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March 5, 2010

VIA COURIER

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602 RECEIVED

MAR 05 2010

PUBLIC SERVICE COMM!SSION

Re:

MCI Communications, Services, Inc., Bell Atlantic Communications. Inc., NYNEX Long Distance Company, TTI National, Inc., Teleconnect Long Distance Services & Systems Company and Verizon Select Services, Inc., Complainants v. Windstream Kentucky West, Inc., Windstream Kentucky East, Inc.-Lexington, and Windstream Kentucky East, Inc.-London,

Defendants

PSC 2007-00503

Dear Mr. Derouen:

Enclosed for filing in the above-captioned case are Responses of BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC to Data Requests of Windstream Kentucky East, LLC and Windstream Kentucky, West, LLC dated February 12, 2010.

A portion of AT&T's responses contains confidential commercial information and AT&T files herewith its Motion for Confidentiality, pursuant to 807 KAR 5:001, Section 7, seeking protection of that material. Specifically, AT&T requests the Commission to grant confidentiality to portions of the Responses to Item Nos. 10 and 11. One proprietary copy and six edited copies are provided to the Commission. Edited copies of the filing are also provided to parties of record.

Should you have any questions, please let me know.

Sincerely,

Mary K) Kever

Enclosures

cc: Parties of Record

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EDITED

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| MCI COMMUNICATIONS SERVICES, INC., BELL ATLANTIC COMMUNICATIONS, INC., NYNEX LONG DISTANCE COMPANY, TTI NATIONAL, INC., TELECONNECT LONG DISTANCE SERVICES & SYSTEMS COMPANY AND VERIZON SELECT SERVICES, INC. |)))) |
|--|-------------------------------|
| Complainants |) CASE NO.) 2007-00503 |
| VS. |) |
| WINDSTREAM KENTUCKY WEST, INC., WINDSTREAM KENTUCKY EAST, INC. – LEXINGTON AND WINDSTREAM KENTUCKY EAST, INC. – LONDON | ,))) |
| Defendants | <i>)</i>) |

MOTION FOR CONFIDENTIALITY OF BELLSOUTH TELECOMMUNICATIONS, INC. D/B/A AT&T KENTUCKY AND AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, LLC

Petitioner, BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC ("AT&T"), by counsel, hereby moves the Public Service Commission of the Commonwealth of Kentucky (the "Commission"), pursuant to KRS 61.878 and 807 KAR 5:001, § 7, to classify as confidential the highlighted information in AT&T's responses to Windstream's First Set of Data Requests, Numbers 10 and 11 filed herewith. The material that is highlighted contains company information specific to access minutes of use.

The Kentucky Open Records Act exempts certain information from the public disclosure requirements of the Act, including confidential and/or proprietary information, the disclosure of which would permit an unfair commercial advantage to competitors. KRS 61.878(1)(c)1. To qualify for the commercial information exemption and, therefore, keep the information confidential, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors and the parties seeking confidentiality if openly discussed. KRS 61.878(1)(c)1; 807 KAR 5:001 § 7. The Commission has taken the position that the statute and rules require the party to demonstrate actual competition and the likelihood of competitive injury if the information is disclosed.

The information for which AT&T seeks confidentiality contains carrier-specific information. Specifically, the information that is highlighted in Responses 10 and 11 is company-specific access minutes of use data for which AT&T compensated those local exchange carriers. This data contains market sensitive information that could compromise AT&T's competitive position in the long distance market.

Public disclosure of the identified information would provide competitors that provide services similar to AT&T, namely CLECs, IXCs, and other competitors, with an unfair competitive advantage. The Commission should also grant confidential treatment to the information for the following reasons:

(1) The information for which AT&T is requesting confidential treatment is not known outside of AT&T;

- (2) The information is not disseminated within AT&T and is known only by those of AT&T 's employees who have a legitimate business need to know and act upon the information;
- (3) AT&T seeks to preserve the confidentiality of this information through appropriate means, including the maintenance of appropriate security at its offices; and
 - (4) By granting AT&T petition, there would be no damage to any public interest.

For the reasons stated herein, the Commission should grant AT&T's request for confidential treatment of the identified information.

Respectfully submitted,

Mary K. Keyer

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Louisville, KY 40203

(502) 582-8219

mary.keyer@att.com

COUNSEL FOR BELLSOUTH
TELECOMMUNICATIONS, INC.
D/B/A AT&T KENTUCKY AND
AT&T COMMUNICATIONS OF THE SOUTH
CENTRAL STATES, LLC

788574

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the following individuals by mailing a copy thereof, this 5th day of March 2010.

