COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BELLSOUTH TELECOMMUNICATIONS, INC.'S REQUEST FOR CONFIDENTIAL TREATMENT OF INFORMATION FILED IN SUPPORT OF ITS CONTRACT ARRANGEMENT WITH INNOVATIVE PRODUCTIVITY, INC.

CASE NO. 96-415

ORDER

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed August 23, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with BellSouth's proposed special service arrangement with Innovative Productivity, Inc. for Call Forwarding Variable Multiple Simultaneous Calls and MultiPath Call Forwarding Busy Line 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 Innovative Productivity, Inc. to provide Call Forwarding Variable Multiple Simultaneous Calls and MultiPath Call Forwarding Busy Line, provided from a 1A analog office. In support of its application for approval of the contract, BellSouth has provided cost data which it seeks to protect as confidential.

The information sought to be protected is not known outside 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. 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 the services offered are providers of customer premises equipment and PBX systems. Disclosure of the cost data sought to be protected would allow such competitors to determine BellSouth's cost and contribution from the proposed service, which competitors could use to market 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.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost support data developed by BellSouth in connection with its proposed special service arrangement with Innovative Productivity, Inc. for Call Forwarding Variable Multiple Simultaneous Calls and Call Forward Busy Line MultiPath, 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.

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Done at Frankfort, Kentucky, this 26th day of September, 1996.

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PUBLIC SERVICE COMMISSION

Breathout Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director