

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                    |   |                 |
|------------------------------------|---|-----------------|
| REQUEST FOR CONFIDENTIAL TREATMENT | ) |                 |
| OF THE COST INFORMATION FILED WITH | ) |                 |
| THE PROPOSED CONTRACT OF SOUTH     | ) | CASE NO. 93-264 |
| CENTRAL BELL TELEPHONE COMPANY FOR | ) |                 |
| E911 STANDARD DATA INTERFACE       | ) |                 |

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company ("South Central Bell") filed July 23, 1993 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost information filed in support of its proposed contract with Laurel County for E911 service 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:

Laurel County is subscribing to General Telephone and Electronics Company ("GTE") for 911 service for the city of London. In connection with this service, Laurel County has contracted with South Central Bell for access to its database containing the customer information necessary to implement the service. In this proceeding, South Central Bell seeks approval of the contract and has petitioned the Commission to protect as confidential the cost support for the contracted rates.

The information sought to be protected is not known outside of South Central Bell and is known only to those South Central Bell

employees who have a business need to know and act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through all appropriate means.

KRS 61.872(1) requires information filed with the Commission to be available 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 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially 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 cost support information sought to be protected was developed based on the quantity of systems forecasted over a three-year planning period. Disclosure of this information would give competitors insight into South Central Bell's costing methodology and development of costs which would in turn provide them with information to develop strategic pricing plans detrimental to South Central Bell's position in the market. Other information, such as specially developed cost factors and labor rates, installation and maintenance practices, as well as factors and loadings, if

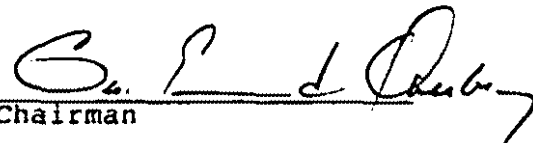
disclosed, could allow a competitor to have more detailed knowledge regarding South Central Bell's cost structure. This information would allow competitors to compare cost methods and ultimately benefit their position in the market. Thus, the information has competitive value and should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost information filed in support of the proposed contract with Laurel County, 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 16th day of August, 1993.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director