COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| PETITION OF SOUTH CENTRAL BELL) | |
|---|-----------------|
| TELEPHONE COMPANY FOR CONFIDENTIAL) | |
| TREATMENT OF COST SUPPORT INFORMATION) | CASE NO. 93-388 |
| FILED IN SUPPORT OF ITS SPECIAL) | |
| SERVICE ARRANGEMENT CONTRACT WITH | |
| AUTOZONE | |

ORDER

This matter arising upon petition of BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company ("South Central Bell") filed October 19, 1993 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 AutoZone for Call Forwarding Variable Multiple Simultaneous Calls associated with a 1A analog office 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 AutoZone to provide Call Forwarding Variable Multiple Simultaneous Calls. This feature is currently filed in the tariff for 5ESS and DMS digital offices. This arrangement is to provide the feature out of a lA analog office. 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.

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.

South Central Bell's competitors for Call Forwarding service are providers of customer premises equipment and PBX systems. Disclosure of the cost information sought to be protected would allow providers of such equipment to determine South Central Bell's costs and contribution from the 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 AutoZone for Call Forwarding Variable Multiple Simultaneous Calls, 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 9th day of November, 1993.

PUBLIC SERVICE COMMISSION

Chairman

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Commissioner

ATTEST:

Evecutive Director

inspected the facilities for compliance with Commission regulations. One investigator inspected the sewage facilities and the other investigator inspected the water facilities. As a result of the inspection, the investigator inspecting the water facilities noted seven conditions which he cited as violations of Commission regulations. The conditions cited as violations were:

- 1. The utility failed to file periodic meter reports with the Commission.
- 2. The utility has not published its telephone number in its service area.
- 3. The utility does not maintain test reports regarding the chemical constituents and quality of the water sold to its customers.
- 4. The utility's minimum storage capacity for its distribution system is not equal to the average daily consumption.
- 5. The utility does not maintain a recording pressure gauge in continuous service for a minimum of one week per month at a representative point on the utility's mains.
- 6. The utility does not perform or keep records of annual pressure surveys.
- 7. The utility has failed to file a water shortage response plan.

In a previous inspection conducted on December 16, 1991, the conditions cited in paragraphs 1, 2, 3, and 4 in the September 30, 1992 report were also cited as violations in the December 16, 1991 report. Further, the September 30, 1992 report directed Oak Haven

to file a response stating what corrective action was being taken to correct each deficiency or violation cited.

CONCLUSIONS OF LAW

Oak Haven is a utility subject to the jurisdiction of the Commission and required to comply with Commission regulations. As a utility, Oak Haven is in willful violation of the following regulations:

- 1. 807 KAR 5:006, Section 3(2), for failing to file periodic meter reports.
- 2. 807 KAR 5:006, Section 13(1)(a), for failing to publish its telephone number in its service area.
- 3. 807 KAR 5:066, Section 2(1), for failing to provide its customers information regarding the chemical constituents and bacteriological standards of its water.
- 4. 807 KAR 5:066, Section 4(4), for not having minimum storage capacity for its distribution system equal to the average daily consumption of its customers.
- 5. 807 KAR 5:066, Section 5(2), for failing to maintain a recording pressure gauge in continuous service a minimum of one week per month at a representative point on the utility's mains.
- 6. 807 KAR 5:066, Section 5(3), for failing to perform or keep records of annual pressure surveys.
- 7. 807 KAR 5:066, Section 17, for failing to file a water shortage response plan.

For each violation, a penalty of \$500 should be assessed against Oak Haven. Oak Haven should be directed to abate the

violations within 60 days and to certify to the Commission that the violations have been abated. For each violation abated within 60 days, all but \$100 of the penalty should be vacated.

This Commission being otherwise sufficiently advised,
IT IS ORDERED that:

- 1. Oak Haven is in willful violation of 807 KAR 5:006 and 807 KAR 5:066.
- 2. Oak Haven shall pay a penalty of \$500 each for each condition cited in violation of the regulations.
- 3. Oak Haven shall, within 60 days from the date of this Order, abate the violations and certify to the Commission in writing that the violations have been abated.
- 4. The penalties assessed hereunder shall be due and payable in full 60 days from the date of this Order unless Oak Haven abates the violations within the 60 day period. For each violation abated within the 60 day period, the penalty shall be reduced to \$100.
- 5. The penalties due hereunder shall be paid by certified check or money order made payable to the Kentucky State Treasurer and mailed to the Kentucky Public Service Commission, Office of General Counsel, P. O. Box 615, Frankfort, Kentucky 40602.

Done at Frankfort, Kentucky, this

9th day of November, 1993.

PUBLIC SERVICE COMMISSION

Chairman

ice Chairman

Commissioner

ATTEST:

Executive Director