

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

Order Instituting Rulemaking to
Establish Policies, Processes, and
Rules to Ensure Safe and Reliable Gas
Systems in California and Perform
Long-Term Gas System Planning.

Rulemaking 20-01-007
(Filed January 16, 2020)

**SOUTHERN CALIFORNIA GAS COMPANY'S (U 904 G) AND SAN DIEGO GAS &
ELECTRIC COMPANY'S (U 902 G) JOINT MOTION FOR LEAVE TO FILE UNDER
SEAL SPECIFICALLY IDENTIFIED PORTIONS OF THEIR RESPONSES TO THE
ADMINISTRATIVE LAW JUDGE'S RULING SEEKING REVISED DATA FROM
CALIFORNIA'S GAS UTILITIES**

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Dated: November 4, 2022

**BEFORE THE PUBLIC UTILITIES COMMISSION
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CALIFORNIA’S GAS UTILITIES**

Pursuant to Rule 11.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) request an order to allow the filing under seal and to maintain the confidentiality of specifically identified portions of information provided in their Joint Responses to the Revised Administrative Law Judge’s Ruling Seeking Data From California’s Gas Utilities (ALJ Ruling) issued September 21, 2022.¹ A Proposed Order is attached hereto as Attachment A.

I. BACKGROUND

The ALJ Ruling and subsequent extension request directs SoCalGas and SDG&E to provide specified new and revised information about their gas systems by November 4, 2022.² The responsive gas system information includes aggregated customer demand that should

¹ Pursuant to Rule 1.8(d) of the Commission’s Rules of Practice and Procedure, SoCalGas has been authorized to submit these Joint Comments on behalf of SDG&E.

² ALJ Bemserderfer granted the gas investor-owned utilities’ joint motion to extend the submission date, extending it to November 4, 2022. *See* October 17, 2022, Administrative Law Judge’s Ruling Granting with Modification Joint Motion for an Extension of Time.

receive confidential treatment and risk assessment methodology for the reasons expressed below. On October 28, 2022, ALJ Bemesderfer issued a ruling granting confidential treatment on gas consumption data and determining that confidential treatment was not warranted for customer count information and certain gas infrastructure data.³ This response is filed in conformance with that ruling.

The ALJ Ruling directs the responsive information to be served in comma-separated values (CSV) or Excel format as indicated and filed in PDF format.⁴ SoCalGas and SDG&E thus submit this Motion to protect the confidential information in the unredacted PDFs and in the associated underlying CSV and Excel spreadsheets responsive to the Appendix to the ALJ Ruling from which such PDFs are based. This Motion is submitted concurrently with the service of SoCalGas and SDG&E's joint responses to the requested information in corresponding public versions in CSV and Excel format consistent with the ALJ Ruling.

II. DISCUSSION

This Motion seeks confidential treatment for two categories of information that are reflected in the unredacted PDFs responsive to the ALJ Ruling. Specifically, these two categories are: (1) aggregated customer demand information that does not meet the 15/15 Rule and (2) risk assessment methodologies that include proprietary and trade secret materials and third-party intellectual property.

A. Request for Confidential Treatment of Aggregated Customer Demand Information

SoCalGas and SDG&E request confidential treatment of aggregated customer demand

³ ALJ Ruling on Gas Utilities' Confidentiality Claims Concerning Customer Consumption and Infrastructure Data and Order Requiring Resubmission of Data dated October 28, 2022 (October 28 ALJ Ruling).

⁴ ALJ Ruling at Ordering Paragraph 3.

information that does not meet the 15/15 Rule. This request is consistent with the October 28 ALJ Ruling in which ALJ Bemserderfer granted confidential treatment for aggregated customer demand. Generally, customer usage information is confidential pursuant to General Order 66-D, Decision (D.) 17-09-024; Gov. Code section 6254(k); Civil Code section 1798.80 et seq. (process for protecting customer records); and Pub. Util. Code section 8380(d) (a utility “shall use reasonable security procedures and practices to protect a customer's unencrypted electrical or gas consumption data from unauthorized access, destruction, use, modification, or disclosure”) and associated decisions D.11-07-056 and D.12-08-045.

SoCalGas and SDG&E use the 15/15 Rule as a mechanism to assess whether customer usage data is sufficiently aggregated to protect customer confidentiality. *See generally*, D.97-10-031 (establishing the 15/15 Rule in the Direct Access context only); D.11-07-056 (the release of data does not disclose or reveal specific customer information because of the size of the group, rate classification, or nature of the information); *See also* D.14-05-016 (establishing aggregation requirements for sharing energy usage information in certain contexts).

The 15/15 Rule generally provides that aggregated or anonymized customers specific information must be made up of at least 15 customers and a single customer’s load must be less than 15% of an assigned category. If the number of customers in the compiled data is below 15, or if a single customer’s load is more than 15% of the total data, categories must be combined, or non-conforming customer information must be removed before the information is released. In this case, there are instances in which the ALJ Ruling Appendix specifies that customer demand be identified by locational parameters such as zip code and census tract, which would not allow for further aggregation of implicated data to meet the 15/15 Rule.

This request is supported by the Declaration of Jennifer Walker and the Declaration of

Jesse Kolb attached hereto as Attachment B. The information marked in the following unredacted PDFs contain aggregated customer demand information that does not meet the 15/15 Rule:

- CONFIDENTIAL – Consumption Data by Census Tract – SoCalGas
- CONFIDENTIAL – Consumption Data by Zip Code – SoCalGas
- Confidential Question 1 – Gas System Census Tract Data – SDG&E
- Confidential Question 2 - Consumption Data by Census Tract - SDG&E.pdf
- Confidential Question 3 - Consumption Data by Zip Code - SDG&E.pdf
- Confidential Question 4 - Gas System Summary Statistics - SDG&E.pdf
- Confidential Question 5 - Supplemental Data - SDG&E.pdf

Accordingly, SoCalGas and SDG&E request confidential treatment for aggregated customer demand information that does not meet the 15/15 Rule as marked in the associated documents.

B. Request for Confidential Treatment of Risk Assessment Methodology

The risk assessment methodology responsive to the ALJ Ruling includes proprietary trade secret information of SoCalGas, SDG&E, and the third-party contractor that SoCalGas and SDG&E contracted with to assist in the development of the methodology. Trade secrets such as these should be protected from public disclosure. *See* Cal. Evid. Code §1060 (trade secrets are privileged); Cal. Civil Code §§ 3426 *et seq.* (Uniform Trade Secrets Act); and *TMX Funding Inc. v. Impero Technologies, Inc.*, 2010 WL 2745484 at *4 (N.D. Cal. 2010) (defining trade secret in an injunction to include “business plans and strategies”). *Applied Equipment Corp. v. Litton Saudi Arabia, Ltd.* (1994) 7 Cal. 4th 503, 514 (“Contract law exists to enforce legally binding agreements between parties.”).

The information marked as confidential includes the ideas, design, algorithms, methods, techniques, enhancements, improvements, developments, and discoveries constituting the

intellectual property of the contractor used to develop the risk assessment methodology which has economic value and should be protected from public disclosure. SoCalGas and SDG&E entered into a contract with the contractor, pursuant to which the contractor developed the risk assessment methodology. Under that contract, the utilities are not permitted to distribute to any third party any intellectual property developed or utilized by the contractor in performing the work to the extent such intellectual property was included in the work product delivered by the contractor to the utilities. The intellectual property remains the sole property of contractor and is licensed to the utilities only for internal use.

SoCalGas, SDG&E, and the contractor (on information and belief) have invested significant time and resources to create the information identified, the disclosure of which would be detrimental to SoCalGas, SDG&E and the contractor. SoCalGas and SDG&E have taken reasonable steps to protect the secrecy of the information, including contractor's intellectual property, and it is not made available to the public. Failure to protect such information would not be in the public interest and could potentially result in the loss of competitive advantage, provide an unfair competitive advantage to competitors, resulting in less competition in the marketplace, thereby leading to higher costs for risk assessment methodology services as well as reduce the economic incentive for participation and innovation and advancement in the industry.

The need to protect this proprietary information outweighs the public's interest in unrestricted public disclosure of how the risk assessment methodology determines risk scores. The public interest is better served by protecting the time, resources, knowledge, and experience invested by market participants such as the contractor in creating and improving methods and tools for risk assessments. This will increase the level of competition and quality of risk assessment methodologies available to utilities such as SoCalGas and SDG&E that inures to the

ATTACHMENT A

[PROPOSED] ORDER

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

Order Instituting Rulemaking to
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Rulemaking 20-01-007
(Filed January 16, 2020)

[PROPOSED] ORDER

Pursuant to Rule 11.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) filed a Joint Motion for Leave to File Under Seal Specifically Identified Portions of Their Responses to the Administrative Law Judge’s Ruling Seeking Revised Data from California’s Gas Utilities requesting authority to file and maintain certain confidential customer information under seal (Motion). The Motion sought confidential treatment of aggregated customer usage information as marked in the unredacted PDFs submitted concurrently therewith.

