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April 23, 2010

# **VIA COURIER**

RECEIVED

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602

APR 2 3 2010

PUBLIC SERVICE COMMISSION

Re: MCI Communications, Services, Inc., Bell Atlantic Communications. Inc., NYNEX Long Distance Company, TTI National, Inc., Teleconnect Long Distance Services & Systems Company and Verizon Select Services, Inc., Complainants v. Windstream Kentucky West, Inc., Windstream Kentucky East, Inc.-Lexington, and Windstream Kentucky East, Inc.-London, Defendants PSC 2007-00503

Dear Mr. Derouen:

Enclosed for filing in the above-captioned case are Responses of BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC to Windstream Kentucky East, LLC and Windstream Kentucky, West, LLC's Reservation of Rights as Alternatively Regulated Carriers and Requests for Admission and Second Data Requests dated April 2, 2010.

A portion of AT&T's responses contains confidential commercial information and AT&T files herewith its Motion for Confidentiality, pursuant to 807 KAR 5:001, Section 7, seeking protection of that material. Specifically, AT&T requests the Commission to grant confidentiality to the attachments to the Responses to Item Nos. 2, 3 and 4. One proprietary copy and six edited copies are provided to the Commission. A proprietary copy is also provided to counsel to Windstream pursuant to a previously-signed Non-Disclosure Agreement. Edited copies of the filing are provided to parties of record.

Should you have any questions, please let me know.

Sincerely,



Enclosures

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cc: Parties of Record 802894

### COMMONWEALTH OF KENTUCKY

# BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MCI COMMUNICATIONS SERVICES, INC., BELL ATLANTIC COMMUNICATIONS, INC., NYNEX LONG DISTANCE COMPANY, TTI NATIONAL, INC., TELECONNECT LONG DISTANCE SERVICES & SYSTEMS COMPANY AND VERIZON SELECT SERVICES, INC.	) ) )
Complainants	) ) CASE NO. ) 2007-00503
VS.	)
WINDSTREAM KENTUCKY WEST, INC., WINDSTREAM KENTUCKY EAST, INC. – LEXINGTON AND WINDSTREAM KENTUCKY EAST, INC. – LONDON	) ) )

)

Defendants

# MOTION FOR CONFIDENTIALITY OF BELLSOUTH TELECOMMUNICATIONS, INC. D/B/A AT&T KENTUCKY AND AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, LLC

Petitioner, BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC ("AT&T"), 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, § 7, to classify as confidential the highlighted information in the attachments to AT&T's responses to Windstream's Second Data Requests, Nos. 2, 3, and 4 filed herewith. The material that is highlighted contains company information specific to payments made to the identified local exchange carriers for access minutes of use. The Kentucky Open Records Act exempts certain information from the 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 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 § 7. 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 information for which AT&T seeks confidentiality contains carrier-specific information. Specifically, the information that is highlighted in the attachments to Responses 2, 3, and 4 is company-specific data regarding compensation amounts for access minutes of use for those local exchange carriers. This data contains market sensitive information that could compromise AT&T's competitive position in the long distance market.

Public disclosure of the identified information would provide competitors that provide services similar to AT&T, namely CLECs, IXCs, and other competitors, with an unfair competitive advantage. The Commission should also grant confidential treatment to the information for the following reasons:

(1) The information for which AT&T is requesting confidential treatment is not known outside of AT&T;

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

(3) AT&T seeks to preserve the confidentiality of this information through appropriate means, including the maintenance of appropriate security at its offices; and

(4) By granting AT&T's petition, there would be no damage to any public interest.

(5) By Order dated March 29, 2010, the Commission granted confidentiality to

related information filed by AT&T on March 5, 2010.

For the reasons stated herein, the Commission should grant AT&T's request for confidential treatment of the identified information.

Respectfully submitted,

Marv K. Keiver

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COUNSEL FOR BELLSOUTH TELECOMMUNICATIONS, INC. D/B/A AT&T KENTUCKY AND AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, LLC

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#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the following

individuals by mailing a copy thereof, this 23rd day of April 2010.

