

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

In the Matter of:

**APPLICATION FOR APPROVAL OF )**  
**THE TRANSFER OF CONTROL OF )**  
**ALLTEL KENTUCKY, INC. AND )**  
**KENTUCKY ALLTEL, INC. AND FOR )**  
**AUTHORIZATION TO GUARANTEE )**  
**INDEBTEDNESS )**

**CASE NO. 2005-00534**

**RECEIVED**

**MAR 20 2006**

**PUBLIC SERVICE  
COMMISSION**

PETITION FOR CONFIDENTIAL TREATMENT  
(MARCH 20, 2006 SUPPLEMENTAL RESPONSE)

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Kentucky Alltel, Inc., Alltel Kentucky, Inc., Alltel Communications, Inc., Alltel Holding Corp., Valor Communications Group and Alltel Holding Corporate Services, Inc. ("Applicants") move the Commission pursuant to 807 KAR 5:001, Section 7 and KRS 61.878 for confidential treatment of the following information filed in connection with their March 20, 2006 Supplement to their March 13, 2006 Response and described below. In support thereof, Applicants state:

**MOTION FOR CONFIDENTIAL TREATMENT**

**Introduction**

1. In this proceeding the Applicants are seeking Commission authority to separate the wireline operations of Alltel Communications, Inc. and merge the wireline operations with Valor Communications Group.
2. Both the wireline and wireless businesses of the Applicants are commercial enterprises and are extremely competitive. The wireless business has been competitive since its inception, with numerous carriers and resellers are providing

wireless service. With the enactment of the Telecommunications Act of 1996 and the rise of Competitive Local Exchange Carriers nationwide, including Kentucky, the wireline business likewise has become competitive. In addition, other non-regulated businesses, such as cable companies, now compete with Applicants' wireline business. Several of Kentucky Alltel, Inc. and Alltel, Kentucky, Inc.'s CLEC competitors are parties to this proceeding.

3. A number of the data requests seek proprietary and confidential information that is not publicly available and that if were made publicly available could be used to the competitive commercial advantage of the Applicants' competitors and the competitive commercial disadvantage of the Applicants.

#### **Basis for Confidential Treatment**

4. KRS 61.878(c)(1)(b) excludes from the Open Records Act:

"Records confidentially disclosed to an agency, generally recognized as confidential or proprietary, which if openly disclosed would present an unfair commercial advantage to competitors of the entity that disclosed the records, and which are compiled and maintained . . . in conjunction with the regulation of commercial enterprise . . ."

A. The Information Is Generally Recognized As Confidential and Proprietary And Is Being Provided In Connection With The Regulation of Commercial Enterprises.

5. The information for which confidential treatment is being sought is being filed by the Applicants in response to Data Requests propounded by parties and Staff in this proceeding. This proceeding is being maintained by the Commission in connection with its review of the separation transaction under KRS 278.020 and as such involves the regulation of commercial enterprises.

6. The information for which confidential treatment is sought is "generally recognized as confidential or proprietary." The request calls for information that is highly confidential and maintenance of the confidentiality is critical to the Applicants' ability to provide competitive products and services. Dissemination of the requested information is restricted by Applicants and the Applicants take all reasonable measures to prevent its disclosure to the public as well as persons within the company who do not have a need for the information. To the extent it is filed with regulatory agencies (principally Pennsylvania) it has been accorded confidential treatment. Similarly, to the extent the information has been provided to rating agencies and investment analysts it is treated as confidential by the recipients.

B. Disclosure Of The Information Will Result In An Unfair Commercial Advantage.

7. Disclosure of the confidential information also will result in a significant, non-trivial unfair commercial advantage to competitors of the Applicants. *Southeastern United Medigroup, Inc. v. Hughes*, Ky. App., 952 S.W.2d 195, 199 (1997). In particular, it will permit competitors to target their marketing efforts or to discover information about the Applicants confidential business plans or costs that is not otherwise available. Accordingly, Applicants would be placed at a competitive disadvantage vis-à-vis other providers in Kentucky (and elsewhere) if required to disclose the information publicly.

8. Specifically, the information for which confidential treatment is being sought and the basis for such treatment are:

<b>Request Supplemented</b>	<b>Additional Explanation of Nature of Material and Basis for Confidential Treatment</b>
Communication Workers of America Requests Nos. 46 and 47;	Confidential presentation made by Alltel to financial analysts. Contains

Lexington-Fayette Urban County Government Request No. 15	detailed confidential and proprietary information not made publicly available and the release of which at this time may harm Alltel. The information was made available to investment bankers only upon their execution of a confidentiality agreement.
Communication Workers of America Requests Nos. 46 and 47; Lexington-Fayette Urban County Government Request No. 15	Confidential presentation made by Alltel to financial analysts. Contains detailed confidential and proprietary information not made publicly available and the release of which at this time may harm Alltel. The information was made available to investment bankers only upon their execution of a confidentiality agreement.
Staff Request No. 8; Attorney General Request No. 64	Non-Public Draft Solvency Letter from Phelps & Duff. Conclusions are not in final form and may change

Because of their size, certain confidential exhibits have been redacted in their entirety. Confidential treatment is not being sought for headings and titles of such documents.

9. Applicants have entered into Non-Disclosure Agreements with the Lexington-Fayette Urban County Government, the Office of the Attorney General and counsel for the Communications Workers of America to provide in a non-redacted form the information for which confidential treatment is being sought. Applicants offered to enter into similar agreements with the other parties on February 16, 2006 and March 9, 2006 and remain willing to do so.

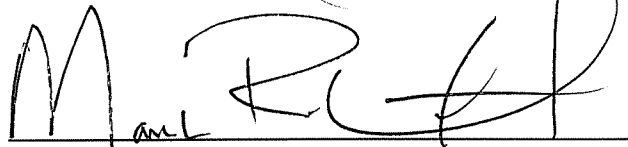
Wherefore, Kentucky Alltel, Inc., Alltel Kentucky, Inc., Alltel Communications, Inc., Alltel Holding Corp., Valor Communications Group and Alltel Holding Corporate Services, Inc. respectfully request the Commission:

1. To grant confidential treatment to the identified responses or portions thereof;
2. Grant the Applicants such further relief as may be appropriate.

Dated: March 20, 2006.

Respectfully submitted,

STITES & HARBISON

A handwritten signature in black ink, appearing to read 'Mark R. Overstreet', is written over a horizontal line. The signature is stylized and somewhat cursive.

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**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing was served via electronic delivery and prepaid First Class Mail upon the following:

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on this the 20<sup>th</sup> day of March, 2006.



Mark R. Overstreet