The aggregated customer demand information for which confidential treatment is sought is protected pursuant to General Order 66-D, D.17-09-024; Civil Code section 1798.80 et seq., and Pub. Util. Code section 8380(d). In the supporting Declaration of Jennifer Walker and Declaration of Jesse Kolb, it is represented that the information marked contains aggregated confidential customer information that does not meet the 15/15 Rule.

The risk assessment methodology information, including third-party intellectual property of the contractor, for which confidential treatment is sought is protected pursuant to General Order 66-D, D.17-09-024; Gov. Code section 6254(k); Cal. Evid. Code § 1060 (trade secrets are

privileged); Cal. Civil Code §§ 3426 et seq. (Uniform Trade Secrets Act); and Gov't Code § 6255(a) (Balancing Test). The request was supported by the Declaration of Travis T. Sera.

Therefore, good cause having been shown, it is ordered that:

1. SoCalGas's and SDG&E's Joint Motion for Leave to File Under Seal Portions of Their Response to the Administrative Law Judge's Ruling Seeking Revised Data from California's Gas Utilities Motion is granted.
2. The confidential information marked in the confidential unredacted versions of the PDFs referenced in and submitted concurrently with SoCalGas and SDG&E's Motion shall remain sealed and is not to be disclosed to anyone other than Commission staff, the Assigned Commissioner, the assigned Administrative Law Judge (ALJ) or an ALJ designated to decide this motion.
3. All additional documentary evidence in this proceeding that addresses or relates to the subject matter of the confidential information, including the underlying CSV and Excel files from which the unredacted PDFs are based, must be treated in the confidential consistent with the manner described above.

Administrative Law Judge

Dated: _____

ATTACHMENT B

DECLARATION OF JENNIFER WALKER

DECLARATION OF JESSE KOLB

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

**DECLARATION OF JENNIFER WALKER
REGARDING CONFIDENTIALITY DESIGNATION OF CERTAIN DATA**

I, Jennifer Walker, declare as follows:

1. I am the Vice President of Customer Services for Southern California Gas Company (“SoCalGas”). I have reviewed the customer usage confidential information included within responses to files, “Consumption Data by Census Tract-SoCalGas” (csv, excel and pdf files as applicable) and “Consumption Data by Zip Code-SoCalGas” (csv, excel and pdf files as applicable) as part of the Gas Reliability and Planning data request per the ruling dated September 21, 2022. I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or belief.

2. The information for which confidential treatment is sought is protected pursuant to General Order 66-D, D.17-09-023; Gov. Code section 6254(k); Civil Code section 1798.80 et seq., and Pub. Util. Code section 8380(d). See generally, D.97-10-031 (establishing the 15/15 Rule in the Direct Access context only); D.11-07-056 (the release of data does not disclose or reveal specific customer information because of the size of the group, rate classification, or nature of the information); See also D.14-05-016 (establishing aggregation requirements for sharing energy usage information in certain contexts).

3. These documents have been marked as confidential and the basis for confidential treatment is because they contain confidential customer usage information.

**BEFORE THE PUBLIC UTILITIES
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4. Energy usage data when combined with any data that can be used to identify an individual is considered covered information and must be treated as confidential information.

5. The 15/15 Rule generally provides that aggregated or anonymized customers specific information must be made up of at least 15 customers and a single customer's load must be less than 15% of an assigned category. If the number of customers in the compiled data is below 15, or if a single customer's load is more than 15% of the total data, categories must be combined, or non-conforming customer information must be removed before the information is released. In this instance, the aggregated customer information highlighted in the responses do not meet the 15/15 Rule.

6. Accordingly, the confidential customer information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 31st day of October 2022, at Los Angeles, California.



