

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 24-09-012
(Filed September 26, 2024)

**SOUTHWEST GAS CORPORATION'S (U 905 G)
MOTION FOR LEAVE TO FILE UNDER SEAL
CERTAIN DISTRIBUTION REPLACEMENT COST DATA**

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Date: November 5, 2025

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Pursuant to Rule 11.1 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), and the Assigned Commissioner's Ruling Issuing Senate Bill 1221 Mapping Directions to Utilities (ACR) issued April 18, 2025, Southwest Gas Corporation (Southwest Gas) hereby requests an order to allow the filing under seal and to maintain the confidentiality of specifically identified portions of information provided in its submittal of certain cost data in response to the September 24, 2025 Administrative Law Judge's Ruling Directing Gas Utilities to Provide Gas Distribution Cost Data (Ruling).

There are both confidential and non-confidential versions of Southwest Gas' response to the Ruling, the confidential version of which will be filed upon endorsement of the Motion by the Commission's Docket Office. The confidential information can be provided to the Assigned Commissioner, Administrative Law Judges and other Commission staff as necessary for review of the Motion. The following documents are attached in support of this motion:

- A Proposed Order is attached hereto as Attachment A.
- Declaration in support of confidential treatment of relevant data is attached hereto as Attachment B.

I. DISCUSSION

Southwest Gas requests confidential treatment related to its certain aspects of its distribution pipeline replacement costs. The Commission has long recognized that cost and pricing information related to utility procurement and infrastructure work can be market-sensitive and proprietary. Disclosure of such data would cause competitive harm and is protected under multiple legal authorities including California Public Records Act (Gov't Code §§ 6254(e), 6254(k), and 6255¹; California Evidence Code § 1060²; Gov't Code § 6255(a) (Balancing Test); Gov't Code §6254.7(d) (Trade Secrets); California Civil Code §§ 3426–3426.11 (Uniform Trade Secrets Act)³; and General Order 66-D⁴.

Southwest Gas currently relies on a single Master Pipeline Contractor (MPC) to perform all its distribution replacement work in its Southern California service territory. Disclosure of detailed replacement cost data would reveal proprietary pricing structures, labor rates, and cost assumptions unique to this contractor relationship. Public release of this information could:

- Provide the current MPC—and any potential future bidders—with insight into the Company's cost expectations and negotiation strategy.
- Enable contractors to leverage this knowledge to inflate bids, reduce competitive pressure, or otherwise distort the procurement process.
- Ultimately increase costs for ratepayers, contrary to the public interest in fair and cost-effective utility operations.

Because the Company does not have multiple contractors performing this work, the

¹ § 6254(k): Exempts records protected by other laws, including trade secrets and proprietary business information. § 6254(e): Protects data obtained in confidence relating to utility systems development. § 6255: Permits withholding where the public interest in nondisclosure clearly outweighs the interest in disclosure.

² Recognizes privilege for trade secrets in administrative proceedings.

³ Protects information that derives economic value from not being generally known, including cost structures and pricing strategies.

⁴ Including CPUC Decisions (D.06-06-066, D.08-04-023, D.21-11-029) which establish procedures and a Confidentiality Matrix identifying cost and procurement data as presumptively confidential.

sensitivity of this data is heightened; it effectively serves as a benchmark for all future negotiations. Protecting this information aligns with statutory and regulatory provisions safeguarding trade secrets, proprietary financial data, and market-sensitive information.

II. CONCLUSION

Based upon the attached declaration and legal citations noted above, the Commission should deem certain, specifically identified portions of Southwest Gas' distribution replacement cost data as confidential. Consequently, Southwest Gas respectfully requests that the Commission grant approval of this Motion, including the confidentiality of the information requested to be protected as confidential.

Respectfully submitted this 5th day of November 2025

SOUTHWEST GAS CORPORATION

A handwritten signature in black ink, appearing to read 'Vincent J. Vitatoe', is written over a horizontal line.

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Attachment A

Proposed Order Approving Joint Motion

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[PROPOSED] ORDER

Pursuant to Rule 11.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), on November 5, 2025, Southwest Gas Corporation filed a Motion for Leave to File Under Seal Certain Distribution Replacement Cost Data requesting an order to allow the filing under seal and to maintain the confidentiality of specifically identified portions of information provided in its submittal of certain cost data.

