

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF THE)
COST SUPPORT MATERIAL FILED WITH THE)
CONTRACT FOR COMPUTER SERVICES, INC.,) CASE NO. 96-025
FILED WITH THE COMMISSION ON JANUARY 26,)
1996)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed January 29, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a contract service arrangement for Computer Services, Inc. for MegaLink® Service, SynchroNet® Service, and analog private line service on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

BellSouth has contracted with Computer Services, Inc. to provide MegaLink® Service, SynchroNet® Service, and analog private line service. In support of its application for approval of the contract, BellSouth has provided cost support data which it seeks to protect as confidential.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those employees who have a legitimate business need to know and act upon the information. BellSouth seeks to preserve and protect the

confidentiality of the information through all appropriate means, including the maintenance of security at its offices.

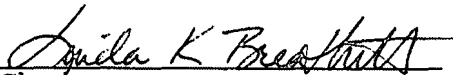
KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection 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.

MegaLink® Service, SynchroNet® Service, and analog service are private line services. BellSouth's competitors for private line networks are interexchange carriers, competitive access providers, and providers of microwave service, digital radio and fiber networks. Disclosure of the information would enable such competitors to determine BellSouth's cost and contribution from the service, which they could use in marketing their competing service. Therefore, disclosure of the information is likely to cause BellSouth competitive injury, and the information should be protected as confidential.


This Commission being otherwise sufficiently advised, IT IS ORDERED that the cost support data filed in support of the proposed contract with Computer Services, Inc. for MegaLink® Service, SynchroNet® Service, and analog service, which BellSouth 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 1st day of March, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director