

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE KENTUCKY)
INTRASTATE RATES OF SOUTH CENTRAL) CASE NO. 10105
BELL TELEPHONE COMPANY, INC.)

O R D E R

On December 16, 1987, the Commission initiated an investigation into the earnings of South Central Bell Telephone Company, Inc. ("SCB"). Since that time SCB has filed numerous petitions for confidential treatment of information which it filed in response to data requests of the Commission and parties.

On March 21, 1988 SCB filed an Amended Confidentiality Petition seeking confidential treatment of items 23, 44, 49, 55, and 56 filed in response to an information Order dated February 26, 1988. Item 23 is a list of all central office switching equipment replacements scheduled for 1988 through 1990, as well as associated economic data. Item 44 consists of budgeted data for calendar years 1988, 1989, and 1990 including major revenue investment capital and expense categories. Item 49 contains portions of the section-by-section General Subscribers' Services Tariff price-out. SCB has requested that parts of this price-out be granted confidential treatment. Item 55 consists of a 5-year trend analysis showing access lines and related bill units, access line and related revenues, and bill units and revenues projected to December 31, 1990. SCB has asked for confidential treatment of

a portion of this material. Item 56 contains a 5-year trend analysis showing growth in MTS conversation minutes of use billed to end-users and message toll service ("MTS") revenues and projected minutes of use revenues to December 1990.

As grounds for this Petition, SCB asserts that the information could be used by its competitors to determine revenues and expenses associated with Kentucky operations, that the analysis and the data are unique to SCB, that the information is not known outside of SCB nor disseminated within SCB and that its dissemination would cause competitive injury.

The Commission, being advised, is of the opinion and finds that the Amended Petition for Confidential Treatment pursuant to 807 KAR 5:001, Section 7, of Items 23, 44, 49, 55, and 56 filed in response to the Commission's information Order dated February 26, 1988 should be granted.

On April 12, 1988 SCB filed an Amended Confidentiality Petition for items 3(a), 21, 25, 38(h), 54, 84, and 86 filed in response to the request for information dated March 16, 1988 made by the Attorney General of the Commonwealth ("AG"). SCB requested confidential treatment of a portion of Item 3(a), specifically Monthly Report No. 7 and Monthly Report No. 23. Monthly Report No. 7 contains data on access and services and Monthly Report No. 23 consists of employee statistics. Item 21 consists of SCB's sources and uses of funds projections for 1988 through 1992. Item 25 contains the average number of Kentucky subscribers and the amount of revenues from touch-tone, call waiting, call forwarding, and speed calling service for 1985 through 1987. Item 38(h)

consists of the number of employees, by classification, allocated to Kentucky operations for 1985 through 1989. Item 54 contains information on the seasonality of Kentucky intrastate jurisdictional revenues. Item 84 consists of information relating to the price and income elasticities of SCB's products and services. Item 86 contains replacement schedules for central office replacements for 1986 through 1990.

In support of this petition, SCB claims that the information could be used by competitors to determine revenues and expenses associated with Kentucky operations, that the assumptions and analysis used in the data are unique to SCB, and that the information is not known outside of SCB nor disseminated within SCB. Disclosure would cause competitive injury.

The Commission being advised is of the opinion and finds the Amended Petition for Confidential Treatment pursuant to 807 KAR 5:001, Section 7, of items 3(a), 21, 25, 38(h), 54, 84, and 86 held in response to the AG's request for information dated March 16, 1988 should be granted.

On April 19, 1988, SCB filed a Confidentiality Petition for items 49 and 50 filed in response to an information Order dated February 26, 1988. Item 49 consists of late-filed portions of the section-by-section General Subscribers Services Tariff price-out. SCB has requested confidential treatment of certain pages of this price-out. Item 50 consists of cost of service information concerning general subscribers services. Again, SCB has requested confidential treatment of certain pages of this cost of service study.

In support of its request, SCB states that the information could be used to determine revenues and expenses associated with Kentucky operations, that assumptions and analysis used in the data are unique to SCB, that the material is not known outside of SCB notice disseminated within SCB, and that it is competitively significant.

The Commission being advised is of the opinion and finds that the Petition for Confidential Treatment pursuant to 807 KAR 5:001, Section 7, of items 49 and 50 filed in response to the Commission's information Order dated February 26, 1988 should be granted.

On April 29, 1988, SCB filed a Confidentiality Petition seeking confidential treatment of portions of item 51 filed in response to an information Order dated February 26, 1988. Item 51 is a section-by-section Private Line Services Tariff price-out.

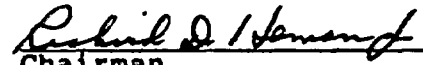
In support of its motion, SCB asserts that the information could be used to determine revenues and expenses associated with Kentucky operations, that the assumptions and analysis used are unique to SCB, that the information is not known outside of SCB nor widely disseminated within SCB and that the information is competitively significant.

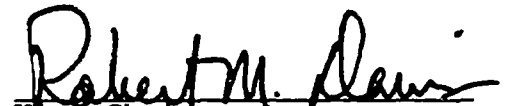
The Commission being advised is of the opinion and finds that the Petition for Confidential Treatment pursuant 807 KAR 5:001, Section 7, of item 51 filed in response to the Commission's information Order filed February 26, 1988 should be granted.

IT IS THEREFORE ORDERED that Petitions for Confidential Treatment filed by SCB on March 21, April 12, 19, and 27, 1988 shall be granted.

Done at Frankfort, Kentucky, this 14th day of July, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director