

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED RESTRUCTURING AND REPRICING)	
OF SOUTH CENTRAL BELL TELEPHONE COMPANY'S)	CASE NO.
PRIVATE LINE SERVICES TARIFF AND ACCESS)	10477
SERVICES TARIFF)	

O R D E R

This matter arising upon petition of South Central Bell Telephone Company ("SCB"), filed August 7, 1989 for confidential protection of certain information filed in response to Item 10 of the Commission's July 24, 1989 Order, and upon petition and amended petition both filed August 7, 1989, for confidential protection of certain information filed in response to Items 3 and 7 of the first data requests of AT&T Communications of the South Central States, Inc. ("AT&T"), and it appearing to the Commission as follows:

SCB seeks to protect from public disclosure its responses to Item 10 of the Commission's July 24, 1989 Order, and Items 3 and 7 of AT&T's first data requests on the grounds that the information is not known outside of SCB, is not disseminated within SCB except to those employees with a legitimate need to know and act upon it, and is protected as confidential by SCB through all appropriate means. SCB also contends that public disclosure of the information will cause it competitive injury and would not serve the public's interest.

On July 24, 1989, the Commission ordered SCB to respond to 18 data requests relevant to the operations it proposes in this proceeding. Item 10 requested the assumptions used by SCB in developing the cost support for certain private line rates. The assumptions and analyses used in this data are unique to SCB, and SCB maintains that its competitors can use the information to evaluate the desirability of building, leasing, or acquiring competing facilities. Thus, public disclosure of the information, which was developed by SCB, would give its competitors an unfair advantage.

807 KAR 5:001, Section 7, protects information as confidential only when it is established that public disclosure may result in competitive injury to the person possessing the information. In other words, information is entitled to protection if its public disclosure is likely to cause substantial harm to the competitive position of the person from whom it was obtained. Thus, competition in the marketplace is a prerequisite for protection.

The information furnished in response to the Commission's Item 10 relates to SCB's intraLATA long-distance service. Under current policy, only local exchange companies, such as SCB, can provide that service; therefore, it is not a service for which other telecommunication carriers can compete. However, that policy is currently under review by this Commission in an

administrative action.¹ Therefore, while no determination has been made in that, or any other aspect of the case, if the Commission determines that long-distance intraLATA service should be opened to competition, disclosure of the information furnished in response to Item 10 of the Commission's request would give potential competitors of SCB an unfair advantage resulting in competitive injury to SCB.

On February 24, 1989, AT&T served data requests on SCB. Item 3 requested forecasted intrastate special access and intraLATA private-line revenues for 1989. SCB contends that these services are competitive and forecasted revenues would be of substantial value to competitors. Here again, the information relates to services for which SCB has monopolistic authority under current policy. But, even if the services could be provided by competitors, the information is not of sufficient detail to be of significant competitive value, and the benefits to be derived from disclosure to the public outweigh the private competitive interests of SCB, and confidential protection should be denied.

Item 7 requests SCB to provide Carrier Common Line switched-access terminating and originating volumes for 1987 and 1988 and forecasted volumes for 1989 and 1990. SCB maintains that disclosure of this information would provide its competitors with sensitive financial data and cause SCB competitive injury.

¹ Administrative Case 323, An Inquiry into IntraLATA Toll Competition, an Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality.

The information for 1987 and 1988 has previously been filed in this case. Therefore, as information of public record, it is not entitled to confidential protection. Likewise, the information for 1989 and 1990 is comparable to information that is also publicly available outside the record in this case. Thus, it, too, has no competitive value and is not entitled to confidential protection.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that:

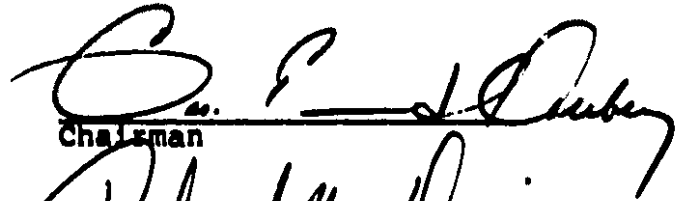
1. The petition by SCB for confidential protection of the information furnished in response to Item 10 of the July 24, 1989 Order is hereby granted and the information shall be withheld from public disclosure and retained by this Commission as confidential, subject, however, to further Orders of the Commission.

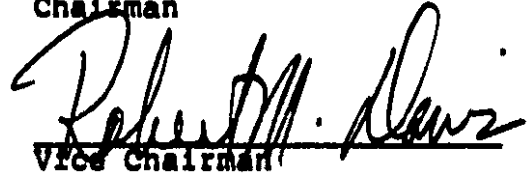
2. SCB shall, within ten days of the date of this Order, file an edited copy of its response to Item 10 of the July 24, 1989 Order for inclusion in the public record with copies to all parties of record.

3. The petition by SCB for confidential protection of the information furnished in response to Items 3 and 7 of AT&T's first data request is hereby denied.

Done at Frankfort, Kentucky, this 18th day of September, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director, Acting