

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
THE COST STUDY MATERIAL FILED WITH)
THE PROPOSED TARIFF OF BELLSOUTH)
TELECOMMUNICATIONS, INC., TO MODIFY)
ZIPCONNECTSM SERVICE TO ALLOW ZIP CODE) CASE NO. 96-187
ROUTING SERVICE SUBSCRIBERS TO SUBSCRIBE)
TO ZIPCONNECTSM SERVICE MONTHLY REPORT)
AND SERVICE SPECIAL STUDY FILED WITH)
THE COMMISSION ON APRIL 30, 1996)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed April 30, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the revenue, sales, and contribution projections and cost support data developed in connection with BellSouth's proposed tariff for modifications to ZipCONNECTSM Service on the grounds that disclosure of the information is likely to cause BellSouth competitive injury and that disclosure of the information would impair BellSouth's ability to contract for goods and services on favorable terms, and it appearing to this Commission as follows:

BellSouth has filed proposed revisions to its ZipCONNECTSM Service tariff. In support of its proposed revisions, BellSouth has filed a cost study which contains revenue, sales, and contribution projections and cost support data developed in connection with the proposed modifications. BellSouth seeks to protect the cost study as confidential on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and that disclosure of vendor specific pricing

negotiated by BellSouth will impair its ability to contract for goods and services on favorable terms.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those employees who have a legitimate business need to know and act upon the information. BellSouth seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of 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 subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the 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.

BellSouth's competitors for ZipCONNECTSM Service are providers of single number service, which could include interexchange carriers and other vendors as well. Disclosure of the information sought to be protected would enable BellSouth's competitors to determine BellSouth's cost and contribution from the service which

they could use in marketing their competing services to the detriment of BellSouth. Therefore, disclosure of the information is likely to cause BellSouth competitive injury, and the information should be protected as confidential.

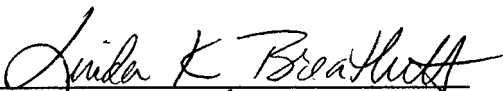
BellSouth also contends that the information should be protected because its disclosure would violate non-disclosure agreements and would impair BellSouth's ability to contract for goods and services on favorable terms in the future. Since it has been determined that the information is entitled to protection on other grounds, this issue need not be addressed in this Order.


This Commission being otherwise sufficiently advised,

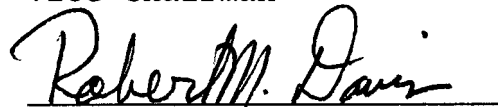
IT IS ORDERED that the revenue, sales, and contribution projections and cost support data developed in connection with BellSouth's proposed tariff for modifications to ZipCONNECTSM Service, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 3rd day of June, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director