Honorable Douglas F. Brent Stoll Keenon Ogden, PLLC 2000 PNC Plaza 500 W. Jefferson Street Louisville, KY 40202-2828

Kimberly Caswell Associate General Counsel Verizon P.O. Box 110, MC FLTC0007 Tampa, FL 33601-0110

Honorable John N. Hughes Attorney at Law 124 West Todd Street Frankfort, KY 40601

Honorable Robert C. Moore Hazelrigg & Cox, LLP 415 West Main Street P.O. Box 676 Frankfort, KY 40602

Dulaney L O'Roark III VP & General Counsel - SE Region Verizon 5055 North Point Parkway Alpharetta, GA 30022

Jeanne Shearer Windstream Kentucky East, LLC Windstream Kentucky West, LLC 124 E. Main Street P. O. Box 458 Ephrata, PA 17522-0458

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AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Requests for Admission April 2, 2010 Item No. 1 Page 1 of 1

### **REQUESTS FOR ADMISSION**

- REQUEST: Please admit that the Federal Communications Commission's ("FCC") recently announced National Broadband Plan submitted to Congress includes comprehensive intercarrier compensation reform, including proposed reductions to intrastate switched access rates.
- RESPONSE: Denied. The National Broadband Plan was developed by the FCC staff. None of the "RECOMMENDATIONS" made by the staff have yet been adopted by the FCC. While the Plan says that the FCC "should conduct a comprehensive reform of universal service and intercarrier compensation," that reform has not yet occurred. Indeed, while parties have provided a decade's worth of comments to the FCC in another intercarrier compensation reform proceeding - none of which has yet been acted upon by the FCC - the FCC has not yet received additional intercarrier compensation reform comments as a result of the Plan, and it is as yet unclear when it will do so. In fact, in a recently proposed Plan recommendation implementation schedule, the FCC's Chairman announced that the earliest that the FCC will commence a notice of proposed rulemaking on intercarrier compensation reform is in the fourth guarter of 2010. Moreover, nothing in the Plan would preclude states from acting to reform intrastate switched access charges. To the contrary, the Plan, at page 148, appears to contemplate state action, when it provides, "The FCC should also encourage states to complete rebalancing of local rates to offset the impact of lost access revenues." In short, nothing in the Plan can be construed as any definitive authority that the FCC will act on intrastate access reform at all, or at any particular time, or that states cannot proceed with intrastate access reform ahead of the FCC's proposed rulemakings to implement the Plan's recommendations.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Requests for Admission April 2, 2010 Item No. 2 Page 1 of 1

- REQUEST: Please admit that the FCC's National Broadband Plan includes a transition period and recovery for revenue reductions.
- RESPONSE: Denied. See AT&T's response to Windstream's Request for Admission 1.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 1 Page 1 of 1

### SECOND DATA REQUESTS

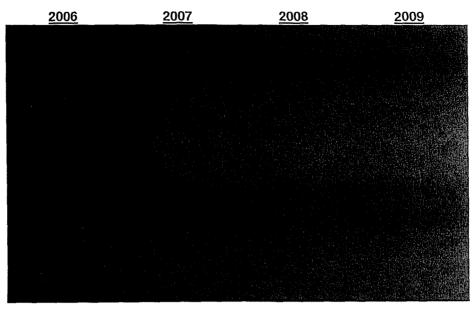
- REQUEST: Please explain in detail your prior involvement (including any support of) and anticipated future involvement in the FCC's National Broadband Plan submitted to Congress, particularly as the FCC's plan relates to intercarrier compensation reform.
- RESPONSE: Objection. The information requested is irrelevant to this proceeding and is not reasonably calculated to lead to the discovery of admissible evidence. AT&T further objects to the extent the information requested is confidential strategic information of AT&T. Without waiving these objections, *see* AT&T's response to Request for Admission 1. Additionally, when the FCC asks for comments on intercarrier compensation reform as it relates to the National Broadband Plan, AT&T's comments, if any, should be publicly available to Windstream.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 2 Page 1 of 1

- REQUEST: With respect to the originating access minutes of use ("MOUs") that you provided in response to Windstream's initial Data Request No. 10, please provide the corresponding amounts that you paid each carrier you identified in your response for each year from 2006 to the present. In the case where you did not remit the compensation to the carrier, please provide the amounts you were billed, invoiced, or otherwise charged by the carrier. Please answer separately for each BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC.
- RESPONSE: Objection. The information requested is irrelevant and not likely to lead to the discovery of admissible evidence. Without waiving this objection, the information requested is confidential proprietary information being provided subject to the Parties' Non-Disclosure Agreement. Simultaneous to this response, AT&T is filing a petition requesting confidentiality of the information requested. To the best of AT&T's knowledge, the attached spreadsheets outline the amounts of compensation from 2006–2009 for each carrier identified (except for Windstream Lexington and Windstream London which were included in error) in AT&T's response to Windstream's Initial Data Request No. 10 as having originating minutes of use.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 2 Attachment