Jennifer Walker
Vice President, Customer Services

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

**DECLARATION OF JESSE KOLB
REGARDING CONFIDENTIALITY DESIGNATION OF CERTAIN DATA
PURSUANT TO D.17-09-023**

I, Jesse Kolb, declare as follows:

1. I am Manager of Business Services Support designated, by Dana Golan, Vice President of Customer Services, in the Customer Services department for San Diego Gas & Electric Company (“SDG&E”). I have been delegated authority to sign this declaration by Dana Golan. I have reviewed the customer usage confidential information included within responses to files, “CONFIDENTIAL Question 2 - Consumption Data by Census Tract - SDG&E”, “CONFIDENTIAL Question 3 - Consumption Data by Zip Code - SDG&E”, tabs “Consumption Data by Census Trac” and “Consumption Data By Zip Code” in “CONFIDENTIAL Question 4 – Gas System Summary Statistics – SDG&E” and tab “Customer Data” in “ CONFIDENTIAL Question 5 - Supplemental Data - SDG&E”, as part of the Gas Reliability and Planning data request per the ruling dated September 21, 2022. I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or belief.

2. The information for which confidential treatment is sought is protected pursuant to General Order 66-D, D.17-09-023; Gov. Code section 6254(k); Civil Code section 1798.80 et seq., and Pub. Util. Code section 8380(d). See generally, D.97-10-031 (establishing the 15/15 Rule in the Direct Access context only); D.11-07-056 (the release of data does not disclose or reveal specific customer information because of the size of the group, rate classification, or nature of the information); See also D.14-05-016 (establishing aggregation requirements for sharing energy usage information in certain contexts).

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

3. These documents have been marked as confidential and the basis for confidential treatment is because they contain confidential customer usage information.

4. Energy usage data when combined with any data that can be used to identify an individual is considered covered information and must be treated as confidential information.

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6. Accordingly, the confidential customer information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 3rd day of November 2022, at San Diego, California.

Jesse Kolb

Jesse Kolb
Business Services Support Manager
San Diego Gas & Electric Company

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

APPENDIX A

**SDG&E Request for Confidentiality on the following Protected Information in its
response to the revised ruling before the California Public Utilities Commission
(CPUC), issued on 09/21/2022**

Location of Data	Applicable Confidentiality Provisions	Basis for Confidentiality
<p>Customer usage information (highlighted) in:</p> <ul style="list-style-type: none"> • “CONFIDENTIAL Question 2 - Consumption Data by Census Tract - SDG&E” (csv, pdf, & xlsx as applicable). • “CONFIDENTIAL Question 3 - Consumption Data by Zip Code - SDG&E” (csv, pdf, & xlsx as applicable). • “Consumption By Census Trac” tab & “Consumption By Zip Code” tab in “CONFIDENTIAL Question 4 Gas System Summary Statistics – SDG&E” (csv, pdf, & xlsx as applicable). • “Customer Data” tab in the “CONFIDENTIAL Question 5 - Supplemental Data - SDG&E” (csv, xlsx, & pdf as applicable) 	<p>CPRA Exemption, Gov’t Code § 6254(k) (“Records, the disclosure of which is exempted or prohibited pursuant to federal or state law”)</p> <ul style="list-style-type: none"> • Cal. Civil Code §§ 1798.80 et seq. (process for protecting customer records) • Cal. Civil Code § 1798.98 (protecting energy usage data) • Cal. Evid. Code § 1060 • Cal. Civil Code §§ 3426 et seq. • Cal. Pub. Util. Code § 8380(d) (a utility “shall use reasonable security procedures and practices to protect a customer's unencrypted electrical or gas consumption data from unauthorized access, destruction, use, modification, or disclosure”) and associated CPUC Decisions (D.11-07-056 and D.12-08-045). Findings of Fact 23 and 27, D.12-08-045 (“23. Section 8380 of the Pub. Util. Code makes privacy protections for the usage data generated by AMI a basic consumer protection that both electrical and gas corporations must provide. 27. Since there are no obstacles that would prevent the extension of the privacy rules, and since such an extension is consistent with the provisions of Section 8380 of the Pub. Util. Code, it is reasonable to extend the privacy rules adopted in D.11-07-056 (and contained in Attachment A herein) to gas corporations.”) <p>CPRA Exemption, Gov’t Code § 6254.7(d)</p> <p>CPRA Exemption, Gov’t Code § 6255(a) (Balancing Test)</p>	<p>Usage data is market-sensitive information that, if revealed, would place customers and SDG&E at an unfair business disadvantage because it provides market sensitive information regarding customer usage data.</p> <p>Public disclosure of this information could compromise privacy to the potential harm of customers.</p>