Honorable Douglas F. Brent Stoll Keenon Ogden, PLLC 2000 PNC Plaza 500 W. Jefferson Street Louisville, KY 40202-2828

Kimberly Caswell Associate General Counsel Verizon P.O. Box 110, MC FLTC0007 Tampa, FL 33601-0110

Honorable John N. Hughes Attorney at Law 124 West Todd Street Frankfort, KY 40601

Honorable Robert C. Moore Hazelrigg & Cox, LLP 415 West Main Street P.O. Box 676 Frankfort, KY 40602

Dulaney L O'Roark III VP & General Counsel - SE Region Verizon 5055 North Point Parkway Alpharetta, GA 30022

Jeanne Shearer Windstream Kentucky East, LLC Windstream Kentucky West, LLC 124 E. Main Street P. O. Box 458 Ephrata, PA 17522-0458

Mary K. (Keyer

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 1 Page 1 of 1

REQUEST: Identify the date on which you last reduced your intrastate switched access

rates in Kentucky and the specific circumstances under which and the

reason(s) why you made the reductions.

RESPONSE: AT&T-Kentucky's switched access rates are located in Section E6.8 of its Access Services Tariff. The tariff is available from the Commission's web

site at:

http://psc.ky.gov/tariffs/Telecommunications A-

C/BellSouth%20Telecommunications,%20Inc/Access%20Services/

There are 55 pages of switched access rates in Section E6.8. The last reduction of any of those rates was on August 1, 2002, when the nonrecurring charges for Transfer of Billing (E6.8.12, Sixth Revised Page 66) were reduced to mirror the comparable interstate rates in FCC No. 1, Section 13.

The filing to mirror interstate rates was made because mirroring was ordered by the Commission in its July 20, 1995 order in *In re Application of BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company to Modify its Method of Regulation*, Case No. 94-121.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 2 Page 1 of 1

REQUEST: State whether your intrastate switched access rates are cost-based rates.

RESPONSE: It is not clear what is meant by the phrase "cost-based." If the intent was to inquire whether the Kentucky PSC reviewed a specific switched access

cost study while approving the current intrastate rates for AT&T Kentucky, the answer is "No." AT&T Kentucky's current intrastate switched access rates are under a form of alternative regulation pursuant to KRS 278.543 that AT&T Kentucky opted into on July 12, 2006. Under this alternative regulation plan, switched access rates are capped at the levels that were in

effect the day before AT&T Kentucky opted into the plan.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 3 Page 1 of 1

REQUEST: State whether your interstate switched access rates are cost-based rates.

RESPONSE: It is not clear what is meant by the phrase "cost-based." If the intent was to inquire whether the FCC reviewed a specific switched access cost study while approving the current interstate rates for AT&T Kentucky, the answer is "No." AT&T Kentucky's prices were developed under a price cap regime which is a form of alternative regulation that does not require review of service specific cost studies. Rather, the current AT&T

Kentucky's interstate access rates were based on a complex set of access charge rules prescribed in Part 69, Subpart C, of the FCC Regulation.

AT&T Kentucky and **AT&T Communications** KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 4 Page 1 of 1

REQUEST:

Explain in detail all benefits, including forbearance from regulatory proceedings and oversight, that you obtained from the Kentucky Public Service Commission as a result of any reductions you made to your intrastate switched access rates from 2000 to the present.

RESPONSE: The reductions AT&T Kentucky made to its intrastate switched access rates from 2000 to the present were made to mirror comparable interstate rates.

> In its July 20, 1995 order in Case No. 94-121 at page 50, the Commission encouraged the mirroring of interstate access charges, noting that, "There is no evidence that the cost of interstate and intrastate access services are substantially different. Also, mirroring tends to discourage 'tariff shopping' by an interexchange carrier which subscribes to the least expensive tariff, irrespective of its actual jurisdictional usage."

> In addition to the avoidance of tariff shopping, the order also identified the elements of the price regulation plan which allowed AT&T Kentucky greater freedom in pricing its competitive services.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 5 Page 1 of 1

REQUEST: Provide all documents, agreements, internal memoranda, etc. relating to or documenting the activities referenced in and your response to No.4 above.

RESPONSE: The July 20, 1995 order in Case No. 94-121 is available from the Commission's web site at:

http://psc.ky.gov/order_vault/Orders_1995/199400121_07201995_2.pdf

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 6 Page 1 of 1

REQUEST: Provide all documents and information you maintain relating to the

respective market share of Sprint long distance affiliates in your incumbent

local exchange carrier's service territories.

RESPONSE: Objection. This request is overly broad and unduly burdensome in

requesting "all" documents and information with no specified time period, is vague and ambiguous as to the term "market share," and requests documents and information that are irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. This proceeding is about Windstream's intrastate access rates and has nothing to do with long distance "market share" (however defined) of various carriers served by AT&T Kentucky. AT&T also objects to this request to the extent it seeks the disclosure of information and documents that are subject to any obligation of confidentiality owed by AT&T to any third party or seeks an analysis, calculation or compilation which has not previously been

performed and which would require a special study.

