

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1283

In the Matter of

MDU RESOURCES GROUP, INC.

Application for Authorization to Acquire
Cascade Natural Gas Corporation

REVISED MOTION FOR ADDITIONAL
PROTECTION UNDER GENERAL
PROTECTIVE ORDER

On March 1, 2007, applicant, MDU Resources Group, Inc. ("MDU Resources"), filed a Motion for Additional Protection Under General Protective Order. After consultation with some of the parties, MDU Resources withdraws that motion and files this Revised Motion for Additional Protection Under General Protective Order. MDU Resources is authorized to inform the Commission that Commission Staff does not oppose this motion.

MDU Resources moves for additional protection under paragraph 16 of the General Protective Order entered in this proceeding, Order No. 06-661. Specifically, MDU Resources requests special treatment, as set forth in paragraph 6 below, for information produced by MDU Resources in response to Staff's Data Request No. 90 (electronic copy of financial model, plus supporting documentation and reports).

As good cause for this motion, MDU Resources states:

1. Staff served data requests on MDU Resources on February 27, 2007. MDU Resources responded to those data requests on March 12, 2007.
2. The information for which MDU Resources seeks additional protection is information responsive to Staff Data Request No. 90:

Please provide an electronic, i.e., spreadsheet, copy of the financial model used for acquisition negotiations and include all supporting documentation, such as derivative reports.

3. Paragraph 16 of the General Protective Order provides that a person desiring additional protection may move for any of the remedies set forth in ORCP 36C. Paragraph 16 requires a motion for additional protection to state the parties involved, the nature of the information involved, the nature of the relief requested, the specific reasons the relief is necessary, and whether any intermediate measures may resolve the dispute.

4. ORCP 36C. states, in pertinent part:

[F]or good cause shown, the court . . . may make any order which justice requires to protect a party or person . . . including one or more of the following: . . . (2) that the discovery may be had only on specified terms and conditions . . . ; (5) that discovery may be conducted with no one present except persons designated by the court; . . . (7) that a trade secret or other confidential research, development, or commercial information not be disclosed or be disclosed only in a designated way . . .

5. The parties involved in this issue are Staff and MDU Resources. No other party has a pending request for a copy of MDU Resources' response to this data request pursuant to OAR 860-014-0070(2). This motion is without prejudice to another party's right to request this information or to MDU Resources' right to seek additional protection in such an event.

6. The specific relief MDU Resources seeks is an order requiring Staff to comply with the following conditions with respect to treatment and use of the information produced in response to Staff Data Request No. 90:

a. The information will not be accessible through the computer network utilized by Staff;

b. Staff will not make any additional copies of the information, except as otherwise provided in this section 6;

c. The information may be reviewed and utilized only by appropriate Staff members reviewing the proposed acquisition in this Docket;

d. Appropriate Staff members may load the information onto their computer workstations; the computers utilized will be password protected and only appropriate Staff members will have access to the passwords for those computers;

e. Staff may run the financial model with different inputs and may print any output of the model or other responsive information, which will be treated as Confidential Information subject to the provisions of the General Protective Order;

f. When not in use, the CR-ROM produced by MDU Resources containing the information and other Confidential Information subject to this motion will be kept in the locked storage cabinet that the Commission utilizes for information that is subject to protective orders; and,

g. Staff will delete all copies of the information from its computer workstations following the conclusion of this proceeding.

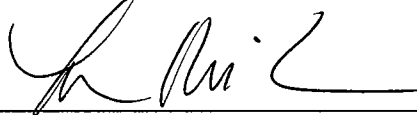
7. This relief is necessary because of the highly confidential and commercially sensitive nature of the information and the risk to MDU Resources that it will be competitively compromised by dissemination of this information. More specifically, the information sought in response to Staff Data Request No. 90 includes an electronic version of the financial model that MDU Resources used to analyze the proposed transaction with Cascade. This model was developed by MDU Resources and is highly sensitive and confidential proprietary information of MDU Resources. The model is not available commercially and MDU Resources has consistently taken steps to preserve the confidential nature of this model. Disclosure of this sensitive commercial information would harm MDU Resources in that its competitors would have access to the manner in which MDU Resources analyzed this transaction and other proposed financial transactions generally. MDU Resources' financial model is so commercially sensitive that it has never been shared with anyone outside the company, including Cascade, and has been seen only by a small group of people within the company.

8. Assurance of strict confidentiality is essential to the ability of parties and their professional advisors to provide comprehensive and candid analyses of merger and acquisition transactions. Granting the requested protections will significantly limit the risk of an inadvertent breach of confidentiality and protect against erosion of sensitive and confidential commercial information.

For all the foregoing reasons, MDU Resources requests entry of an order under paragraph 16 of the General Protective Order requiring Staff to comply with the conditions set forth in paragraph 6.

DATED: March 15, 2007.

PERKINS COIE LLP

By  _____

James M. Van Nostrand, OSB No. 79428
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Attorneys for MDU Resources Group, Inc.

CERTIFICATE OF SERVICE

I certify that I have this day served the Revised Motion for Additional Protection Under General Protective Order by causing a copy to be sent by electronic and U.S. Mail to:

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