

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 SPECIAL SERVICE) CASE NO. 92-012
ARRANGEMENT CONTRACT WITH THE)
CUMBERLAND BANK FOR ANALOG TO)
DIGITAL CONVERSION)

O R D E R

This matter arising upon petition of South Central Bell Telephone Company ("South Central Bell") filed December 6, 1991 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with South Central Bell's Special Service Arrangement Contract with The Cumberland Bank 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:

South Central Bell has contracted with The Cumberland Bank for the provisioning of analog to digital conversion features associated with its FlexServ service. In support of its application, South Central Bell has provided cost data which it seeks to protect as confidential.

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, including the maintenance of appropriate security at its offices.

Under 807 KAR 5:001, Section 7, information is protected 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.

South Central Bell's competitors for FlexServ service are equipment providers who market multiplexers, data service units, and modems. Interexchange carriers also offer a similar service comparable to FlexServ in which analog to digital conversion is an inherent part of the service. Disclosure of the cost information sought to be protected would allow these equipment providers to determine South Central Bell's costs and contribution from FlexServ service, which competitors could use to market their competing services 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.

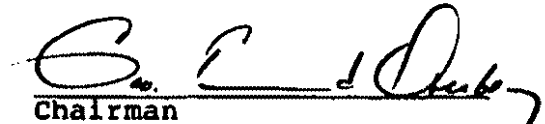
This Commission being otherwise sufficiently advised,

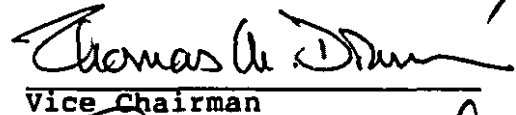
IT IS ORDERED that the cost support data developed by South Central Bell in connection with its Special Service Arrangement

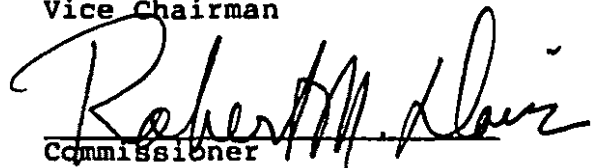
Contract with The Cumberland Bank, which South Central has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 9th day of January, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director