AT&T Kentucky and **AT&T** Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 7 Page 1 of 1

REQUEST:

Provide all documents and information you maintain relating to the respective market share of Verizon long distance affiliates in your incumbent local exchange carrier's service territories.

RESPONSE: Objection. This request is overly broad and unduly burdensome in requesting "all" documents and information with no specified time period, is vague and ambiguous as to the term "market share," and requests documents and information that are irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. This proceeding is about Windstream's intrastate access rates and has nothing to do with long distance "market share" (however defined) of various carriers served by AT&T Kentucky. AT&T also objects to this request to the extent it seeks the disclosure of information and documents that are subject to any obligation of confidentiality owed by AT&T to any third party or seeks an analysis, calculation or compilation which has not previously been performed and which would require a special study.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 8 Page 1 of 1

REQUEST: Provide, by exchange or wire center in Windstream East's territory, the number of customers subscribed to your wireless affiliate(s).

RESPONSE: AT&T Mobility is not certificated by the Kentucky Public Service Commission and is not a party to this proceeding.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 9 Page 1 of 1

REQUEST: Provide, by exchange or wire center in Windstream West's territory, the

number of customers subscribed to your wireless affiliate(s).

RESPONSE: AT&T Mobility is not certificated by the Kentucky Public Service

Commission and is not a party to this proceeding.

AT&T Kentucky and **AT&T** Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 10 Page 1 of 2

REQUEST:

For each year from 2006 to the present, provide, by local exchange carrier ("LEC") in Kentucky, the originating access minutes of use ("MOUs") for which you compensated each LEC or, in a case where you did not remit the compensation, for which you were billed by each LEC. Please answer separately for each BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC.

RESPONSE: The information requested is confidential and proprietary. Simultaneous to this response, AT&T Kentucky is filing a petition requesting confidentiality of the information requested and will provide the information to Windstream upon execution of a nondisclosure agreement.

AT&T Kentucky:

| ORIGINATING | 2006 | 2007 | 2008 | 2009 |
|---------------------|------|------|------|------|
| Ballard 0396 | | | | |
| Windstream 0402 | | 1. | | |
| Brandenburg 0398 | × * | | | |
| Duo Co 0401 | | | | |
| Foothills 0406 | | | | |
| Coalfields 0408 | | | | |
| Highland 4002 | | | | |
| Leslie 0411 | | | | |
| Lewisport 0412 | | | | |
| Logan 0413 | | | | |
| Mountain Rural 0414 | | | | |
| NC Rural 4001 | | - | - | |
| Peoples 0415 | | | | |
| Salem 0417 | | | | |
| SC Rural 0418 | | | | |
| Thacker 0419 | | | | |
| West KY Rural 0421 | | | | |
| Windstream Lex 9690 | | | | |
| Windstream Lon 9691 | | | | |

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 10 Page 2 of 2

AT&T Communications of the South Central States, LLC and TCG Ohio ("TCG"):

| Originating | 2006 | 2007 | 2008 | 2009 |
|------------------------------------|---------|-----------------------------|------|-------|
| WINDSTREAM CORPORATION | | \$ 1. 1. 1. 1. | | **: ' |
| HIGHLAND TEL COOP -KY | | and the first of the second | | \$. |
| CINCINNATI BELL | | | | |
| TDS TELECOM | | | | 1992 |
| WEST KY RURAL TEL COOP CORP INC | | ·. | | |
| BRANDENBURG TEL | | | | |
| SOUTH CENTRAL RURAL TEL COOP | | | | |
| FOOTHILLS RURAL TEL COOP CORP | 3.7 | | | |
| BALLARD RURAL TEL COOP | | | | |
| DUO COUNTY TEL COOP INC | | | | |
| MOUNTAIN RURAL TEL COOP CORP INC | N/A | N/A | | |
| THACKER-GRIGSBY TELEPHONE CO. INC. | | | | 1 |
| PEOPLES RURAL TEL COOP CORP | · · | | | |
| COALFIELDS TELEPHONE COMPANY | : ' ' ' | | | |
| LOGAN TEL COOP INC | | | | |
| NORTH CENTRAL TEL COOP | 1.5 | | | |

<u>Notes</u>

Source: AT&T accounts payable system

Minutes are aggregated for AT&T Communications and TCG. TCG minutes are very small percentage of the total minutes and cannot be readily broken out of the AT&T Communications of the South Central States minutes.

N/A: Company did not provide adequate detail to determine direction of traffic. See chart below for the no direction traffic.

AT&T Kentucky and **AT&T** Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 11 Page 1 of 3

REQUEST:

For each year from 2006 to the present, provide, by local exchange carrier ("LEC") in Kentucky, the terminating access minutes of use ("MOUs") for which you compensated each LEC or, in a case where you did not remit the compensation, for which you were billed by each LEC. Please answer separately for each BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC.

