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May 28, 2004

Ms. Beth O'Donnell Executive Director Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602

RECEIVED

MAY 2 8 2004

PUBLIC SERVICE COMMISSION

RE:

Inquiry into the Development of Deaveraged Rates for Unbundled Network Elements; Administrative Case No. 382

Dear Ms. O'Donnell:

Enclosed for filing are an original and four unredacted copies of a Response and Petition for Confidential Treatment of Kentucky ALLTEL's responses to Commission Staff data requests. As Commission Staff had requested and original and four unredacted copies of the responses, same are being provided, although each of the copies is itself considered highly proprietary and confidential in its entirety and is not to be duplicated in any way.

Given the confidential nature of this filing and considering that the Responses are redacted in their entirety, redacted copies are not being mailed to the parties on the service list. Rather, parties are being notified of this filing by copy of this letter. Unredacted copies, however, are being provided to carriers who have previously executed appropriate protective agreements with Kentucky ALLTEL.

Thank you for your cooperation in this matter. Please do not hesitate to contact me with any questions you may have.

Sincerely,

WYATT, TARRANT & COMBS, LLP

Moule M. Holladay

**Enclosures** 

cc:

Parties on Service List Kimberly Bennett James T. Meister James H. Newberry, Jr.

### COMMONWEALTH OF KENTUCKY

# BEFORE THE PUBLIC SERVICE COMMISSIONED

In the Matter of:		
		MAY 2 8 2004
AN INQUIRY INTO THE DEVELOPMENT	)	PUBLIC SERVICE
OF DEAVERAGED RATES FOR	j	ADM. CASEMVO 1982
UNBUNDLED NETWORK ELEMENTS	Ć	112111 011011101 1101 102

# KENTUCKY ALLTEL, INC.'S RESPONSE TO COMMISSION STAFF DATA REQUESTS AND PETITION FOR CONFIDENTIAL TREATMENT

Kentucky ALLTEL, Inc. ("Kentucky ALLTEL") files this Response and Petition for Confidential Treatment in order to respond to the Data Requests issued on May 7, 2004 by the Commission Staff:

#### RESPONSE

- 1. Pursuant to the Commission's November 7, 2003 Order, Kentucky ALLTEL subsequently filed, under confidential seal, Kentucky ALLTEL's complete UNE Cost Study including supporting inputs, resulting rates, and supporting documentation.
- 2. Each of Kentucky ALLTEL's filings in this matter with respect to costs and rates for unbundled local switching has been provided under protest and without waiving Kentucky ALLTEL's lawful rights and objections. Similarly, Kentucky ALLTEL's Response to Commission Staff's Data Requests with respect to unbundled local switching are provided under protest and without waiving said lawful rights and objections.

## PETITION FOR CONFIDENTIAL TREATMENT

3. Pursuant to K.R.S. §61.878(1)(c)(1) and 807 KAR 5:001, Section 7, Kentucky ALLTEL requests that the attached responses to Commission Staff's Data Requests

regarding Kentucky ALLTEL's UNE Cost Study ("Responses to Commission Staff Data Requests") be accorded confidential treatment.

- 4. The Responses to Commission Staff Data Requests were developed internally by ALLTEL Communications, Inc. ("ALLTEL") at its own expense. ALLTEL's Cost Department devoted substantial resources to developing and compiling the Responses to Commission Staff Data Requests, which are treated as highly confidential by ALLTEL and its affiliates. The Responses to Commission Staff Data Requests have not been released publicly and are disclosed internally within ALLTEL on a need-to-know basis only and only to outside parties who have entered into an appropriate nondisclosure agreement with ALLTEL.
- 5. The Responses to Commission Staff Data Requests include specific data which Kentucky ALLTEL is providing only to Commission Staff pursuant to this confidentiality agreement or enforceable order according the documentation confidential treatment and only to authorized outside parties pursuant to their execution of an appropriate protective agreement.
- 6. ALLTEL and its affiliates employ all reasonable measures to protect the confidentiality of the Responses to Commission Staff Data Requests and to guard against inadvertent, unauthorized disclosure.
- 7. 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.

- 8. Public disclosure of the Responses to Commission Staff Data Requests would provide 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. Outside entities gaining access to the information pursuant to a protective agreement have agreed not to use the information for any such marketing or competitive purposes. Public disclosure of the information also would allow all entities to infringe upon ALLTEL's rights with respect to its intangible personal property in the form of the UNE model which was developed at ALLTEL's sole expense. Information included in the Responses to Commission Staff Data Requests is generally considered confidential and proprietary in the telecommunications industry.
- 9. The Responses to Commission Staff Data Requests are also protected from disclosure pursuant to K.R.S. §61.878(1)(c)(2)(c) as a confidential and proprietary record disclosed to the Commission in conjunction with the regulation of a commercial enterprise.
- 10. Kentucky ALLTEL and its affiliates have taken all reasonable steps to prevent the dissemination of the confidential information in the Responses to Commission Staff Data Requests outside of Kentucky ALLTEL, its parent corporation and affiliates, and any outside parties authorized under an appropriate protective agreement.
- 11. Nondisclosure of the Responses to Commission Staff Data Requests would not be detrimental to the policy objectives of the Kentucky Open Records Act and instead would actually serve the public interest by promoting fair competition.

12. An original and four unredacted copies of the Responses to Commission Staff

Data Requests are being filed herewith, and unredacted copies are being provided to

AT&T Communications, Inc. and NuVox Communications, Inc., each of which has

executed a protective agreement with Kentucky ALLTEL. Due to the highly confidential

nature of the documentation, Kentucky ALLTEL requests that the documentation be

considered proprietary and confidential and not be duplicated.

WHEREFORE, Kentucky ALLTEL respectfully requests that the Commission

grant this Response and Petition for Confidential Treatment; afford the Responses to

Commission Staff Data Requests confidential treatment and place same in the

confidential files of the Commission; prohibit any party including Commission Staff

from duplicating the documentation; and grant Kentucky ALLTEL all other relief to

which it may be entitled including the right to withdraw its filing or cure any deficiencies

in this Petition prior to any disclosure of the Responses to Commission Staff Data

Requests.

Dated:

May 28, 2004.

Respectfully submitted,

KENTUCKY ALLTEL, INC.

James H. Newberry, Jr.

Noelle M. Holladay

Attorney for Kentucky ALLTEL, Inc.

Wyatt, Tarrant & Combs, LLP

250 West Main Street, Suite 1600

Lexington, KY 40507

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## **CERTIFICATE OF SERVICE**

I hereby certify that a notice with respect to the foregoing has been sent this 28th day of May, 2004 by first class mail, postage prepaid to the following parties of record in this matter. In addition, I certify that unredacted copies of same were served on Commission Staff and on Mr. Douglas F. Brent, AT&T and NuVox.

Molle M. Holladay
Noelle M. Holladay

William Adkinson		
	Jonathon N. Amlung, Esq.	Sylvia Anderson
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Carol Keith	Honorable Jeremy Marcus	Honorable Brent E. McMahan
Director, Regulatory and Public	Attorney-at-Law	VP - Regulatory & Gov.'t Affairs
Affairs	Blumenfeld & Cohen	Network Tolophone Com-
NuVox Communications, Inc.	Suite 300	Network Telephone Corporation 815 S. Palafox Street
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John Spilman Directory - Regulatory Affairs Broadslate Networks, Inc. 675 Peter Jefferson Parkway Suite 310 Charlottesville, VA 22911	Honorable Richard M. Sullivan Attorney-at-Law Conliffe, Sandmann & Sullivan 2000 Waterfront Plaza 325 West Main Street Louisville, KY 40202	Louisville, KY 40232  Kenneth Woods, Esq.  MCI 6 Concourse Parkway Suite 3200  Atlanta, GA 30328
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# KENTUCKY ALLTEL, INC.

Before the Kentucky Public Service Commission

Administrative Case No. 382

An Inquiry into the Development of

Deaveraged Rates for Unbundled Network Elements

Response to Data Request of Commission Staff to

Kentucky ALLTEL, Inc.

Dated May 7, 2004