

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
INFORMATION FILED WITH GTE SOUTH,)
INCORPORATED'S PROPOSED CONTRACT FOR) CASE NO. 95-106
THE PROVISION OF THE KENTUCKY)
INFORMATION HIGHWAY AND COMMUNICATION)
SERVICES RFP ET-41-95)

O R D E R

This matter arising upon petition of GTE South Incorporated ("GTE"), filed March 17, 1995, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost study data filed in support of proposed rates for the provision of a statewide telecommunications network, and it appearing to this Commission as follows:

On January 11, 1995, BellSouth Telecommunications, Inc., d/b/a South Central Bell Telephone Company ("South Central Bell") and LCI International, Inc. ("LCI") signed an agreement with this Commonwealth to provide a statewide telecommunications network commonly known as the Kentucky Information Highway. South Central Bell and LCI were awarded this contract as a result of their response to a request for proposal issued by the Commonwealth on or about July 12, 1994. GTE participated with South Central Bell as the subcontractor in the development of South Central Bell's proposal. The contract for this service, which South Central Bell has filed with this Commission for its approval, contains pricing

information provided by the company which was used by South Central Bell in its pricing for the request for a proposal. By this petition, GTE seeks to protect that cost information as confidential.

The information sought to be protected is not known outside of GTE and its internal use is restricted to those employees who have a legitimate business reason for reviewing the information. The company attempts to control the dissemination of this 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 several categories of information from open inspection. One category exempted in paragraph (c)1. of that subsection is information confidentially disclosed to the Commission which if openly disclosed would permit an unfair commercial advantage to competitors of the source of the information. To qualify for this exemption, 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.

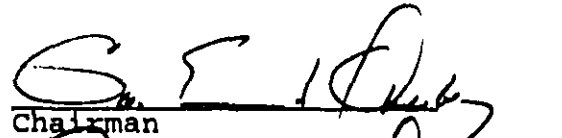
The information sought to be protected provides market information which GTE's competitors could use in developing entry and marketing strategies. Therefore, the information has competitive value and should not be open for public inspection.

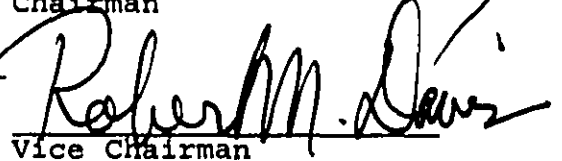
This Commission being otherwise sufficiently advised,

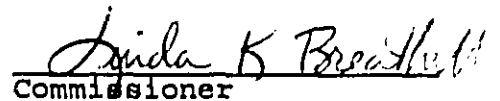
IT IS ORDERED that the cost support data developed in connection with the proposed contract for the provision of the Kentucky Information Highway, which GTE has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 14th day of April, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director