

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF )  
INFORMATION FILED WITH SOUTH CENTRAL )  
BELL TELEPHONE COMPANY'S PROPOSED ) CASE NO. 94-416  
CONTRACT WITH LARUE COUNTY 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 November 1, 1994, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost information filed in support of its proposed contract with Larue County for a standard data interface 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:

South Central Bell has contracted with Larue County for a standard data interface for E911 service. In support of its application for approval of the contract, South Central Bell has filed cost information which it seeks to protect as confidential on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury.

The information sought to be protected is not known outside 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 and protect 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 E911 service are vendors that offer equipment that serve the same purpose. Public disclosure of the cost support data would allow South Central Bell's competitors to compete more effectively for market share and revenue. The cost and support data were developed based on the quantity of systems forecasted over a three-year planning period. They provide insight into South Central Bell's costing methodology and projection of costs which competitors could use to develop


strategic pricing plans. Additionally, cost factors and labor rates, installation and maintenance practices, as well as general factors and loadings included in the information sought to be protected would provide competitors with more detailed knowledge regarding South Central Bell's cost structure. Competitors could alter their procedure by comparing cost methods to the detriment of South Central Bell. Therefore, the information has competitive value and should be protected from public disclosure.

This Commission being otherwise sufficiently advised,


IT IS ORDERED that the cost information developed in support of South Central Bell's proposed contract with Larue County for standard data interface for E911 service, which South Central Bell has petitioned to 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 1st day of December, 1994.


PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:



Executive Director