The sensitive distribution replacement cost information for which confidential treatment is sought is protected pursuant to California Public Records Act (Gov't Code §§ 6254(e), 6254(k), and 6255; California Evidence Code § 1060; Gov't Code § 6255(a) (Balancing Test); Gov't Code §6254.7(d) (Trade Secrets); California Civil Code §§ 3426–3426.11 (Uniform Trade Secrets Act); and General Order 66-D. The request was supported by a Declaration attached to the Motion.

In the supporting declarations provided by the Utilities' Joint Motion, it is represented that the information marked contains confidential distribution replacement cost information that does not meet the Commission's rules and requirements for aggregation to prevent disclosure of personally identifiable information.

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

1. Southwest Gas' Motion for Leave to File Under Seal Certain Distribution Replacement Cost Data is granted.
2. The confidential information marked in the confidential unredacted versions of the data referenced in the Motion shall remain sealed and is not to be disclosed to anyone other than Commission staff, the Assigned Commissioner, the assigned Administrative Law Judges (ALJs) or an ALJ designated to decide the Motion. In addition, confidential information may be disclosed to interested parties who execute and comply with the form non-disclosure agreement (NDA) previously approved on or about August 25, 2025.
3. All additional documentary evidence in this proceeding that addresses or relates to the subject matter of the confidential information must be treated as confidential consistent with the manner described above.

Administrative Law Judge

Dated: _____

Attachment B

Declaration In Support of Motion

Declaration of Laurie Brown

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA
DECLARATION OF VALERIE ONTIVEROZ
REGARDING CONFIDENTIALITY DESIGNATION OF CERTAIN DATA**

I, Laurie Brown, declare as follows:

1. I am Regulatory Manager/California, Public Affairs, designated by Amy L. Timperley, Senior Vice President/Chief Regulatory, Public Affairs and Gas Resource Officer at Southwest Gas Corporation to submit this Declaration. 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. I have personal knowledge of all matters referred to herein and, if called upon, I could and would competently testify thereto.
2. I hereby provide this Declaration in accordance with Decision ("D.") 21-09-020 and General Order ("GO") 66-D Revision 2 to demonstrate that the confidential information ("Protected Information") provided in the data to be published in response to the Company's submission of distribution replacement cost data is within the scope of data protected as confidential under applicable law as stated in Appendix A to this declaration.
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 5th day of November 2025, at Las Vegas, Nevada.



Laurie Brown
Regulatory Manager

APPENDIX A
DECLARATION OF LAURIE BROWN
REGARDING CONFIDENTIALITY DESIGNATION OF CERTAIN DATA

Location of Data	Applicable Confidentiality Provisions	Basis for Confidentiality
Attachment A – Southwest Gas Distribution Replacement Costs Data, rows B5, B15-B22, C8, and C9-C12.	California Public Records Act (Gov’t Code §§ 6254(e), 6254(k), and 6255; California Evidence Code § 1060 Gov’t Code § 6255(a) (Balancing Test) Gov’t Code §6254.7(d) (Trade Secrets)¹ California Civil Code §§ 3426–3426.11 (Uniform Trade Secrets Act)² General Order 66-D	Southwest Gas currently relies on a single Master Pipeline Contractor (MPC) to perform all distribution replacement work. Disclosure of detailed replacement cost data would reveal proprietary pricing structures, labor rates, and cost assumptions that are unique to this contractor relationship. Public release of this information would create a significant risk of competitive harm by providing the current MPC—and any potential future bidders—with insight into the Company’s cost expectations and negotiation strategy. Such knowledge could be leveraged to inflate bids, reduce competitive pressure, or otherwise distort the procurement process, ultimately increasing costs for ratepayers. In addition, because the Company does not have multiple contractors performing this work, the sensitivity of this data is heightened; it effectively serves as a benchmark for all future negotiations. Disclosure would undermine the integrity of competitive bidding and procurement, contrary to the public interest in ensuring fair and cost-effective utility operations.

¹ “Trade secrets . . . may include, but are not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to certain individuals within a commercial concern who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.”

² Civil Code Section 3426.1 defines “trade secret” as “information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

- (1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
- (2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.”