

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) CASE NO. 97-060
FRAME RELAY SERVICE, CONNECTIONLESS)
DATA SERVICE, AND BROADBAND EXCHANGE)
LINE SERVICE TARIFF MODIFICATIONS)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed February 11, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data, demand projections, and contribution projections filed in support of a proposed tariff for Frame Relay Service, Connectionless Data Service, and Broadband Exchange 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 filed revisions to its tariff which introduce new services including Frame Relay Service, Connectionless Data Service, and Broadband Exchange Line Service. Frame Relay Service and Connectionless Data Service are packet data services. Broadband Exchange Line Service is integral to both Frame Relay Service and Connectionless Data Service in that it provides connectivity to these services from the customer's premises. In support of the new tariffs, BellSouth has provided cost support

data, demand projections, and contribution projections 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 to act upon the information. BellSouth 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 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.

Frame Relay Service and Connectionless Data Service are packet data offerings which compete with similar services offered by providers of competitive private line networks. BellSouth's competitors for private line networks are providers of microwave service, digital radio, and fiber networks. Disclosure of the information sought to be protected would enable competitors to determine BellSouth's cost and contribution from the services which they could use to market their competitive services to the detriment of

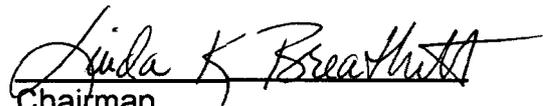
BellSouth. Therefore, disclosure of the information is likely to cause BellSouth competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost support data, demand projections, and contribution projections developed in connection with the proposed tariff for Frame Relay Service, Connectionless Data Service, and Broadband Exchange Line 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 26th day of March, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director