

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT)
OF THE REVENUE/COST MATERIAL FILED)
WITH THE PROPOSED PROMOTION OF) CASE NO. 96-255
BELLSOUTH TELECOMMUNICATIONS, INC.,)
FOR ZIPCONNECTSM SERVICE FILED WITH)
THE COMMISSION ON JUNE 3, 1996)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed June 3, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the revenue, sales, and contribution projections and cost support data developed in connection with BellSouth's proposed promotions for ZipCONNECTSM Service on the grounds that disclosure of the information is likely to cause BellSouth competitive injury and that disclosure of the information would impair BellSouth's ability to contract for goods and services on favorable terms, and it appearing to this Commission as follows:

BellSouth has filed a proposed promotion for ZipCONNECTSM Service. In support of its proposed promotion, BellSouth has filed a cost study which contains revenue, sales, and contribution projections and cost support data developed in connection with the proposed modifications. BellSouth seeks to protect the cost study as confidential on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and that disclosure of vendor specific pricing negotiated by BellSouth will impair its ability to contract for goods and services on favorable terms.

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.

BellSouth's competitors for ZipCONNECTSM Service are providers of single number service, which could include interexchange carriers and other vendors as well. Disclosure of the information sought to be protected would enable BellSouth's competitors to determine BellSouth's cost and contribution from the service which they could use in marketing their competing services to the detriment of BellSouth. Therefore, disclosure of the information is likely to cause BellSouth competitive injury, and the information should be protected as confidential.

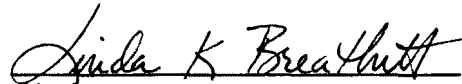
BellSouth also contends that the information should be protected because its disclosure would violate non-disclosure agreements and would impair BellSouth's ability to contract for goods and services on favorable terms in the future. Since it has been determined that the information is entitled to protection on other grounds, this issue need not be addressed in this Order.


This Commission being otherwise sufficiently advised,

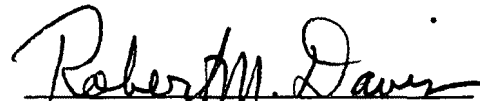
IT IS ORDERED that the revenue, sales, and contribution projections and cost support data developed in connection with BellSouth's proposed promotion for ZipCONNECTSM Service, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 21st day of June, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director