COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF ICG TELECOM GROUP, INC. FOR ARBITRATION OF ITS INTERCONNECTION AGREEMENT WITH CINCINNATI BELL TELE-PONE COMPANY PURSUANT TO SECTION 252(b) OF THE TELECOMMUNICATIONS ACT OF 1996

CASE NO. 97-042

ORDER

This matter arising upon petition of Cincinnati Bell Telephone Company ("CBT"), filed March 31, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost studies filed in support of its position in this proceeding on the grounds that disclosure of the information is likely to cause CBT competitive injury, and it appearing to this Commission as follows:

This is a proceeding brought pursuant to the provisions of the Telecommunications Act of 1996 enacted by Congress which allows telecommunication companies to offer competing services in the local exchange market. The purpose of this proceeding is to establish the rates that CBT will be allowed to charge ICG Telecom Group, Inc. for the use of its equipment in providing local exchange service. As part of the proceeding, CBT has submitted cost data which it seeks to protect as confidential.

The information sought to be protected is not known outside of CBT and is known only to those CBT employees who have a legitimate need to know and act upon the information. CBT's policy is to preserve the confidentiality of the information through all appropriate means, including the maintenance of proper 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.

CBT's competitors for local exchange services are other telecommunication carriers who seek to provide those services in the areas historically served by CBT. Disclosure of the cost study information would enable these competitors to determine CBT's cost and contribution from various of its local exchange services which they could use in planning market entry, provisioning, and pricing strategies to the detriment of CBT. Therefore, disclosure of the information is likely to cause CBT 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 CBT's position, which CBT 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.

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Done at Frankfort, Kentucky, this 30th day of April, 1997.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Helton

ATTEST:

Executive Director