COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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PETITION OF SOUTH CENTRAL BELL) TELEPHONE COMPANY FOR CONFIDENTIAL) TREATMENT OF INFORMATION FILED IN) CASE NO. SUPPORT OF ITS SPECIAL SERVICE) 91-048 ARRANGEMENT CONTRACT WITH THE) UNIVERSITY OF LOUISVILLE)

ORDER

This matter arising upon petition of South Central Bell Telephone Company ("South Central Bell") filed January 29, 1991 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with its Special Service Arrangement Contract for the University of Louisville for an ESSX feature on the grounds that disclosure of the information 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 two contracts with the University of Louisville for Direction Station Selection, a feature associated with South Central Bell's Digital ESSX Service. This feature is provisioned through electronic telephone sets. Under one contract, there is an installation charge of 25 cents for the service. The second contract is limited to telephone sets that were added to replace other sets due to problems experienced in May of 1990, and provides for no installation charge. South Central Bell seeks to protect cost support information filed in support of its application to approve the contracts.

The information sought to be protected is not known outside of South Central Bell and is disseminated within South Central Bell only to those employees who have a legitimate business need to know and act upon the information. South Central Bell seeks to preserve and protect the information by 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 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.

Suppliers of PBX equipment offer many of the features provided by South Central Bell through its ESSX service. The information sought to be protected would enable suppliers of PBX equipment to determine South Central Bell's costs and contribution from the service which they could use to market their competing equipment. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury, and the information should be protected as confidential.

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This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost support data, developed in connection with the Special Service Arrangement Contract for the University of Louisville for an ESSX feature, 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.

Done at Frankfort, Kentucky, this 13th day of February, 1991.

PUBLIC SERVICE COMMISSION

Chairman

ommissioner

ATTEST: