

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT)
OF INFORMATION FILED WITH SOUTH CENTRAL) CASE NO. 94-361
BELL TELEPHONE COMPANY'S PROPOSED)
CONTRACTS WITH GENERAL ELECTRIC)

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 September 23, 1994, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a special service arrangement contract with General Electric for MegaLink® Service, MegaLink Channel Service, and those services' interface with SMARTRing® Service 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 three special contracts with General Electric which together will allow General Electric to interface their local trunks with SMARTRing Service. One of these contracts include reduced rates for MegaLink Service and include discount rates for MegaLink Channel Service. In support of its application for approval of the contracts, South Central Bell has provided cost support 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.

MegaLink Channel Service is a complementary service to MegaLink Service, providing channelization of the MegaLink private line. South Central Bell's competitors for private line networks are providers of microwave service, digital radio, and fiber networks. Disclosure of the information sought to be protected would enable such competitors to determine South Central Bell's

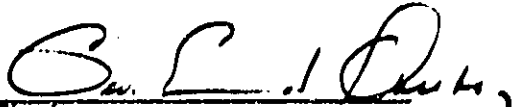
cost and contribution from the service which they could use to market their competing services to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

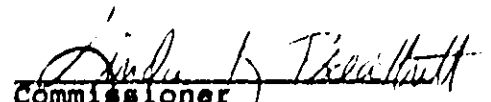
IT IS ORDERED that the cost support data developed by South Central Bell in connection with its special service arrangement with General Electric for MegaLink Service, MegaLink Channel Service, and those services' interface with SMARTRing Service, which South Central Bell has petitioned to be withheld 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 18th day of October, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director