

Decision 97-06-110 June 25, 1997

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Rulemaking on the Commission's  
Own Motion into Implementation of  
Public Utilities Code Section 489.1,  
Which Exempts from Public Inspection  
Certain Contracts Negotiated by a Gas  
Corporation, Under Specified Conditions.

R.97-04-010  
(Filed April 9, 1997)**ORIGINAL****OPINION****1. Summary**

In compliance with Public Utilities Code § 489.1, this decision adopts rules that exempt from public inspection certain contracts negotiated by a gas corporation, under specified conditions. These contracts are for services which are subject to the Commission's jurisdiction, with rates, terms or conditions differing from the schedules on file with the Commission, and in which the gas corporation is precluded from shifting to any other customers responsibility for any loss of revenue as measured against filed rates and tariffs.

**2. Background**

Under Public Utilities (PU) Code § 489(a), every utility is required to "keep open to public inspection, schedules showing all rates, tolls, rentals, charges, and classifications collected or enforced, or to be collected or enforced, together with all rules, contracts, privileges, and facilities which in any manner affect or relate to rates, tolls, rental, classifications, or service." (PU Code § 489(a).) However, the Commission may grant an exemption for certain contracts if it finds that the public interest served by not disclosing particular documents outweighs the public interest served by disclosure of the documents. (See, e.g., Resolution L-246, adopted January 5, 1995.)

In Resolution L-246, the Commission found that Section 489(a) and the California Public Records Act (Gov. Code § 6250, et seq.) give the Commission discretion to balance the interest in public disclosure against nondisclosure of individual utility contracts based on the facts of a given case. In this resolution, the Commission denied disclosure to a utility's competitors of contracts negotiated by a utility in a competitive environment to prevent the loss of a large load utility customer to the detriment of remaining utility customers. The Commission noted that the utility's competitors did not have a similar obligation to publicly disclose their transactions with customers. Thus, the Commission concluded that in order to retain a level competitive playing field, the public interest in nondisclosure outweighed the interest in disclosure of the required documents. (Resolution L-246 at 2-3; see also, Decision (D.) 96-12-091, slip op. at 3-4.)

Subsequent to the adoption of Resolution L-246, the Legislature enacted, and the Governor signed on February 6, 1996, Assembly Bill (AB) 1095, which added § 489.1 to the PU Code. This statute essentially codified the Commission practice as applied in Resolution L-246. The Legislature found in enacting AB 1095 that "[t]he evolving deregulation of the gas industry is forcing gas utilities to offer special contract terms in competitive markets, as recognized by the [C]ommission, in order to compete for these customers. Regulated gas utilities are placed at a competitive disadvantage if their contracts or trade secrets are open to public inspection by their competitors, upon whom that burden is not placed." (Assem. Bill No. 1095, Stats. 1996, ch. 8, § 1.)

PU Code § 489.1 explicitly provides for an exemption from disclosure for certain contracts. It "applies to contracts executed by gas corporations in instances in which the corporations are precluded from shifting to any other customers any loss of revenue as measured against filed rates and tariffs." (PU Code § 489.1(a).) The statute states: "To encourage fair competition, the [C]ommission may, by rule or order, partially or completely exempt from the requirements of subdivision (a) of Section 489, contracts negotiated by the gas corporations for service subject to the [C]ommission's jurisdiction with rates, terms, or conditions differing from the schedules on file with the

[C]ommission." (PU Code § 489.1(a).) It further provides for the adoption and enforcement of Commission rules, on or before July 1, 1997, for these contracts. (PU Code § 489.1(a).) The rules to be adopted are to consider the following two issues: (1) reasonable comparability between contract disclosure requirements applicable to gas corporations and those applicable to competitors pursuant to federal law, and (2) the disclosure of such information as may be reasonably necessary to permit auditing and collection of fees and taxes. (PU Code § 489.1(a)(1) and (a)(2).)

