

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BELLSOUTH TELECOMMUNICATIONS, INC.'S) CASE NO. 97-074
APPLICATION TO RESTRUCTURE RATES)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed March 21, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the price-out information filed in support of BellSouth's proposed tariffs, on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

BellSouth filed an application to restructure certain tariff prices and for suspension of certain provisions of its price regulation tariff. In support of its application, BellSouth has filed price-out information 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 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 price-out information was provided to the Commission to facilitate the analysis of BellSouth's proposed rate restructuring. The information, which identifies among other things the company's volumes for various services, contains the demand quantities for all elements of the company's basic exchange services and residential vertical services. BellSouth's competitors for these services include AT&T, MCI, Sprint, ACSI, Unidial, Annox, and SouthEast Telephone. Disclosure of this information would enable these competitors to explore BellSouth's entire market demand for its competitive services and thereby draft strategies to capture specific market niches and package services based on BellSouth's demand quantities. 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 price-out information filed in support of BellSouth's proposed restructuring of its tariffs, 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 20th day of May, 1997.

PUBLIC SERVICE COMMISSION

Linda K. Breathitt
Chairman

E. J. Brennan
Vice Chairman

B. J. Helton
Commissioner

ATTEST:

Don Mills
Executive Director