

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BELLSOUTH TELECOMMUNICATIONS, INC.'S)
REQUEST FOR CONFIDENTIAL TREATMENT)
OF INFORMATION FILED IN SUPPORT OF ITS) CASE NO. 96-359
CONTRACT WITH BBN SATURN FOR)
MEGALINK® ISDN SERVICE)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed July 30, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with BellSouth's proposed contract for MegaLink® ISDN Service with BBN Saturn on the grounds that disclosure of the information is likely to cause BellSouth competitive injury and it appearing to this Commission as follows:

BellSouth has contracted with BBN Saturn to provide MegaLink® Service. This service allows customers to transmit data over ISDN channels and is an alternative to other private line/data services and private line network services. In support of its application to approve the agreement, BellSouth has provided cost data which it seeks to protect as confidential.

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.

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.

MegaLink® Service is an alternative to other private line/data services and dedicated private line services. BellSouth'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 services. Disclosure of the information sought to be protected would enable 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.

This Commission being otherwise sufficiently advised,

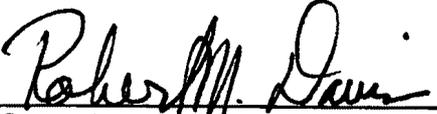
IT IS ORDERED that the cost data filed in support of the proposed contract with BBN Saturn for MegaLink® Service, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 21st day of August, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director