

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. 97-158
CONTRACT FOR MID AMERICA DATA)
PROCESSING COMPANY)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed March 28, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost data filed in support of its Premier Customer Agreement with Mid America Data Processing Company ("Mid America") 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 Premier Customer Agreement with Mid America to provide certain services at a discount rate. The services to be provided are basic business services (including Business local exchange service, Area Plus® Service, and various vertical services), MegaLink® Service and MegaLink Channel Service, FlexServ® Service, SynchroNet® Service, ISDN Business Service, PBX Trunks and Direct Inward Dialing, and Hunting. In support of the contract, 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 business need to

know and to 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.

Basic business services, PBX Trunks and Direct Inward Dialing, and Hunting are primarily local exchange services. Competitors for local service include alternate access providers, resellers and interexchange carriers. FlexServ® Service allows customers to reconfigure their network services and is competitive with services provided by other carriers. MegaLink® Service, MegaLink Channel Service and SynchroNet® Service are private line services. BellSouth competitors for private line networks are interexchange carriers, competitive access providers, and providers of microwave service, digital radio and fiber networks. ISDN Business Service is an alternative to other local exchange service offerings, private line/data services and dedicated private line network. Disclosure of the information would enable competitors of BellSouth to determine the cost and contributions from the services which they could use in marketing their competing services.

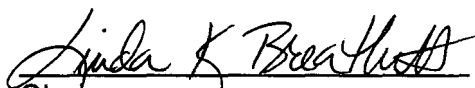
Therefore, disclosure of the information is likely to cause BellSouth competitive injury, and the information should be protected as confidential.


This Commission being otherwise sufficiently advised,

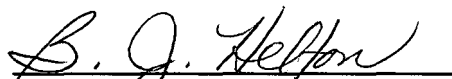
IT IS ORDERED that the cost data filed in support of the Premier Customer Agreement with Mid America, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 12th day of May, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director