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February 5, 2004

**VIA HAND DELIVERY**

Mr. Thomas M. Dorman  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

RECEIVED  
FEB 5 2004

RE: An Inquiry Into the Development of Deaveraged Rates for  
Unbundled Network Elements, Administrative Case No. 382

Dear Mr. Dorman:

Enclosed for filing please find an original and eleven (11) copies of the  
Petition for Confidential Treatment by Kentucky ALLTEL, Inc. and an original and  
eleven (11) copies of the Response of Kentucky ALLTEL, Inc. to Commission Order.

Please date stamp the extra copy and return to me.

Thank you for your assistance in this matter. If you have any questions,  
please do not hesitate to call.

Sincerely,

WYATT, TARRANT & COMBS, LLP

Stephanie R. Conn

Legal Secretary to James H. Newberry, Jr.

Enclosure

Petition (original and 11 copies)

Response (original and 11 copies)

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**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>AN INQUIRY INTO THE DEVELOPMENT</b>	)	
<b>OF DEAVERAGED RATES FOR UNBUNDLED</b>	)	<b>ADMINISTRATIVE</b>
<b>NETWORK ELEMENTS</b>	)	<b>CASE NO. 382</b>

**PETITION FOR CONFIDENTIAL TREATMENT**

Kentucky ALLTEL, Inc. ("Kentucky ALLTEL") moves the Public Service Commission of Kentucky ("Commission") pursuant to K.R.S. §61.878(1)(c)(1) and 807 KAR 5:001, Section 7 to accord confidential treatment to the unbundled network element ("UNE") cost study ("the Study"), the associated inputs, and the study outputs (excluding the rates) and in support thereof states the following:

1. On November 7, 2003, The Commission ordered Kentucky ALLTEL, to submit proposed Unbundled Network Element ("UNE") rates, including rates for UNE combinations. Such Rates were to be accompanied by supporting documentation. On December 1, 2003, Kentucky ALLTEL requested a 60-day extension until February 5, 2004 to submit the requested information. This Request for Extension was necessitated by the volume of requests for information in the numerous proceedings pending before the Public Service Commission and the actual time required to develop the requested data. Kentucky ALLTEL's Request for Extension was granted by the Commission on December 5, 2003.

2. The ALLTEL UNE Study was developed internally by ALLTEL Communications, Inc. ("ALLTEL") at its own expense. ALLTEL's Cost Department devoted

substantial resources to compiling the underlying data making up the Study, which is treated as highly confidential by Kentucky ALLTEL and its affiliates. The ALLTEL Study, inputs and outputs (excluding rates) contain information that has not been released publicly and is disclosed internally within ALLTEL on a need-to-know basis only.

3. The Inputs and outputs of the Study include specific data which Kentucky ALLTEL is providing only to Commission Staff and only pursuant to a confidentiality agreement or enforceable order according the information confidential treatment. For example, the model contains locations specific investment and facilities information which outside parties could manipulate to gain an unfair competitive advantage. The Study also contains actual investment and expense detail which is proprietary and at a greater level of detail than that what carriers normally release to the public.

4. ALLTEL and its affiliates employ all reasonable measures to protect the confidentiality of the proprietary information in the Study, its inputs and outputs and to guard against inadvertent, unauthorized disclosure. Further, Kentucky ALLTEL is not entitled to publish such competitively sensitive information on behalf of its retail or wholesale customers.

5. K.R.S. §61.878(1)(c)(1) provides in pertinent part:

The following public records are excluded from the application of ...[the Open Records Act] and shall be subject to inspection only upon order of a court of competent jurisdiction ...

(c)1. ...records confidentially disclosed to an agency or required by an agency to disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records.

6. Public disclosure of ALLTEL's UNE Study, the inputs or the outputs would provide other entities offering local exchange or other telecommunications services an unfair

competitive advantage by affording them access to Kentucky ALLTEL's valuable costing information which they could then use to plan unwarranted market entry or competitive strategies to the detriment of Kentucky ALLTEL. Public disclosure would also allow such entities to infringe upon ALLTEL's rights with respect to its intangible personal property in the form of the Study which was developed at ALLTEL's sole expense. Such information contained in the Study is generally considered confidential and proprietary in the telecommunications industry.

7. The Study, its inputs, and outputs are also protected from disclosure pursuant to K.R.S. §61.878(1)(c)(2)(c) as confidential and proprietary records disclosed to the Commission in conjunction with the regulation of a commercial enterprise.

8. Filed with this Petition is one copy of the confidential Responses and the requested information in diskette format.

9. Due to the highly confidential nature of the Responses as set forth herein, the diskette containing an electronic form of the Responses should not be duplicated under any circumstance and should be viewed only from the original diskette.

WHEREFORE, Kentucky ALLTEL respectfully requests that the Responses be accorded confidential treatment and be placed in the confidential files of the Commission, that viewing of the diskette containing the Responses be restricted to only Commission and Staff involved in this proceeding, that no party to this proceeding including Commission Staff be permitted to duplicate the diskette containing the Responses, and that Kentucky ALLTEL be accorded all other necessary and proper relief to which it may be entitled.

Dated: February 5, 2004.

Respectfully submitted,

**KENTUCKY ALLTEL, INC.**

By: Noelle M. Holladay

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FEB 05 2004

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**AN INQUIRY INTO THE DEVELOPMENT )  
OF DEAVERAGED RATES FOR UNBUNDLED ) ADMINISTRATIVE  
NETWORK ELEMENTS ) CASE NO. 382**

**RESPONSE OF  
KENTUCKY ALLTEL, INC.  
TO COMMISSION ORDER**

In compliance with the Commission's Order of December 5, 2003 ("the Order"), Kentucky ALLTEL, Inc. ("Kentucky ALLTEL") herewith provides its Unbundled Network Element ("UNE") Cost Study (the "Study").

While Kentucky ALLTEL has, in accordance with the Order, included in this filing the costs and rates with respect to, among other elements, unbundled local switching and certain UNE combinations, Kentucky ALLTEL provides such under protest and without waiving its lawful rights and objections, as Kentucky ALLTEL continues to maintain that it is not required and has not chosen to offer unbundled local switching or any combinations of UNEs that include local switching.

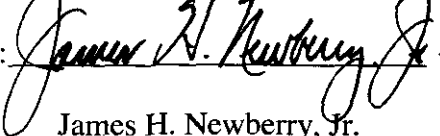
The cost information contained in this filing is inherently proprietary in nature and public disclosure of the Study, its inputs, or outputs would be very detrimental to Kentucky ALLTEL. Kentucky ALLTEL, as reflected in its Petition for Proprietary Treatment that is filed simultaneous herewith, desires that this filing and all accompanying attachments be granted confidential treatment and that the diskette

containing the Study and the highlighted portions of the inputs and outputs be excluded from the Open Records requirements of the Kentucky Revised Statutes and not duplicated or replicated in any manner.

With respect to the requested information, attached are (i) an original and ten copies of a Petition for Confidential Treatment, (ii) one copy of the confidential UNE Cost Study, and (iii) one diskette containing the Cost Study.

Respectfully submitted,

**KENTUCKY ALLTEL, INC.**

By: 

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