

**Northern States Power Co. v Taygete Energy Project
II, LLC**

2022 NY Slip Op 32665(U)

August 8, 2022

Supreme Court, New York County

Docket Number: Index No. 651281/2022

Judge: Andrea Masley

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART 48

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NORTHERN STATES POWER COMPANY,	INDEX NO.	<u>651281/2022</u>
Plaintiff,		05/31/2022, 06/15/2022,
- v -	MOTION DATE	<u>N/A</u>
TAYGETE ENERGY PROJECT II, LLC and SOLAR DEVELOPMENT LENDING, LLC,	MOTION SEQ. NO.	<u>002 003 005</u>
Defendants.	DECISION + ORDER ON MOTION	

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HON. ANDREA MASLEY:

The following e-filed documents, listed by NYSCEF document number (Motion 002) 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 48
 were read on this motion to/for SEAL.

The following e-filed documents, listed by NYSCEF document number (Motion 003) 42, 43, 44, 45, 46, 47, 49, 50, 51, 52, 54
 were read on this motion to/for SEAL.

The following e-filed documents, listed by NYSCEF document number (Motion 005) 58, 59, 60, 61, 62, 63, 64, 65, 66
 were read on this motion to/for SEAL.

In motion sequence number 002, defendant Solar Development Lending, LLC (Solar) moves, by Order to Show Cause, to redact NYSCEF Doc. Nos. (NYSCEF) 27 and 28. In motion sequence number 003, Solar moves, by Order to Show Cause, to redact NYSCEF 40 and 41. In motion sequence number 005, plaintiff Northern States Power Company (Northern) moves, by Order to Show Cause, to redact NYSCEF 55, its memorandum of law in opposition to Solar’s motion to dismiss (mot. seq. no. 004). All three motions are unopposed, and there is no indication that the public or press have an interest in these matters.

NYSCEF 27 is the Development Loan Agreement (Loan Agreement) between lender Solar and defendant-borrower Taygete Energy Project II, LLC (Taygete) to finance the development of a power facility in Texas. NYSCEF 28 is the Security Agreement between Solar and Taygete. NYSCEF 40 and 41 are the First and Second Amendments to the Loan Agreement, respectively. Solar seeks to redact several portions of the Loan Agreement, Security Agreement, and First and Second Amendments to the Loan Agreement. Solar opines that the disclosure of certain provisions of these agreements, all which contain confidential business terms and sensitive financial information, would cause it competitive harm. (NYSCEF 34, Sealing Chart [mot. seq. no. 002]; NYSCEF 47, Sealing Chart [mot. seq. no. 003].)

Section 216.1(a) of the Uniform Rules for Trial Courts empowers courts to seal documents upon a written finding of good cause. It provides:

“(a) [e]xcept where otherwise provided by statute or rule, a court shall not enter an order in any action or proceeding sealing the court records, whether in whole or in part, except upon a written finding of good cause, which shall specify the grounds thereof. In determining whether good cause has been shown, the court shall consider the interests of the public as well as the parties. Where it appears necessary or desirable, the court may prescribe appropriate notice and an opportunity to be heard.”

In the business context, courts have sealed records where the disclosure of documents “could threaten a business’s competitive advantage.” (*Mosalleh v Berenson*, 76 AD3d 345, 350-351 [1st Dept 2010] [citations omitted].) Records concerning financial information may be sealed where there has not been a showing of relevant public interest in the disclosure of that information. (See *Dawson v White & Case*, 184 AD2d 246, 247 [1st Dept 1992].) “Sealing a court file may be appropriate to preserve the confidentiality of materials which involve the internal finances of a party

and are of minimal public interest.” (*D’Amour v Ohrenstein & Brown*, 17 Misc.3d 1130[A], 2007 NY Slip Op 52207[U], *20 [Sup Ct, NY County 2007].) A party “ought not to be required to make their private financial information public ... where no substantial public interest would be furthered by public access to that information.” (*Id.*)

Here, Solar has demonstrated that good cause exists to keep confidential the financial information and business terms contained in the Loan Agreement (NYSCEF 27), Security Agreement (NYSCEF 28), and the First and Second Amendments to the Loan Agreements (NYSCEF 40 and 41). (*Mosallem*, 76 AD3d at 350-351 [citations omitted].) There has been no showing of legitimate public concern in these documents to counterbalance the interests of the parties in keeping private their nonpublic information. Solar’s requested redactions are narrowly tailored portions pertaining to economic lending terms, lending amounts, condition precedents and corresponding dates, and other material requirements; such tailored redactions effectively balance its interest in keeping private its sensitive lending information and the interests of the public, if any. (See *Danco Lab, Ltd. v Chemical Works of Gedeon Richter, Ltd.*, 274 AD2d 1, 9 [1st Dept 2010].) Furthermore, since Northern seeks only to redact from its opposition lending amounts contained in the same agreements, its motion should also be granted.

Accordingly, it is

ORDERED that motion sequence number 002 is granted; and it is further

ORDERED that motion sequence number 003 is granted; and it is further

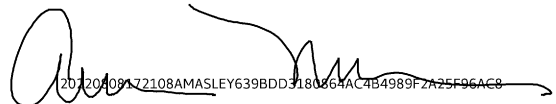
ORDERED that motion sequence number 005 is granted; and it is further

ORDERED that, as redacted versions of NYSCEF 27, 28, 40, 41, and 55 have already been filed publicly and unredacted copies under seal, the movants need not re-file duplicates; and it is further

ORDERED that the County Clerk, upon service to him of this order by movant, shall seal NYSCEF 27, 28, 40, 41, and 55; and it is further

ORDERED the New York County Clerk shall restrict access to the sealed documents with access to be granted only to authorized court personnel and designees, the parties and counsel of record in the above-captioned action, and any representative of a party or of counsel of record upon presentation to the County Clerk of written authorization from counsel; and it is further

ORDERED that this order does not authorize sealing or redacting for purposes of trial.



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8/8/2022
DATE

ANDREA MASLEY, J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE