

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SOUTH CENTRAL BELL TELEPHONE)
COMPANY'S PROPOSED AREA CALLING) CASE NO. 91-250
SERVICE TARIFF)

O R D E R

This matter arising upon petition of South Central Bell Telephone Company ("South Central Bell") filed November 14, 1991 pursuant to KRS 61.878 and 807 KAR 5:001, Section 7, for confidential protection of South Central Bell's responses to Item 15(d) of the Attorney General's data request and Item 5 of AT&T's data request on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

In this proceeding, South Central Bell seeks approval of its proposed Area Calling Service tariff which will, in effect, permit it to expand local service areas in certain markets. Because of the effect such expansion will have upon interexchange carriers ("IXCs") when intraLATA competition becomes effective, many of the IXCs, together with the Attorney General, have intervened in these proceedings. The intervenors have also served data requests upon South Central Bell seeking information relevant to the proposed service.

Item 5 of AT&T's data request requests South Central Bell to provide the percent of its existing intraLATA MTS traffic that is

subject to being provided as local traffic under ACS. MTS refers to Measured Toll Service and ACS refers to the proposed Area Calling Service. South Central Bell has petitioned that its response to this request be protected as confidential.

Item 15(d) of the Attorney General's data request requests that South Central Bell furnish its best estimate of the incremental cost of local usage detail, per message listed. South Central Bell has also petitioned that this information be protected as confidential.

The information sought to be protected is not known outside of South Central Bell and is not disseminated within South Central Bell except to those employees who have a legitimate business need to know and act upon the information. South Central Bell seeks to preserve the confidentiality of the information through all appropriate means.

One basis for protecting information as confidential under KRS 61.878 and 807 KAR 5:001, Section 7, is that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, 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.

The amount of South Central Bell's MTS traffic occurring within 22 miles of the home wire center is market sensitive information that would provide South Central Bell's competitors

with valuable information on the intraLATA market. Specifically, the information would allow competitors to focus their marketing efforts along routes and in mileage bands which are the most lucrative to South Central Bell. Therefore, disclosure of the information filed in response to Item 5 of AT&T's data request is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

The incremental cost information which South Central Bell has filed in response to Item 15(d) of the Attorney General's data request should likewise be protected as confidential. Providing the incremental cost of local usage detail would enable competitors to estimate the incremental cost of billing similar messages to IXCs. Alternative billing and collection providers could use this information to market their own services to the detriment of South Central Bell. Therefore, this information has competitive value and is entitled to protection as confidential.

This Commission being otherwise sufficiently advised,


IT IS ORDERED that:

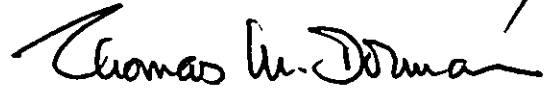
1. South Central Bell's responses to Item 5 of AT&T's data request and Item 15(d) of the Attorney General's data request, which South Central Bell has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

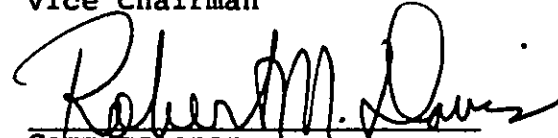
2. South Central Bell shall, within 10 days of the date of this Order, file edited copies of the information with the confidential material obscured for inclusion in the public record, with copies to all parties of record.

Done at Frankfort, Kentucky, this 9th day of April, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director, Acting