### 3. Procedural History

In compliance with the legislative mandate, the Commission drafted proposed rules setting forth requirements for exemption from public inspection for certain gas corporation contracts. The Commission on April 9, 1997, instituted this rulemaking proceeding and distributed its proposed rules for comment to all parties in the Gas Expedited Application Docket (R.92-12-016 and I.92-12-017), the Gas Storage proceeding (I.87-03-036 and A.92-03-038), the PG&E Gas Accord (A.96-08-043 and A.92-12-043), the SoCalGas Global Settlement (R.88-08-018, et al., and SDG&E's 1997 BCAP proceeding (A.96-04-030). Parties were directed to file comments on the proposed rules by May 1, 1997, with reply comments due on May 15, 1997. The Commission stated:

"These proposed rules are intended to provide general guidance to the public and to minimize the need for administrative adjudication. In addition, these proposed rules will be essential as the Commission continues its commitment to protect the interests of California consumers in keeping open for public inspection rates, tolls, charges and other related information while at the same time balancing the need of regulated gas utilities to compete with nonregulated entities in such competitive services. We intend that the final rules that are adopted will be added to the tariffs of each gas utility." (Order Instituting Rulemaking 97-04-010 at 4.)

The Commission's order directed any party requesting evidentiary hearings to explain why the traditional notice-and-comment approach was insufficient to implement rules pertaining to PU Code § 489.1 and to identify those material factual issues that need to be resolved in evidentiary hearings. The Commission also stated

that it intended to adopt a standard nondisclosure agreement as part of this rulemaking, and the Commission invited parties to provide proposed nondisclosure agreements intended to meet the requirement of PU Code § 489.1. (Order Instituting Rulemaking 97-04-010 at 5.)

Comments on the proposed rules have been received from Pacific Gas and Electric Company (PG&E), Enron Capital & Trade Resources (Enron), Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E), The Utility Reform Network (TURN), Southern California Utility Power Pool (SCUPP) and the Imperial Irrigation District (IID), Agland Energy Services, Inc. (Agland), and Amoco Energy Trading Corporation and Amoco Production Company (Amoco) and Burlington Resources Oil & Gas Co. (Burlington), and the Kern River Gas Transmission Company (Kern River). Reply comments were filed by PG&E, Enron, SoCalGas/SDG&E, TURN, SCUPP/IID, and Kern River.

No party has requested evidentiary hearings.

#### 4. Comments

PG&E in its comments states that as competition becomes more intense in the California gas transportation market, industry participants increasingly will avail themselves of negotiated terms for services. It supports rules that permit confidentiality of market-sensitive information, urging that nondisclosure apply both to negotiated contracts and to the identity of customers receiving service under negotiated rates. PG&E and other parties (specifically, SDG&E and SoCalGas) urge substitution of the words "gas corporation" for "utility" in the proposed rules to better track the language of PU Code § 489.1, and we have made that change in the final rules. PG&E urges a modification of proposed Rule 8, which requires a gas corporation to make the same disclosures to a federally regulated entity that the entity is required to disclose under federal law. PG&E argues that AB 1095 does not require a lock-step application of federal disclosure law to gas corporations, but rather contemplates disclosure of reasonably comparable information.

Enron contends that gas utilities already have substantial competitive advantages, including the monopoly transmission and distribution functions, and that the proposed rules provide too much protection from disclosure of utility contracts. It urges that the proposed rules be modified to require that a gas corporation demonstrate that disclosure of a contract would cause it competitive harm. It urges also that proposed Rules 2 and 3 should exclude contracts containing discounts or waivers of terms and conditions for monopoly services.

TURN believes that recent Commission practice has been to grant confidential treatment to a broader category of energy utility contracts than is warranted by PU Code § 489.1. In particular, it states that nothing in the new statute authorizes confidential treatment to electric utility contracts or contracts entered into by gas utilities that are not precluded from shifting resulting revenue losses to other customers. As to the proposed rules, TURN takes exception to proposed Rule 4, which it states would require TURN or other representatives of residential gas consumers to submit a formal motion or a letter to the Energy Division in order to seek contract disclosure. TURN argues that the provision may add needless paperwork and delay, in contrast to a current practice in which gas corporations disclose confidential contracts to an organization like TURN upon the signing of a nondisclosure agreement. TURN's argument has merit. It is unopposed and is supported in the reply comments of SoCalGas and SDG&E. We have added TURN's proposed language to the final rules.

