BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

An Inquiry Into the State) Case No. 2016-00059 Universal Service Fund)

TELEPORT'S PETITION FOR CONFIDENTIALITY

Petitioner Teleport Communications of America, LLC ("Teleport"), by counsel, hereby moves the Public Service Commission of the Commonwealth of Kentucky (the "Commission"), pursuant to KRS 61.878 and 807 KAR 5:001 §13, to classify as confidential information that is highlighted in yellow in: (1) Teleport's Responses to KPSC Staff's First Request for Information to All Parties – Response to Item 1, Attachment 1 (pages 1-30) (hereinafter the "Confidential Information").

Additionally, pursuant to 807 KAR 5:001 §13(2)(a) and 13(3)(e), one (1) copy of the Proprietary Version of Teleport's Responses to KPSC Staff's First Request for Information to All Parties, which is highlighted in yellow and otherwise marked "Confidential" and/or "Proprietary," is being filed with this petition. If and to the extent the Confidential Information becomes generally available to the public, Teleport will notify the Commission and have the Confidential Information's confidential status removed. *See* 807 KAR 5:001 §13(2).

The Confidential Information that is highlighted in yellow in Teleport's Responses to KPSC Staff's First Request for Information to All Parties – Response to Item 1, Attachment 1 (pages 1-30) contains Teleport's number of subscriber lines and competitive information. The Confidential Information is commercially sensitive and proprietary information belonging to Teleport and release of the Confidential Information would provide competitors with an unfair

commercial advantage and by providing them with information on Teleport's subscriber lines and valuable potential competitive market opportunity information for customers in the service area.

The Kentucky Open Records Act exempts certain information from public disclosure requirements of the Act, including confidential and/or proprietary information, the disclosure of which would permit an unfair commercial advantage to competitors. KRS 61.878(1)(c)1. To qualify for the commercial information exemption and, therefore, keep the information confidential, a party must establish that the disclosure of the commercial information would permit an unfair advantage to competitors and the parties seeking confidentiality if openly discussed. KRS 61.878(1)(c)1; 807 KAR 5:001 §13. The Commission has taken the position that the statute and rules require the party to demonstrate actual competition and the likelihood of competitive injury if the information is disclosed.

The Confidential Information for which Teleport seeks confidentiality contains confidential subscriber line information and potential market opportunity information. This Confidential Information is commercially sensitive information that Teleport's competitors could use it for their commercial advantage. Public disclosure of the identified Confidential Information would provide competitors that provide services similar to that of Teleport with an unfair competitive advantage, i.e., giving them the ability to target Teleport's customers in the service area.

The Commission should also grant confidential treatment to the Confidential Information for the following reasons:

(1) The Confidential Information for which Teleport is requesting confidential treatment is not generally known outside of Teleport;

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(2) The Confidential Information is not disseminated within Teleport and is known only by those of Teleport's employees who have a legitimate business need to know and act upon the

information;

(3) Teleport seeks to preserve the confidentiality of this Confidential Information through

appropriate means, including the maintenance of appropriate security at its offices; and

(4) By granting Teleport's petition, there would be no damage to any public interest.

For the forgoing reasons, the Commission should grant Teleport's request for confidential

treatment of the identified Confidential Information.

Respectfully submitted,

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FILING NOTICE AND CERTIFICATE

The undersigned hereby certifies that the foregoing is a true and accurate copy of the same document being filed in paper medium with the Commission within two business days; that the electronic filing was transmitted to the Commission on August 19, 2016; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

/s/ Cheryl R. Winn