

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF SOUTH CENTRAL BELL TELEPHONE )  
COMPANY FOR CONFIDENTIAL TREATMENT OF )  
INFORMATION FILED IN SUPPORT OF ITS ) CASE NO. 90-246  
SPECIAL CONTRACT FOR DIGITAL ESSX SERVICE )  
WITH THE GENERAL SERVICES ADMINISTRATION )

O R D E R

This matter arising upon petition of South Central Bell Telephone Company ("South Central Bell"), filed July 17, 1990 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data filed as a part of the Digital ESSX contract for General Services Administration ("GSA") on the grounds that public disclosure is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

In this proceeding South Central Bell seeks approval of a contract with GSA for Digital ESSX Service to replace an existing contract implemented in 1985. As a part of its application South Central Bell had furnished the Commission certain cost support data developed in connection with the contract which it now seeks to protect as confidential. Other parties compete with South Central Bell's ESSX offerings through PBX equipment and South Central Bell maintains that the information sought to be protected would have competitive value to such competitors.

The information sought to be protected is not known outside of South Central Bell and is not disseminated within South Central Bell except to those employees who have a business need to know

and act upon it. South Central Bell seeks to preserve the confidentiality of this information through all appropriate means including the maintenance of appropriate security at its offices.

807 KAR 5:001, Section 7, protects information as confidential when it is established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. In order to satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

South Central Bell faces competition for the services to be provided under the contract from offerers of PBX equipment. Disclosure of the cost data would give such competitors information which would allow them to more readily compete with South Central Bell by knowing South Central Bell's capital and operating costs, as well as contribution for the service. Therefore, disclosure of this information is likely to cause competitive injury to South Central Bell and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that:

1. The cost support data developed in connection with the Digital ESSX contract the GSA, which South Central Bell has petitioned be withheld from public disclosure, shall be held and

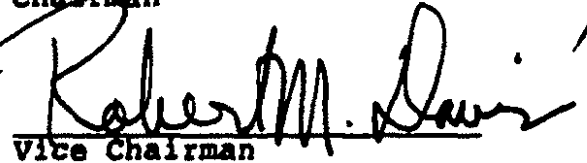
retained by this Commission as confidential and shall not be open for public inspection.

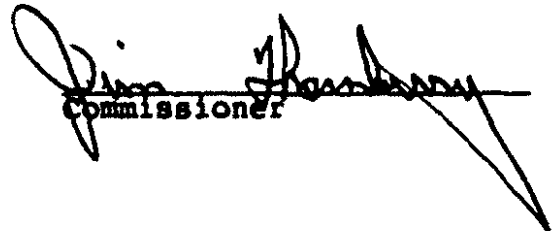
2. To the extent that it has not already done so, South Central Bell shall, within 10 days of the date of this Order, file an edited copy of the cost support data with the confidential material obscured for inclusion in the public record, with copies to all parties of record.

Done at Frankfort, Kentucky, this 29th day of August, 1990.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director