# I. INTRODUCTION

Pursuant to Rules 4901-1-24(A)(7) and 4901-1-24(D), the Companies respectfully request that the Commission grant a protective order to guard the confidential and proprietary business information contained in their Post-Hearing Reply Brief. In an Entry dated December 1, 2014, an Attorney Examiner in this proceeding granted protection to the same or similar information that had been filed with the Companies' application for approval of their electric security plan. The Companies moved to protect the same confidential and proprietary information contained in their Post-Hearing Brief. The Companies also move to protect information contain in their Post-Hearing Reply Brief that is claimed to be proprietary by EPSA/P3 and Exelon. Pursuant to Rule 4901-1-24(D)(1), the Companies have filed a minimally redacted public version of their reply brief on the Commission docket for this proceeding. For the reasons that follow, the Commission should grant the Companies' motion for a protective order.

### II. ARGUMENT

# A. The Commission Regularly Protects Competitively Sensitive Material From Public Disclosure.

Pursuant to Rules 4901-1-24(A)(7) and 4901-1-24(D), the Commission may issue an

order to protect trade secrets from public disclosure, including proprietary information that is

contained in a party's post-hearing briefing. See Rules 4901-1-24(A)(7); 4901-1-24(D). Under

Ohio law, the determination of trade secret status is made pursuant to Section 1333.61(D) of the

Ohio Revised Code. In pertinent part, Section 1333.61(D) provides that a "trade secret" is:

Information . . . that satisfies both of the following:

(1) It derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

(2) It is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The Commission routinely grants trade secret protection to cost, pricing, and forecasting information. *See, e.g., In the Matter of the Fuel Adjustment Clause of Columbus Southern Power Company and Ohio Power Company and Related Matters for 2010*, Case No. 10-268-EL-FAC, 2014 Ohio PUC LEXIS 104 at \*20-21(May 14, 2014) (granting trade secret protection to "competitive cost and financial information" related to coal inventories and contracts); *In the Matter of the Application of Duke Energy Ohio, Inc. to Adjust Rider DR-IM and Rider AU for 2010 SmartGrid Costs and Mid-Deployment Review*, Case No. 10-2326-GE-RDR, 2012 Ohio PUC LEXIS 89 at \*2-7 (Jan. 25, 2012) (granting protection to growth projections and other forecasting information pursuant to Section 1333.61); *In the Matter of the Application of Ohio Power Company and Columbus Southern Power Company for Authority to Merge and Related Approvals*, Case No. 10-2376-EL-UNC, 2011 Ohio PUC LEXIS 1253 (Nov. 18, 2011) (granting

trade secret protection to, among other things, the volume of customer load related to generation rates as well as other price and cost information).

The Commission also permits parties to a Commission proceeding to file post-hearing briefs under seal to protect trade secrets contained therein. *See, e.g., In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric Security Plan*, Case No. 11-346-EL-SSO, 2012 Ohio PUC LEXIS 738, \*20-21 (Aug. 8, 2012) (granting protective orders to several parties and permitting those parties to file their post-hearing briefs under seal because the briefs contained proprietary and confidential information); *In the Matter of Application of Duke Energy Ohio, Inc. for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for a Standard Service Offer Electric Generation Supply, Accounting Modifications, and Tariffs for Generation Service, Case No. 10-2586-EL-SSO, 2011 Ohio PUC LEXIS 226, \*8-9 (Feb. 23, 2011) (same and noting citation to confidential hearing transcripts).* 

#### **B.** The Information That The Companies Seek To Protect Should Be Protected.

On August 4, 2014, the Companies filed their Application in this proceeding. On the same day, and pursuant to Section 1333.61(D), the Companies moved for a protective order to protect proprietary information contained in their Application (the "August 4 Motion"). As demonstrated in the August 4 Motion, that proprietary information fell into two categories relevant here: (1) confidential business information belonging to FirstEnergy Solutions Corp. ("FES"), including forecasted cost and revenue information related to specific generating assets; and (2) confidential business information belonging to ICF Resources Incorporated ("ICF"), including forecasts of energy and capacity prices, and forecasts of natural gas, coal, and CO<sub>2</sub>

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prices generated using ICF's proprietary models and databases.<sup>1</sup> August 4 Motion at 6. In an Entry dated December 1, 2014 (the "December 1 Entry"), the Attorney Examiner granted protection to the FES and ICF confidential business information. December 1 Entry at 11. The Attorney Examiner found that this information warranted protection under Section 1333.61(D). *Id.* 

So too here. The proprietary information contained in the Companies' Post-Hearing Reply Brief is the same as, or similar to, the competitively sensitive revenue, cost, and forecasting information belonging to FES and ICF that was granted protection in the December 1 Entry and which the Companies moved to protect in their Post-Hearing Brief.<sup>2</sup> The FES and ICF information here bears independent economic value and its disclosure would harm FES and ICF. Such information provides a window into FES's internal business operations as related to its generating assets and its public disclosure would place FES at a competitive disadvantage. Likewise, the forecasting information belonging to ICF. Its public disclosure would undermine the proprietary models and databases belonging to ICF. Its public disclosure would undermine the proprietary integrity of those models and databases and place ICF at a competitive disadvantage. The information claimed to be proprietary and confidential by EPSA/P3 and Exelon would also fall into this category. The confidential business information contained in the Post-Hearing Reply Brief thus satisfies the first prong of Section 1333.61(D).

<sup>&</sup>lt;sup>1</sup> In their August 4 Motion the Companies also sought protection of the identity of individual transmission circuits associated with operating electric generation plants that was contained in the Direct Testimony of Gavin L. Cunningham (since adopted by Company witness Phillips). *See* August 4 Motion at 5. The Commission also granted protection to this information. *See* December 1 Entry at 11.

<sup>&</sup>lt;sup>2</sup> See generally, Motion of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for a Protective Order, Case No. 14-1297-EL-SSO (Feb. 16, 2016).

Further, the Companies have made reasonable efforts to maintain the secrecy of the FES and ICF information. The proceedings in this matter were bifurcated into confidential and public sessions. The confidential portions of the transcripts have been filed under seal with the Commission and are only accessible to parties that have executed a protective agreement with the Companies and representatives of those parties who have executed non-disclosure certificates regarding competitively sensitive information. Likewise, such information was only provided in discovery to parties that had executed a protective agreement with the Companies further moved to protect the same confidential and proprietary business information that was contained in their Post-Hearing Brief. It has not been disclosed otherwise. The information claimed to be confidential and proprietary by EPSA/P3 and Exelon has received similar treatment. The confidential information contained in the Companies' Post-Hearing Reply Brief thus satisfies the second prong of Section 1333.61(D).

Therefore, the proprietary information contained in the Companies' Post-Hearing Reply Brief warrants protection as a trade secret. Pursuant to Rules 4901-1-24(A)(7) and 4901-1-24(D), the December 1 Entry, and the settled Commission precedent cited above, the Commission should grant trade secret protection to the confidential and proprietary business information contained in their Post-Hearing Reply Brief.

### **III. CONCLUSION**

For the foregoing reasons, the Companies request that the Commission grant a protective order preventing public disclosure of the redacted confidential and proprietary business information contained in the Companies' Post-Hearing Reply Brief. Date: February 26, 2016

Respectfully Submitted,

/s/ N. Trevor Alexander

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ATTORNEYS FOR OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY

# **CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing has been served upon the

following parties via electronic mail on February 26, 2016.

<u>/s/ N. Trevor Alexander</u> N. Trevor Alexander

## SERVICE LIST

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