ATTACHMENT B

DECLARATION OF TRAVIS T. SERA

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

**DECLARATION OF TRAVIS T. SERA
REGARDING CONFIDENTIALITY OF CERTAIN DOCUMENTS
PURSUANT TO D.17-09-023**

I, Travis T. Sera, do declare as follows:

1. I am the Director of the Integrity Management for San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas). I have been delegated authority to sign this declaration by Gina Orozco, Vice President of Gas Engineering and System Integrity. I have reviewed the confidential information included within the response documents to the Administrative Law Judge’s Ruling Seeking Revised Data from California’s Gas Utilities, titled CONFIDENTIAL – New Request #1 – Risk Assessment Methods – SoCalGas and CONFIDENTIAL – New Request #1 – Risk Assessment Methods – SDG&E. I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or belief.

2. I hereby provide this Declaration in accordance with Decision (“D.”) 17-09-023 and General Order (“GO”) 66-D Revision 1 to demonstrate that the confidential information (“Protected Information”) provided in the aforementioned document, submitted concurrently herewith, is within the scope of data protected as confidential under applicable law.

3. In accordance with the legal authority described herein, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 4th day of November 2022, at Los Angeles, California.

A handwritten signature in blue ink that reads "Travis T. Sera". The signature is written in a cursive style with a horizontal line underneath the name.

Travis T. Sera
Director of Integrity Management
Southern California Gas Company and San
Diego Gas & Electric Company

APPENDIX A

SDG&E and SoCalGas Request for Confidentiality on the following Protected Information in Response to the Administrative Law Judge’s Seeking Revised Data from California’s Gas Utilities dated September 21, 2022

Location of Data	Applicable Confidentiality Provisions	Basis for Confidentiality
<p>The confidential information marked in the documents titled:</p> <p>New Request #1 – Risk Assessment Methods – SoCalGas– CONFIDENTIAL VERSION</p> <p>New Request #1 – Risk Assessment Methods – SDG&E – CONFIDENTIAL VERSION</p>	<p>CPRA Exemption, Gov’t Code § 6254(k) (“Records, the disclosure of which is exempted or prohibited pursuant to federal or state law”)</p> <ul style="list-style-type: none"> • Cal. Evid. Code § 1060 (trade secrets are privileged) • Cal. Civil Code §§ 3426 <i>et seq.</i> (Uniform Trade Secrets Act) • <i>Applied Equipment Corp. v. Litton Saudi Arabia, Ltd.</i> (1994) 7 Cal. 4th 503, 514 (“Contract law exists to enforce legally binding agreements between parties.”) • <i>TMX Funding Inc. v. Impero Technologies, Inc.</i>, 2010 WL 2745484 at *4 (N.D. Cal. 2010) (defining trade secret in an injunction to include “business plans and strategies”) • <i>Whyte v. Schlage Lock Co.</i>, 101 Cal. App. 4th 1443, 1453, 1456 (2002) (identifying types of information that may be a trade secret, including a five-year business plan and strategic planning and holding that “[t]he ultimate determination of trade secret status is subject to proof presented at trial.”) • <i>Joshua David Mellberg LLC v. Will</i>, 96 F. Supp. 3d 953, 965 (D. Ariz. 2015) (under the Uniform Trade Secrets Act, training materials and business plans may qualify as trade secrets) • <i>Morton v. Rank America, Inc.</i>, 812 F. Supp. 1062, 1073 (1993) (denying motion to dismiss because “actual or probable income, 	<p>Based on the input received by the contractor and based on SoCalGas and SDG&E’s concurring position, the documents produced represent and contain proprietary and commercially-sensitive information, trade secrets, intellectual property, and content not intended for public disclosure. This information includes the ideas, design, algorithms, methods, techniques, enhancements, improvements, developments, and discoveries underlying the risk assessment methodology.</p> <p>SoCalGas and SDG&E entered into a contract with the contractor, pursuant to which the contractor developed the risk assessment methodology. Under that contract, the utilities are not permitted to distribute to any third party any intellectual property developed or utilized by the contractor in performing the work to the extent such intellectual property was included in the work product delivered by the contractor to the utilities. The intellectual property remains the sole property of contractor and is licensed to the utilities only for internal use.</p> <p>SDG&E and SoCalGas employees in conjunction with contractors continue to refine the risk assessment methodology by integrating technical expertise gained from years of utility experience and ratepayer funding. If the methodology is not protected, other businesses or utilities would be able to unfairly</p>