In joint comments, SDG&E and SoCalGas state that, with one exception, the proposed rules "embrace the intent of the Legislature in a manner that preserves the competitive interests of gas corporations and safeguards the interests of affected customers and utility ratepayers generally." The exception is proposed Rule 8 which, as drafted, would require the disclosure by a gas corporation of information that the corporation's competitors must disclose pursuant to federal law. SDG&E and SoCalGas note that the statute requires "(r)easonable comparability between contract disclosure requirements applicable to gas corporations and those applicable to competitors pursuant to federal law." The parties maintain that proposed Rule 8 exceeds that

requirement and would substitute a vague reference to federal rules in situations that may not be appropriate in a particular state proceeding. The parties urge revision of Rule 8 to take note of the "reasonable comparability" standard of PU Code § 489.1.

In joint comments, Southern California Utility Power Pool and the Imperial Irrigation District (SCUPP/IID) recommend minor changes to more accurately track the language of Section 489.1(a), and those changes have been made in the final rules. Like other commentators, these parties also recommend that proposed Rule 8 be revised to specifically identify disclosures required by the Federal Energy Regulatory Commission (FERC). Without such a change, SCUPP/IID caution that the Commission will be required to adjudicate disputes over the adequacy of particular disclosures.

Agland objects to the proposed rules on grounds that they will be used by utilities to refuse to disclose information not contemplated by Section 489.1. Agland states: "Our experience is that the utilities are capable of developing creative interpretations of codes and rulings, and then using ratebase money to fight for those interpretations much farther than would be the case for normally compensated, competitive businesses." (Agland Comments at 2.) Agland, however, proposes no specific changes in the proposed rules, urging instead that the rules be further refined as the result of other proceedings.

Kern River, an interstate pipeline transporting natural gas from Wyoming primarily to the oil recovery fields in Kern County, California, states that it is required, pursuant to federal law, to publicly disclose all of its rate and other transportation information, including any discounts. Disclosure is made to the FERC and on its electronic bulletin board to all customers and potential customers. Kern River urges the Commission to interpret Section 489.1 in a manner that requires gas corporations to disclose similar rate and other transportation information to interstate pipelines.

Amoco and Burlington in their comments argue that more disclosure of natural gas utility contracts, not less, is necessary to forestall discrimination against utility competitors, specifically the interstate pipelines. The parties recommend that the rules

be redrafted to correspond more closely to the disclosure requirements adopted by FERC.

## 5. Discussion

The purpose of this rulemaking proceeding is to implement AB 1095, which has been codified as PU Code § 489.1. A number of the comments, however, suggest that we also address such matters as affiliate transactions, electric utilities and confidentiality on behalf of gas customers. We believe that these matters are beyond the scope of this proceeding and should be addressed in other forums, such as the Commission's current Affiliate Transaction proceeding.<sup>1</sup>

A more relevant issue upon which the parties disagree is the nature of the disclosure required of a gas corporation with respect to the disclosures required of competitors subject to FERC regulations.

Section 489.1(a) requires that our rules on gas corporation contract confidentiality require

"Reasonable comparability between contract disclosure requirements applicable to gas corporations and those applicable to competitors pursuant to federal law."

Our proposed Rule 8 addressing this requirement states:

"Section 489.1 does not protect from disclosure that type of information that a utility's competitor(s) must disclose pursuant to federal law (see for example, the Federal Energy Regulatory Commission's Discount Reports requirements, 18 C.F.R. paragraph 284.7(c)(6)). If federal law requires disclosure of a competitor's information, the utility shall then disclose the same information."

SoCalGas, SDG&E, and PG&E recommend revising the proposed rules to make a request under revised Rule 4(a) a prerequisite to disclosure of contract information under the standard set forth in Rule 8. Rule 4(a) sets forth the procedures for certain

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<sup>1</sup> See, Order Instituting Rulemaking to Establish Standards of Conduct Governing Relationships Between Energy Utilities and Their Affiliates, R.97-04-012 (April 9, 1997).

*Footnote continued on next page*

noncompetitor parties to request disclosure of contract information.<sup>2</sup> Such a change, we believe, would depart from the direction of Section 489.1(a) to adopt rules that require gas corporations to disclose contract information at a level reasonably comparable to that required of their competitors that are subject to federal disclosure rules. The major competitors of gas corporations in the context of this rulemaking are interstate pipelines, which are regulated by FERC. FERC rules require the disclosure of Rule 8 information without the sort of showing required under Rule 4(a). If the Commission adopted the proposal to make revelation of Rule 8 contract information dependent upon a Rule 4(a) showing, there would no longer be reasonable comparability between the disclosure requirements applicable to gas corporations and those applicable to their competitors.

