

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. 95-077
CONTRACT WITH BCI FOR INTEGRATED)
SERVICES DIGITAL NETWORK - INDIVIDUAL)
BUSINESS SERVICE)

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 February 27, 1995, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with South Central Bell's proposed contract with BCI for Integrated Services Digital Network - Individual Business Service ("ISDN-IBS") 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 BCI to provide ISDN-IBS. This service allows business customers to transmit voice and data over ISDN channels through the exchange network. This service is an alternative to other local exchange service offerings, private line/data services, and dedicated private line networks. 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 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 local exchange service are cellular carriers who may also provide cellular data service and will soon include providers of Personal Communication Services, cable TV providers, and alternate access providers. South Central Bell's competitors for private line/data services and networks are

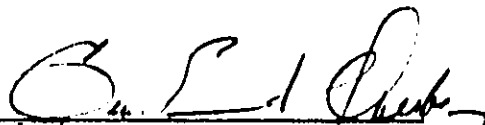
interexchange carriers, resellers, and vendors of microwave, digital radio, fiber, VSAT, and other wireless equipment and service. Such competitors could use the cost support data developed by South Central Bell to determine South Central Bell's cost and contribution from the service. This information would be useful to competitors in marketing their competitive service 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 contract with BCI for ISDN-IBS, 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 28th day of March, 1995.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director