

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
INFORMATION FILED WITH SOUTH CENTRAL) CASE NO. 94-278
BELL TELEPHONE COMPANY'S PROPOSED)
CONTRACT ARRANGEMENT WITH NSA)

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 July 26, 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 proposed contract with NSA for four-wire Accupulse® service on the grounds that disclosure of the information will likely cause South Central Bell competitive injury, and it appearing to this Commission as follows:

South Central Bell has contracted with NSA, Division of Southwire, for the provision of four-wire AccuPulse® service. AccuPulse® service is an alternative to dedicated private line networks and utilizes the exchange switching network. In support of its application, South Central Bell has provided cost data which it seeks to protect as confidential.

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 and protect 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.

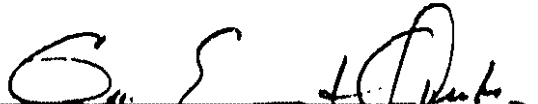
South Central Bell's competitors for AccuPulse® service are providers of microwave service, digital radio, and fiber networks. Disclosure of the cost information sought to be protected would enable such competitors to determine South Central Bell's cost and contribution from the service which competitors 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 with NSA, Division of Southwire, for four-wire AccuPulse® service, which South Central Bell has petitioned by 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 31st day of August, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director