RESPONSE: The information requested is confidential and proprietary. Simultaneous to this response, AT&T Kentucky is filing a petition requesting confidentiality of the information requested and will provide the information to Windstream upon execution of a nondisclosure agreement.

AT&T Kentucky:

| TERMINATING | 2006 | 2007 | 2008 | 2009 |
|---------------------|------|--------------|------|---|
| Ballard 0396 | | terativa tit | | |
| Windstream 0402 | | | | |
| Brandenburg 0398 | N | | | |
| Duo Co 0401 | | | | |
| Foothills 0406 | | | | |
| Coalfields 0408 | | | | |
| Highland 4002 | | | | |
| Leslie 0411 | | | | |
| Lewisport 0412 | | | | |
| Logan 0413 | | | | |
| Mountain Rural 0414 | | | | , |
| NC Rural 4001 | | | | |
| Peoples 0415 | | | | |
| Salem 0417 | | | | |
| SC Rural 0418 | | | | |
| Thacker 0419 | | | | |
| West KY Rural 0421 | | | | |
| Windstream Lex 9690 | | | | |
| Windstream Lon 9691 | | | | |

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 11 Page 2 of 3

AT&T Communications of the South Central States, LLC and TCG Ohio:

| Terminating | 2006 | 2007 | 2008 | 2009 |
|------------------------------------|------------------------|------------------|---------------------------------------|----------|
| WINDSTREAM CORPORATION | 1.71 | | | * * |
| CINCINNATI BELL | | | | A. C. C. |
| FOOTHILLS RURAL TEL COOP CORP | ALL FORTER DESIGNATION | | | · · |
| MOUNTAIN RURAL TEL COOP CORP INC | N/A | N/A | | |
| COALFIELDS TELEPHONE COMPANY | | * | | *. * |
| PEOPLES RURAL TEL COOP CORP | | | | |
| BRANDENBURG TEL | | N. J. S. Steiner | | 15.55 |
| THACKER-GRIGSBY TELEPHONE CO. INC. | | | · · · · · · · · · · · · · · · · · · · | *- |
| DUO COUNTY TEL COOP INC | | | | |
| SOUTH CENTRAL RURAL TEL COOP | | | | 1,111 |
| WEST KY RURAL TEL COOP CORP INC | | | | |
| LOGAN TEL COOP INC | | | | N. |
| TDS TELECOM | | | | |
| BALLARD RURAL TEL COOP | 1, 1 | | | |
| NORTH CENTRAL TEL COOP | | | | |
| HIGHLAND TEL COOP -KY | | * | * | * |

Notes

Source: AT&T accounts payable system

Minutes are aggregated for AT&T Communications and TCG. TCG minutes are very small percentage of the total minutes and cannot be readily broken out of the AT&T Communications of the South Central States minutes.

N/A: Company did not provide adequate detail to determine direction of traffic. See chart below for the no direction traffic.

*Highland Telephone COOP does not provide a breakdown between originating and terminating end office minutes. Terminating minutes are included as part of the originating minutes.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's First Set of Data Requests February 12, 2010 Item No. 11 Page 3 of 3

| No Direction | 2006 | 2007 | 2008 | 2009 |
|-------------------------------------|----------------------|------|------|------|
| BALLARD RURAL TEL COOP CORP INC | 1.0 % . 14 . | 0 | 0 | 0 |
| BRANDENBURG TEL CO | | | 0 | 0 |
| DUO COUNTY TEL COOP INC | 2.2 x 3 x 3 x 3 x 3 | 0 | 0 | 0 |
| FOOTHILLS RURAL TEL COOP CORP | | 0 | 0 | 0 |
| GEARHEART DBA COALFIELDS TEL.CO | NA ALTABASE | | 1.0 | 0 |
| HIGHLAND TEL COOP -KY | | | 0 | 0 |
| LOGAN TEL COOP INC | 4 - 4, july 1, 1 - 1 | 0 | 0 | 0 |
| MOUNTAIN RURAL TEL COOP CORP INC | | | | 0 |
| NORTH CENTRAL TEL COOP - KY | | 0 | 0 | |
| PEOPLES RURAL TEL COOP CORP | | | | 0 |
| SOUTH CENTRAL RURAL TEL COOP | 0 | 0 | 0 | 0 |
| THACKER-GRIGSBY TELEPHONE CO., INC. | ., | 0 | 0 | 0 |
| WEST KY RURAL TEL COOP CORP, INC | A. A. S. S. S. | 0 | 0 | |

<u>Notes</u>

Source: AT&T accounts payable system

Minutes are aggregated for AT&T Communications and TCG. TCG minutes are very small percentage of the total minutes and cannot be readily broken out of the AT&T Communications of the South Central States minutes.