

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEREGULATION OF LOCAL EXCHANGE) ADMINISTRATIVE
COMPANIES' PAYPHONE SERVICE) CASE NO. 361

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed May 1, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support information filed in response to Item 7 of the Commission's April 11, 1997 Order on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

In response to Item 7 of the Commission's Order dated April 11, 1997, BellSouth has provided cost information relating to its payphone operations. BellSouth has petitioned that this information be protected 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 business need to know and to 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.

The cost data filed in response to Item 7 of the Commission's Order provides information concerning BellSouth's payphone operations. With the emergence of local competition, other telephone companies entering the local market could use the information to develop effective market strategies 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.

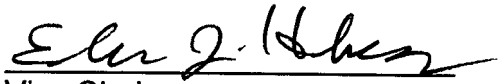
This Commission being otherwise sufficiently advised,

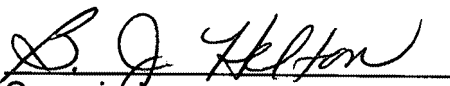
IT IS ORDERED that the cost information filed in response to Item 7 of the Commission's April 11, 1997 Order, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 29th day of May, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director