SoCalGas and SDG&B argue that the admonition of AB 1095 that the Commission maintain "reasonable comparability" with disclosure requirements for competitors pursuant to federal law, mandates case-by-case review of the confidential nature of discounted transportation agreements. We do not agree. In enacting AB 1095, the Legislature delegated to the Commission the task of adopting rules that, among other things, "minimize administrative adjudications." (PU Code § 489(1)(a).) By referencing federal law in its rules, the Commission turns to established reporting requirements that provide guidance to gas corporations as to what compliance entails. The reference also reduces the necessity for a gas corporation to commence an administrative adjudication every time it enters into a discounted agreement. Instead, as federal law suggests, the gas corporation should seek Commission review only as to

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<sup>2</sup> By the language in Rule 4(a) and with our use of the term "noncompetitive parties," we do not intend that the Commission or our staff, including the Office of Ratepayer Advocates, be required to execute a nondisclosure agreement. We have made this clear in language added to Rule 7. Further, we do not intend that a government entity requesting disclosure of information from the Commission and our staff for purposes of auditing and collection of fees and taxes be required to execute a nondisclosure agreement, and we have added language in Rule 5 accordingly.



information that it deems not reasonably comparable or when exceptional circumstances surround particular discounted agreements.

On reflection, we have decided to retain the proposed Rule 8. Adding a lengthy list of FERC regulations is likely to add confusion rather than clarity. Most of the parties to this proceeding are well aware of the competitive information that is available to gas corporations, and when that information is available. If reasonably comparable information is sought from gas corporations, then the parties should be able to recognize what information is not protected from disclosure pursuant to Section 489.1 and Rule 8.

PG&E, SoCalGas, and SDG&E have submitted with their comments proposed forms of nondisclosure agreements. We have selected the SoCalGas/SDG&E proposal, modified to incorporate changes suggested by TURN, as a form of nondisclosure agreement that we find satisfactory. The form of nondisclosure agreement is attached to this decision as Appendix B.

#### **Findings of Fact**

1. PU Code § 489(a) requires every utility to keep open to public inspection all contracts which in any manner affect or relate to rates or service.
2. The Commission may grant an exemption for certain contracts if it finds that the public interest served by not disclosing particular documents outweighs the public interest served by disclosing the documents.
3. In Resolution L-246, the Commission denied disclosure to a utility's competitors of contracts negotiated by a utility in a competitive environment to prevent the loss of a large load utility customer to the detriment of remaining utility customers.
4. On February 6, 1996, the Governor signed AB 1095, which added § 489.1 to the PU Code.
5. Section 489.1 explicitly provides for an exemption from disclosure of certain gas corporation contracts, and it directs the Commission to adopt rules on or before July 1, 1997, to govern such exemption.

6. In compliance with Section 489.1, the Commission drafted proposed rules and sought comment from interested parties by instituting this rulemaking proceeding.

7. Comments and reply comments have been received from a number of gas corporations, representatives of interstate pipelines subject to FERC regulation, and others.

8. No party has requested evidentiary hearings in this proceeding.

#### **Conclusions of Law**

1. The purpose of this rulemaking proceeding is to implement AB 1095, which has been codified as PU Code § 489.1.

2. Comments of parties that seek to address issues not identified in PU Code § 489.1 are beyond the scope of this rulemaking proceeding and should be addressed in other forums.

3. Changes in the proposed rules, as set forth in final form in Appendix A hereto, should be adopted by the Commission.

4. The final rules set forth in Appendix A hereto should be adopted by the Commission.

5. A form of nondisclosure agreement, set forth in Appendix B hereto, should be approved by the Commission as a form that is satisfactory to the Commission.

6. Gas corporations subject to Commission regulation should be directed to add the Appendix A rules to their tariffs.

7. Because Section 489.1 encourages the Commission to adopt rules on or before July 1, 1997, this decision should be made effective upon issuance.

### **ORDER**

#### **IT IS ORDERED that:**

1. The rules adopted pursuant to Public Utilities Code § 489.1 related to the exemption from public inspection requirements for certain gas corporation contracts, attached hereto as Appendix A, are approved and adopted.

2. Gas corporations subject to the Commission's jurisdiction are directed to file an advice letter within 30 days of this order to add the rules set forth in Appendix A to their tariffs, following prior review for compliance by the Energy Division. The tariffs shall be effective 40 days after filing unless protested. If protested within 20 days, filings will become effective upon issuance of a Commission resolution.

