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April 29, 2011

Donna Gilberto
Records Access Officer
Department of Public service
Three Empire State Plaza
Albany, NY 12223-1350

**Re: Case 11-W-____: Proceeding on Motion of the Commission as to the Rates,
Charges, Rules and Regulations of Long Island Water Corporation d/b/a Long
Island American Water for Water Services**

Dear Ms. Gilberto:

Long Island Water Corporation, d/b/a Long Island American Water (hereinafter “LIAW” or the “Company”), hereby requests that confidential status be granted to certain information being submitted as part of the Company’s petition in the above-referenced matter being filed today with the New York State Public Service Commission (“PSC” or the “Commission”). The Company seeks confidential trade secret status pursuant to the Commission rules (16 NYCRR Sections 5.8(e), 6-1.3 and 6-1.4). The Company also requests that the confidential information submitted for consideration herein be safeguarded in accordance with the provisions of 16 NYCRR 6-1.3, and any other rules and regulations that are relevant to the safeguarding of this information.

Specifically, the Company seeks confidential trade secret status for the following information contained within its pending application: direct testimony of Richard Kern, page 9, lines 3 through 9 and page 12, lines 4 through 8; information pertaining to costs of certain construction projects contained on Exhibit 8; and workpapers provided under Exhibit 12, specifically those contained in Tabs 4, 12 and 16 (collectively, “Confidential Information”).

Pursuant to 16 NYCRR Section 5.8(e), “[c]laims that information is exempt from discovery on the grounds that it is a trade secret, confidential commercial information or critical infrastructure information shall be treated in accordance with section 6-1.4.” 16 NYCRR Section 6-1.4(2), in turn, requires LIAW to explain “why such information should be accorded confidential status as provided for in section 6-1.3(b)(2).”

A “trade secret” is “any formula, pattern, device or compilation of information which is used in one’s business, and which provides an opportunity to obtain an advantage over competitors who do not know or use it.” (16 NYCRR Section 6-1.3(a)). Factors to be considered

by the Commission in determining whether to grant confidential status to trade secrets include, but are not limited to:

- i. the extent to which the disclosure would cause unfair economic or competitive advantage;
- ii. the extent to which the information is known by others...;
- iii. the worth or value of the information to the person and the person's competitors; and...
- iv. [omitted]; and
- v. the ease or difficulty associated with obtaining or duplicating the information by others without the person's consent...

(16 NYCRR Section 6-1.3(b)(2)).

The Confidential Information constitutes trade secret and confidential commercial information pursuant to the criteria listed above because such confidential information: (1) would cause unfair economic or competitive advantage; (2) is neither generally available to the public nor easy for members of the general public to obtain or duplicate without the Company's permission; (3) would be of great value to others; and (4) if disclosed, could cause the Company and its customers to suffer substantial economic harm.

With regard to page 9, lines 3 through 9 and page 12, lines 4 through 8 of Mr. Kern's direct testimony and to the information on Exhibit 8, the information contained herein describes future capital projects. The release of this information could, if disclosed, cause an unfair competitive advantage to potential bidders on these projects since the information is not readily known to those outside the Company. Such bidders, if they obtained this information, could use it to manipulate the selection process for this work and unfairly leverage their proposals to LIAW for the work to be performed. Furthermore as the Confidential Information relates to the construction of infrastructure within the Company's utility system, public access to such information could cause substantial harm to the Company and its customers because it could imperil the security of the plant, as the Confidential Information could be used by hostile parties to damage or sabotage the infrastructure described therein.

The Company also seeks confidential trade secret status for the individual salary levels associated with currently filled positions, as set forth within Exhibit 12, Tab 16. This information is competitively sensitive. Should it become publicly available, other potential employers could utilize this salary information to lure our employees away by making offers of employment based on their current salary information. This could cause serious staffing issues and knowledge and experience gaps for the Company that would be difficult to fill.

Finally, the Company requests confidential and trade secret status for the information pertaining to proposed union labor increases as set forth within Exhibit 12, Tabs 4 and 12 for the reasons set forth above regarding the confidential nature of the information of Exhibit 12, Tab

16, and for the following reason. LIAW will shortly begin labor negotiations with its union, and this trade secret and proprietary information, if publicly disclosed, could cause an unfair negotiating advantage for the union, to the Company's detriment.

In summary, the uncontrolled public dissemination of the Confidential Information would reveal sensitive and proprietary business information. The Confidential Information, therefore, clearly falls within the ambit of the Commission's confidentiality rules and must be protected from disclosure. Therefore, the Company respectfully requests that confidential trade secret protection be granted for the Confidential Information that no entity other than PSC Staff be granted access to the Confidential Information and that the Confidential Information be safeguarded in accordance with the provisions of 16 NYCRR 6-1.3, and any other rules and regulations that are relevant to the safeguarding of this information..

Please contact me should you have any questions regarding this filing.

Very truly yours,

/s/

Steven D. Wilson