

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
INFORMATION FILED WITH SOUTH CENTRAL) CASE NO. 94-166
BELL TELEPHONE COMPANY'S PROPOSED)
CONTRACTS WITH LIBERTY NATIONAL BANK)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company ("South Central Bell"), filed April 22, 1994, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with South Central Bell's special service arrangement with Liberty National Bank of Louisville, Kentucky ("Liberty") 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:

South Central Bell has entered into two contracts with Liberty for telecommunications services for the bank's Customer Services Department. The first contract is for computer link service that provides the transmission of incoming call information from a central office to a voice response unit provided by the bank. If the calling party is able to conclude its business with the voice response unit (i.e. retrieve account balances, secure interest rates, etc.), the call is completed. If the calling party needs to speak to a customer service representative, the calling information

is sent to an on-site computer and to the ESSX automatic call distribution ("ACD") service simultaneously. When the ACD directs the call to a specific agent, the calling party's records are retrieved and directed to the agent's computer screen at the same time.

The second contract includes a reduced rate for a DSI Termination associated with Liberty's digital ESSX system. Incoming calls on the bank's 800 service require termination into the bank's ESSX system. This is a tariffed ESSX feature and South Central Bell has reduced the rate to a monthly recurring charge and a non-recurring rate as an inducement to the bank to continue using this service.

The information sought to be protected consists of the cost information filed in support of the proposed contracts. South Central Bell maintains that disclosure of the information is likely to cause it competitive injury.

The information sought to be protected is not known outside 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.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of

information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established 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.

South Central Bell's competitors for ESSX service are providers of PBX equipment. Disclosure of the cost information sought to be protected would allow providers of PBX equipment to determine South Central Bell's cost and contribution from ESSX service which competitors could use to market their competing service to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,


IT IS ORDERED that the cost support data developed by South Central Bell in connection with its proposed special service arrangement contracts with Liberty, 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.

Done at Frankfort, Kentucky, this 13th day of May, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director