

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION CONCERNING THE)
PROPRIETY OF INTERLATA)
SERVICES BY BELLSOUTH)
TELECOMMUNICATIONS, INC.)
PURSUANT TO THE) CASE NO. 2001-105
TELECOMMUNICATIONS ACT OF)
1996)

CONFIDENTIALITY PETITION PURSUANT TO
807 KAR 5:001, SECTION 7

Petitioner, BellSouth Telecommunications, Inc., ("BellSouth" or the "Company"), by counsel, hereby moves the Public Service Commission of the Commonwealth of Kentucky (the "Commission"), pursuant to 807 KAR 5:001, Section 7, to treat the deposition of Robert L. Lattimore, PricewaterhouseCoopers ("PWC"), taken by AT&T and WorldCom, in Atlanta, Georgia, on October 16, 2001, as confidential in accordance with the Commission's regulations.

In making this filing, BellSouth is responding to an agreement among the parties to forego the cross examination of certain witnesses at the hearing in this matter which concluded October 25, 2001. The deposition is not BellSouth's, but that of a third party, PWC. The deposition was marked confidential per agreement of all present at the

time it was conducted. BellSouth, on behalf of PWC, requests that the previously described deposition be held as confidential for the reasons stated herein.

The Kentucky Open Records Act exempts certain commercial information from the public disclosure requirements of the Act. KRS 61.878(1)(c). To qualify for this commercial information exemption and, therefore, keep the information confidential, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of the party seeking confidentiality if openly discussed. KRS 61.878(1)(c); 807 KAR 5:001, § 7. The Commission has taken the position that the statute and rules require the party to demonstrate actual competition and a likelihood of competitive injury if the information is disclosed.

The Lattimore deposition concerns the PWC workpapers for which confidentiality was previously sought and granted by this Commission. (See letter dated August 28, 2001). The PWC workpapers reflect the PWC processes and procedures that are utilized as PWC conducts an audit. These processes have been developed by PWC over time and represent valuable business assets that PWC would not share with competitors. The audit and financial counseling business is highly competitive. PWC competes with other regional, national, and international

firms familiar to the Commission such as KPMG/Peat Marwick and Deloitte and Touche.

As further grounds for this Petition, BellSouth states as follows:

(1) The information as to which BellSouth is requesting confidential treatment is not known outside of BellSouth and PWC;

(2) The information is not disseminated within BellSouth or PWC and is known only by those BellSouth's employees who have a legitimate business need to know and act upon the information;

(3) BellSouth seeks to preserve the confidentiality of this information on behalf of PWC through all appropriate means, including the maintenance of appropriate security at its offices;

(4) The disclosure of this information would cause competitive injury to PWC in that it would provide PWC's competitors with business processes which are a valuable business asset to PWC; and

(5) By granting BellSouth's Petition there would be no damage to any public interest in disclosure. In fact, the public would be best served by non-disclosure because competition would thereby be promoted.

For the foregoing reasons, BellSouth asks that its petition for confidential treatment of the deposition of Robert L. Lattimore filed November 2, 2001, be granted.

Respectfully submitted,



Creighton E. Mershon, Sr.
601 W. Chestnut Street, Room 407
P. O. Box 32410
Louisville, KY 40232
Tel. No. (502) 582-8219

Fred J. McCallum, Jr.
Lisa Spooner Foshee
Suite 4300, BellSouth Center
675 W. Peachtree Street, N.E.
Atlanta, GA 30375
Tel. No. (404) 335-0793

COUNSEL FOR BELLSOUTH
TELECOMMUNICATIONS, INC.

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