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 DIGITAL ESSX CONTRACT) FOR THE ALLIANT HEALTH SYSTEM)

CASE NO. 91-093

ORDER

This matter arising upon petition of South Central Bell Telephone Company ("South Central Bell") filed March 5, 1991 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed for a Digital ESSX contract for the Alliant Health System 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:

On November 21, 1990, in Case No. 90-140,¹ the Commission approved a Digital ESSX contract between South Central Bell and Alliant Health System. After the system was installed, Alliant determined that it needed variations from the service provided under the original contract, and a modified contract was agreed upon by the parties. In this proceeding, South Central Bell seeks approval of the modified contract, and by this petition, has requested that the cost data filed in support of the modified contract be protected from public disclosure as confidential.

Case No. 90-140, South Central Bell Telephone Company's Special Service Contract Arrangement for Digital ESSX Service with Alliant Health System.

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 legitimate business need to know and act upon the information. South Central Bell seeks to preserve the confidentiality of the information through all appropriate means.

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 likelihood of substantial competitive injury if the and a information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

In providing Digital ESSX service, South Central Bell competes with providers of PBX equipment. These competitors could determine from the information sought to be protected, South Central Bell's capital, operating costs and contributions from the service. The information could be used by South Central Bell's competitors to market their competitive service to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury, and the information should be protected as confidential.

-2-

This Commission being otherwise sufficiently advised,

IT IS ORDERED that:

1. The petition for confidential protection of the cost support data developed in connection with a Digital ESSX contract for the Alliant Health System, 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. South Central Bell shall, within 10 days of the date of this Order, serve edited copies of the cost support data with the confidential material obscured upon any party of record.

Done at Frankfort, Kentucky, this 26th day of March, 1991.

PUBLIC SERVICE COMMISSION

Commissions

ATTEST:

Medrechen

Executive Director