3. A form of nondisclosure agreement related to release of certain gas corporation contracts and documents, attached hereto as Appendix B, is approved as a form of nondisclosure agreement satisfactory to the Commission.

4. Rulemaking 97-04-010 is closed.

This order is effective today.

Dated June 25, 1997, at San Francisco, California.

P. GREGORY CONLON  
President  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
RICHARD A. BILAS  
Commissioners

**APPENDIX A**

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**Final Rules Pursuant to Public Utilities Code Section 489.1**

**Exemption from public inspection requirements  
for certain gas corporation contracts**

1. To encourage fair competition for gas corporations, the Commission has adopted these rules pursuant to Public Utilities Code Section 489.1, which provides that the Commission may, by rule or order (partially or completely) exempt from the requirements of Section 489(a) contracts negotiated by gas corporations for service subject to the Commission's jurisdiction with rate, terms, or conditions differing from the schedules on file with the Commission.

2. Notwithstanding other provisions of law, these rules shall apply to any contract between a gas corporation and its customers that satisfy all of the following criteria:

- (a) the contract is executed on or after the date these rules are adopted,
- (b) the contract is subject to the Commission's jurisdiction,
- (c) the contract contains rates, terms, or conditions differing from the gas corporation's rates, schedules and tariffs on file with Commission, and
- (d) the contract is executed by a gas corporation that is precluded from shifting to any other customers responsibility for any loss of revenue as measured against filed rates, schedules, and tariffs.

3. The gas corporation shall request the exemption pursuant to Section 489.1 in the following manner:

\* In an application proceeding, the gas corporation should make the request as part of the application.

\* In a complaint case, investigation or rulemaking, the gas corporation should make the request as a motion.

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- \* In an advice letter filing, the gas corporation should make the request in the advice letter. If there is an objection to the exemption request, that issue may be addressed in a separate resolution.
- \* Alternatively, the gas corporation should make the request in a manner otherwise approved by the Commission.

The gas corporation's request should explain how the contract qualifies for the exemption, including how the contract meets the criteria set forth in Rule 2 and Rule 8. The gas corporation has the burden of proof to justify the exemption.

If the Commission determines that the contract satisfies the above criteria and is therefore exempt from the requirements of Section 489(a), the gas corporation must stamp on each page of the contract: "CONFIDENTIAL PURSUANT TO PUBLIC UTILITIES CODE SECTION 489.1."

4. Pursuant to a request and the signing of a nondisclosure agreement, a gas corporation may allow representatives of its residential customers who are not competitors of the gas corporation and who have not previously violated a nondisclosure agreement to inspect a confidential contract. Where this provision is not followed, those requesting disclosure shall follow the procedure set forth in Rule 4(a).

4(a). Any person, including a representative of residential customers of the gas corporation, can request disclosure of (1) a contract that has been found to be exempt from the requirements of Section 489(a) or (2) any specific information in the contract in the following manner:

- \* If the contract is relevant to a pending formal proceeding (i.e., application, complaint, investigation, or rulemaking), the person shall make the request by filing a motion in that proceeding. The administrative law judge or Assigned Commissioner shall issue a ruling on the motion.
- \* In the case of an advice letter filing, the person shall make the request to the Director of the Energy Division, who shall make an initial determination based on the

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requirements set forth in these Rules. The Resolution disposing of the advice letter will address the request for public inspection.

- \* If there is no pending formal proceeding affecting the contract, the person shall present the request by letter to the Director of the Energy Division. The Energy Division will prepare a resolution on the request.

The request should state all of the following:

- (a) The person is not a competitor of the gas corporation.
- (b) The person is willing to sign a nondisclosure agreement.
- (c) The person has not previously violated a nondisclosure agreement.
- (d) The reasons why Section 489.1 does not foreclose the request.

The gas corporation, its customer or other interested parties may file a response to the request within fifteen (15) days. The person may file a reply to any response within five (5) days of the response.

With respect to a request for additional specific information on a particular contract, disclosure under this rule for such information will be based on a finding that the public benefit from such disclosure would outweigh the interests of the gas corporation and customer in confidentiality.

5. These rules do not prohibit the disclosure of any information concerning these contracts as may be reasonably necessary to permit auditing and collection of fees and taxes by the Commission or any other governmental entity. Disclosure of such information by the Commission or its staff to another governmental entity for these purposes does not require the governmental entity to execute a nondisclosure agreement as set forth in Rule 4 and Rule 4(a).

6. Public Utilities Code Section 454.4 provides:

"The Commission shall establish rates for gas which is utilized in cogeneration technology projects not higher than the rates established for gas utilized as a fuel by an

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electric plant in the generation of electricity, except that this rate shall apply only to that quantity of gas which an electrical corporation serving the area where a cogeneration technology project is located, or an equivalent area, would require in the generation of an equivalent amount of electricity based on the corporation's average annual incremental heat rate and reasonable transmission losses or that quantity of gas actually consumed by the cogeneration technology project in the sequential production of electricity and steam, heat, or useful work, whichever is the lower quantity."

To ensure compliance with this section, these rules shall not apply to contracts between gas corporations and electrical corporations, which continue to be subject to Commission policy and its Rules of Practice and Procedure. No less information shall be made publicly available regarding these contracts as would otherwise be made available pursuant to this section.

7. Public Utilities Code Section 489.1 shall not affect the Commission's and its staff's rights to inspect the contract and any related additional information. Neither the Commission nor its staff is required to sign a nondisclosure agreement as a condition for any inspection.

8. Section 489.1 does not protect from disclosure that type of information that a gas corporation's competitor(s) must disclose pursuant to federal law (see, for example, the Federal Energy Regulatory Commission's Discount Reports requirements, 18 C.F.R. paragraph 284.7(c)(6)). If federal law requires disclosure of a competitor's information, the gas corporation shall then disclose the same information.

9. Nothing precludes a gas corporation or customer from waiving the protections provided in Section 489.1.

10. Nothing in these rules prohibits any person from requesting full public inspection and disclosure of a particular contract because the exemption no longer applies, e.g., the information is no longer competitively sensitive.

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11. These rules shall remain in effect only until January 1, 2001, and as of that date are repealed, unless a later enacted statute, which is enacted before January 1, 2001, deletes or extends that effective date of Section 489.1.

**(END OF APPENDIX A)**



APPENDIX B

Page 1

Form of Nondisclosure Agreement  
Pursuant to Commission Order Instituting Rulemaking R.97-04-010

NONDISCLOSURE AGREEMENT

(Requestor for Disclosure, hereinafter "Requestor") has requested copies of confidential and proprietary portions of (Gas Corporation) application/advice letter filed with the California Public Utilities Commission for approval of a contract between (Gas Corporation) and (Entity With Whom the Contract Has Been Executed) ("Proprietary Information"). (Gas Corporation) shall provide (Requestor) with the Proprietary Information subject to (Requestor) understanding and accepting the following terms:

1. (Requestor) shall not disclose the Proprietary Information or any part thereof and, specifically, shall not disclose any of the Proprietary Information in any public filing or forum without first obtaining (Gas Corporation) prior written consent or a finding by the Commission that the information is no longer deemed proprietary.

2. The Proprietary Information shall remain at all times the exclusive property and trade secret of (Gas Corporation).

3. (Requestor) shall treat and protect the Proprietary Information with the same degree of care as it uses to protect its own confidential information, which shall include taking reasonable measures to prevent unauthorized disclosure of the Proprietary Information and restricting access to the Proprietary Information to those employees and consultants who have need to know for the purpose of considering a response to the (Gas Corporation) application/advice letter.

4. (Requestor's) obligation hereunder shall not apply to:

- a. Information which is in the public domain as of the date written below or which later comes into the public domain from a source other than (Requestor).
- b. Information which (Requestor) has written evidence of knowing prior to receipt of the Proprietary Information.

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- c. Information which comes to (Requestor) from a bona fide third party source not under an obligation of confidentiality; or,
- d. Information which the Commission has determined is not confidential and may be disclosed in public proceedings before that agency.

5. (Requestor) obligations hereunder shall be for a period of two (2) years from the date written below, which period may be extended for a period of two (2) additional years upon written notice by (Gas Corporation) delivered to (Requestor) no earlier than twenty-two (22) months from the date written below.

As a duly authorized representative of (Gas Corporation) or (Requestor), I hereby indicate understanding and acceptance of these terms:

(Gas Corporation)

(Requestor)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**(END OF APPENDIX B)**