

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
INFORMATION FILED WITH THE PROPOSED)
CONTRACT OF SOUTH CENTRAL BELL TELEPHONE) CASE NO. 95-110
COMPANY ON BEHALF OF THE LOCAL EXCHANGE)
CARRIER TELEPHONE GROUP FOR THE)
KENTUCKY INFORMATION HIGHWAY)

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 March 17, 1995, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost information filed in support of the proposed contract with the Commonwealth of Kentucky for services on the Kentucky Information Highway, and it appearing to this Commission as follows:

Kentucky's 20 local exchange companies have formed a telecommunications partnership called the Local Exchange Carrier Telephone Group ("LECTG") to deliver service to the Commonwealth of Kentucky for the Kentucky Information Highway and Communications Services. The purpose of this contract is to provide statewide access to public information, educational resources, health resources, and agency provided services. Regardless of location, the Commonwealth will receive a single statewide rate from the local exchange carriers for the contracted service. In support of

that rate, South Central Bell has submitted cost information which it seeks to protect as confidential.

The information sought to be protected is not known outside of 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, 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 from open inspection. One category exempted in paragraph (c)1 of that subsection is information confidentially disclosed to the Commission which if openly disclosed would permit an unfair commercial advantage to competitors of the source of the information. To qualify for this 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 competes with interexchange carriers in the toll and data market. Public disclosure of the supporting cost study would provide such competitors with demand and revenue estimates that would enable them to analyze market potential at the

expense of South Central Bell and the local exchange companies that form the LECTG. 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 information filed in support of the contract with the Commonwealth of Kentucky for the Kentucky Information Highway and Communication System, 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 14th day of April, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director