

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SOUTH CENTRAL BELL TELEPHONE COMPANY'S) CASE NO.
EXPERIMENTAL INCENTIVE REGULATION PLAN) 89-076

O R D E R

This matter arising upon petitions of South Central Bell Telephone Company ("South Central Bell") pursuant to 807 KAR 5:001, Section 7, for confidential protection of certain information as follows:

1. Petition filed May 1, 1989 and supplemented on July 20, 1989 for protection of the budgetary process for 1989.
2. Petition filed May 18, 1989 and supplemented on June 2, 1989 and July 20, 1989 for protection of the intrastate financial report for February 1989.
3. Petition filed June 2, 1989 and supplemented July 20, 1989 for protection of the combined financial reports for April 1989.
4. Petition filed June 9, 1989 and supplemented July 20, 1989 for protection of the intrastate financial reports for March 1989.
5. Petition filed June 20, 1989 for protection of the intrastate financial reports for 1988 and January 1989 and the combined financial reports for 1988.
6. Petition filed June 26, 1989 and supplemented June 28, 1989 for protection of the combined financial reports for May 1989.

7. Petition filed June 28, 1989 for protection of the combined financial reports for November and December 1988 and January, February, and March 1989.
8. Petition filed June 29, 1989 for protection of a quarterly report on the status of the budgetary process.
9. Petition filed July 11, 1989 for protection of the Intrastate Financial Report for April 1989 and the Revised Schedule 1A for 1988 and January through March 1989.
10. Petition filed July 24, 1989 for protection of the company's combined financial reports for June 1989.
11. Petition filed August 3, 1989 for protection of the intrastate financial reports for May 1989.

and, it appearing to this Commission as follows:

South Central Bell maintains that disclosure of all the information sought to be protected would permit South Central Bell's competitors to determine revenue and expense projections associated with the company's operations in this state and thereby give those competitors an unfair business advantage. South Central Bell also maintains that the information sought to be protected is not known outside the company, that it is not disseminated within the company except to those employees with a need to know, and that its confidentiality is protected by appropriate means.

BUDGETARY PROCESS

Disclosure of the budgetary process for 1989 and the quarterly report on the status of the budget process would result in competitive injury to South Central Bell. The budget forecasts

revenues and expenses in the various markets which South Central Bell serves. In addition, it reveals network strategies for Kentucky. Such information would provide competitively valuable information to South Central Bell's competitors and should be protected from disclosure.

COMBINED AND INTRASTATE FINANCIAL REPORTS

The combined financial reports and intrastate financial reports, including the Revised Schedule 1A, reflect the actual revenues and expenses in various aspects of South Central Bell's operations on a monthly basis. As such they are used as management tools to discern trends in the market. Such information would also be of substantial value to South Central Bell's competitors in choosing what areas to compete with South Central Bell and devising strategy for competing. Therefore, this information should be protected from disclosure.

In addition, South Central Bell seeks protection of the Revised Schedule 1A for the year 1988 and January through March 1989. These revisions reflect shifts in network access revenues between the categories shown on the report, although the total network access revenues remain unchanged. Like the combined financial report and intrastate financial report, these revenues can be used to discern trends in the market and would be of substantial value to South Central Bell's competitors. Therefore, this information should also be protected from disclosure.

This Commission being otherwise sufficiently advised,
IT IS ORDERED that:

1. The petitions for confidential protection of the information described therein be and hereby are granted and that the information sought to be protected shall be held and retained by this Commission as confidential and proprietary and shall not be open to public inspection.

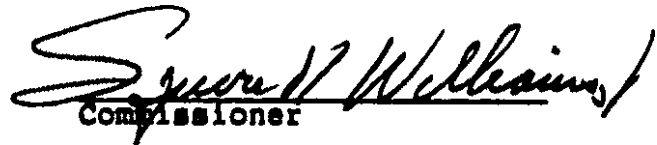
2. South Central Bell shall file an edited copy of the information with the confidential material obscured for inclusion in the public record with copies to all parties of record within 10 days of the date of this Order.

Done at Frankfort, Kentucky, this 24th day of August, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director