

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. 96-385
PROPOSED CONTRACT WITH ALLIANT)
HEALTH SYSTEM)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed August 16, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a special service arrangement contract with Alliant Health System ("Alliant") for WATSAVER® Service 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 entered into a contract service arrangement with Alliant for WATSAVER® Service. This service is currently included in BellSouth's tariff, but the proposed contract offers the service to Alliant at a reduced rate in order to compete with competitor's rates available to Alliant, to offset an inconvenience Alliant will experience in receiving separate bills for intraLATA and interLATA usage, and in recognition of Alliant's one year commitment. In support of the contract BellSouth has submitted cost information 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, 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 WATSAVER® Service are interexchange carriers and cellular carriers. Disclosure of the information sought to be protected would enable its 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,

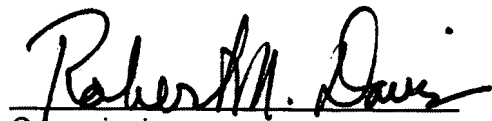
IT IS ORDERED that the cost support data filed in support of the proposed contract with Alliant for WATSAVER® Service, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 12th day of September , 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director