	<p>expenses and capital needs of [a company], the financial, operational, marketing and other business strategies and methods” could constitute trade secret)</p> <ul style="list-style-type: none"> • <i>O2 Micro Int'l Ltd. v. Monolithic Power Sys., Inc.</i>, 420 F. Supp. 2d 1070, 1089–1090 (N.D. Cal. 2006) (“It does not matter if a portion of the trade secret is generally known, or even that every individual portion of the trade secret is generally known, so long as the combination of all such information is not generally known.”) • <i>Competitive Techs. v. Fujitsu Ltd.</i>, 286 F.Supp.2d 1118, 1147 (N.D. Cal. 2003) (information about the existence of confidential business negotiations can constitute a trade secret) • <i>Navarro v. Eskanos & Adler</i>, 2007 WL 902550, at *6 (holding the “best practices” section and other portions of a debt collection agency’s Training and Procedures Guide were confidential trade secrets.) • <i>See, e.g.</i>, D.19-07-006 (2019) (agreeing that financial details regarding entity assets, liabilities and income are to be treated as confidential and trade secrets.) • <i>See, e.g.</i>, D.20-02-054 (2020) (agreeing that transaction agreement and financial information are to be treated as non-public proprietary information and trade secrets.) • <i>Valley Bank of Nev. v. Superior Court</i>, 15 Cal. 3d 652, 658 (1975) (financial information is protected – especially of non-parties) • <i>SCC Acquisitions, Inc. v. Superior Court</i>, 243 Cal. App. 4th 741, 756 (2015) (corporations have right to 	<p>leverage the information to their competitive advantage and to the detriment of SoCalGas, SDG&E, and ratepayers. Thus, the methodology derives independent economic value from not being generally known to the public or to other entities who can obtain economic value from its disclosure or use.</p> <p>SoCalGas and SDG&E undertake reasonable efforts to maintain the secrecy of the information including the intellectual property belonging to the contractor and do not make the protected materials available to the public. Additionally, the information is digitally stored on a secure platform that restricts access to electronic copies of the material within the utilities to those individuals that work with the Integrity Management Program.</p> <p>SoCalGas, SDG&E and the contractor (based on information and belief) have invested time and resources to engage in work product that is intended only for access by designated members. Public disclosure would pose potential negative impacts to the contractor and SoCalGas and SDG&E. Failure to protect the contractor’s investment of time and resources in the creation and development of the valuable information could result in loss of competitive advantage, provide an unfair competitive advantage to competitors, result in less competition in the marketplace, which may lead to higher costs for work product relating to risk assessment methodologies, and reduce incentive for innovation and advancement in the industry.</p>
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	<p>privacy over their financial information)</p> <ul style="list-style-type: none"> • <i>See, e.g.</i>, D.20-03-021, 2020 WL 1807503 (2020) (allowing for confidential treatment of applicants’ agreements and financial information) • <i>See, e.g.</i>, D.20-02-054, 2020 WL 1667279 (2020) (agreeing that non-public proprietary financial information should remain confidential) • 15 U.S.C. § 1, <i>et. seq.</i> (prohibits price fixing between competitors) • Section 5 of the Federal Trade Commission Act prohibits “unfair methods of competition” and has been applied to a broad range of pricing and contracting practices. • D.06-12-029, Appendix 3 (Affiliate Transaction Rules), p. 9 (“A utility may provide non-public information and data which has been received from unaffiliated suppliers to its affiliates or non-affiliated entities only if the utility first obtains written affirmative authorization to do so from the supplier. A utility shall not actively solicit the release of such information exclusively to its own affiliate in an effort to keep such information from other unaffiliated entities.”) <p>CPRA Exemptions, Gov’t Code §6255(a) (Balancing Test)</p>	<p>The need to protect this proprietary information outweighs the public’s interest in unrestricted public disclosure of how the risk assessment methodology determines risk scores. The public interest is better served when risk assessment methodologies are developed in a marketplace that protects the time, resources, knowledge, and experience invested by private, third-party, market participants in creating and improving methods and tools that increases the quality of services available to utilities such as SoCalGas and SDG&E. Accordingly, the public interest is better served by protecting SoCalGas and SDG&E and contractor’s information as opposed to disclosing the information.</p>
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