COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INQUIRY INTO THE COMMUNITY OF) INTEREST AND AFFECT THEREOF BETWEEN) CASE NO. THE AREAS OF GEORGETOWN, KENTUCKY) 91-149 AND LEXINGTON, KENTUCKY)

ORDER

This matter arising upon petition of AT&T Communications of the South Central State, Inc. ("AT&T") filed January 9, 1992 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the traffic and message unit volume data contained in its responses to the Commission's Order of November 25, 1991 on the grounds that disclosure of the information is likely to cause AT&T competitive injury, and it appearing to this Commission as follows:

AT&T seeks to protect as confidential the traffic and message unit volume data provided in its responses to the Commission's Order of November 25, 1991 on the grounds that disclosure of the information is likely to cause AT&T competitive injury. The information is not known outside of AT&T and is disseminated within AT&T to only those employees who have a legitimate business need to know and act upon the information. AT&T seeks to preserve and protect the confidentiality of the information through all appropriate means. Information filed with the Commission is required by KRS 61.872(1) to be maintained for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 10 separate categories of information. 807 KAR 5:001, Section 7, establishes the procedure for obtaining protection of information filed with the Commission that qualifies for any of the statutory exemptions.

One of the exemptions provided in the statute is contained in KRS 61.878(1)(a). That section of statute exempts certain commercial information disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. 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.

The traffic and message unit volume information sought to be protected would provide AT&T's competitors with information regarding AT&T's traffic patterns between specific exchanges by time of day and message volumes for specific services. Disclosure of the traffic information by time of day would allow competitors to accurately estimate AT&T's profit margins and disclosure of the message unit volume would reveal valuable market information. Competitors could use this information in structuring their rates

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and in devising market strategies to compete with AT&T. Thus, disclosure of the information is likely to cause AT&T competitive injury and the information is entitled to protection as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the traffic and message unit volume data contained in AT&T's responses to the Commission's Order of November 25, 1991, which AT&T 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 11th day of February, 1992.

PUBLIC SERVICE COMMISSION

Vice Chair

ATTEST: