

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
INFORMATION FILED WITH SOUTH CENTRAL) CASE NO. 95-119
BELL TELEPHONE COMPANY'S PROPOSED)
CONTRACTS FOR GREAT FINANCIAL BANK FOR)
FRAME RELAY 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 March 22, 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 special service arrangement contract with Great Financial Bank for Frame Relay 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 entered into two contracts with Great Financial Bank to provide Frame Relay Service. Frame Relay Service is a packet data service which allows the transmission of data between a customer's locations over predefined logical data circuits. In support of its application for approval of the contract, 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 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 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.

Frame Relay Service competes with similar services offered by providers of competitive private line networks. These include microwave service, digital radio and fiber networks. Disclosure of the information would enable competitors to determine South Central Bell's cost and contribution from the service which they could use in marketing 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 data developed in connection with its proposed special service arrangement contract with Great Financial Bank for Frame Relay 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 26th day of April, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director