

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BELLSOUTH TELECOMMUNICATIONS, INC.'S )  
REQUEST FOR CONFIDENTIAL TREATMENT ) CASE NO. 96-419  
OF INFORMATION FILED IN SUPPORT OF ITS )  
CONTRACT WITH VENCOR, INC. )

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed August 23, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost data filed in support of its proposed Contract Service Arrangement with Vencor, Inc. for MegaLink® Service on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and appearing to this Commission as follows:

BellSouth has entered into an agreement with Vencor, Inc. to provide MegaLink® Service. In support of its application for approval of the agreement, BellSouth has filed 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 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 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.

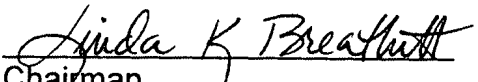
MegaLink® Service is a private line service. BellSouth's competitors for private line services are providers of microwave service, digital radio and fiber networks. Disclosure of the information would enable these competitors to determine BellSouth's cost and contribution from the service which they could use in marketing their competing services. 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,

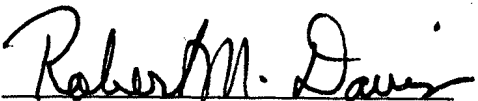
IT IS ORDERED that the cost information filed in support of BellSouth's agreement with Vencor, Inc. for MegaLink® Service, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 26th day of September, 1996.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director