

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BELLSOUTH )  
TELECOMMUNICATIONS, INC., D/B/A ) CASE NO. 94-121  
SOUTH CENTRAL BELL TELEPHONE )  
COMPANY TO MODIFY ITS METHOD OF )  
REGULATION )

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 January 23, 1995, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the information pertaining to price elasticities and price elasticity characteristics of services filed in response to Item 65 of AT&T's data request dated July 1, 1994, 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:

Item 65 of AT&T's data request seeks information pertaining to price elasticities and price elasticity characteristics of services in the non-basic category of South Central Bell's proposed price regulation plan. By this petition South Central Bell seeks to protect as confidential this information on the grounds that disclosure is likely to cause South Central Bell 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 to act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of appropriate security at its offices.

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 several categories of information. One category exempted in paragraph (c)1 of that section is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, 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 include interexchange carriers, resellers, cable television companies, and others. Such competitors could use the information sought to be protected to determine South Central Bell's pricing strategies in determining whether to enter certain markets to compete with South Central Bell. Thus, disclosure of the information is likely to cause South

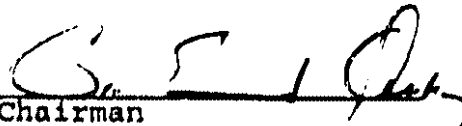
Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,


IT IS ORDERED that the price elasticities and price elasticity characteristics of services in the non-basic category of South Central Bell's proposed price regulation plan, 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 19th day of April, 1995.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director