AT&T Kentucky

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AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 2 Attachment

ORIGINATING							
	2006	2007	2008	2009			
WINDSTREAM CORPORATION							
HIGHLAND TEL COOP -KY							
BRANDENBURG TEL							
SOUTH CENTRAL RURAL TEL COOP							
TDS TELECOM							
CINCINNATI BELL							
WEST KY RURAL TEL COOP CORP INC							
FOOTHILLS RURAL TEL COOP CORP							
BALLARD RURAL TEL COOP							
DUO COUNTY TEL COOP INC							
THACKER-GRIGSBY TELEPHONE CO. INC.							
MOUNTAIN RURAL TEL COOP CORP INC							
PEOPLES RURAL TEL COOP CORP							
COALFIELDS TELEPHONE COMPANY							
NORTH CENTRAL TEL COOP							
LOGAN TEL COOP INC							

<u>Notes</u>

Expense is aggregated for AT&T Communications and TCG. TCG expense is a very small percentage of the total expense and cannot be readily broken out of the AT&T Communications of the South Central States.

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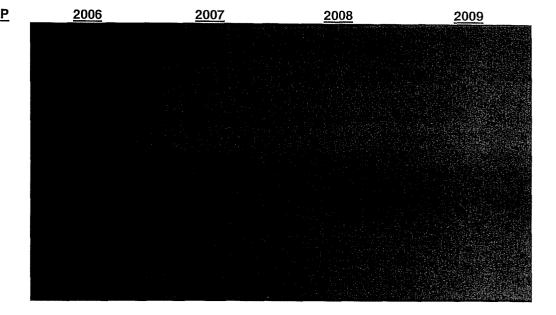
N/A: Company did not provide adequate detail to determine direction of traffic.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 3 Page 1 of 1

- REQUEST: With respect to the terminating access minutes of use ("MOUs") that you provided in response to Windstream's initial Data Request No. 11, please provide the corresponding amounts that you paid each carrier you identified in your response for each year from 2006 to the present. In the case where you did not remit the compensation to the carrier, please provide the amounts you were billed, invoiced, or otherwise charged by the carrier. Please answer separately for each BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC.
- RESPONSE: Objection. The information requested is irrelevant and is not likely to lead to the discovery of admissible evidence. Without waiving this objection, the information requested is confidential proprietary information being provided subject to the Parties' Non-Disclosure Agreement. Simultaneous to this response, AT&T is filing a petition requesting confidentiality of the information requested. To the best of AT&T's knowledge, the attached spreadsheets outline the corresponding amounts of compensation for AT&T-originated intraLATA toll traffic from 2006–2009 to each carrier identified in AT&T's response to Windstream's Initial Data Request No. 11 as having terminating minutes of use.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 3 Attachment

#### **TERMINATING EXP** Ballard 0396 Windstream 0402 Brandenburg 0398 Duo Co 0401 Foothills 0406 Coalfields 0408 Highland 4002 Leslie 0411 Lewisport 0412 Logan 0413 Mountain Rural 0414 NC Rural 4001 Peoples 0415 Salem 0417 SC Rural 0418 Thacker 0419 West KY Rural 0421



**AT&T Kentucky** 

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AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 3 Attachment

TERMINATING						
	2006	2007	2008	2009		
WINDSTREAM CORPORATION						
BRANDENBURG TEL						
FOOTHILLS RURAL TEL COOP CORP						
MOUNTAIN RURAL TEL COOP CORP INC						
COALFIELDS TELEPHONE COMPANY						
CINCINNATI BELL						
PEOPLES RURAL TEL COOP CORP						
SOUTH CENTRAL RURAL TEL COOP						
THACKER-GRIGSBY TELEPHONE CO. INC.						
WEST KY RURAL TEL COOP CORP INC						
HIGHLAND TEL COOP -KY						
LOGAN TEL COOP INC						
DUO COUNTY TEL COOP INC						
TDS TELECOM						
BALLARD RURAL TEL COOP						
NORTH CENTRAL TEL COOP						

<u>Notes</u>

Expense is aggregated for AT&T Communications and TCG. TCG expense is a very small percentage of the total expense and cannot be readily broken out of the AT&T Communications of the South Central States.

N/A: Company did not provide adequate detail to determine direction of traffic.

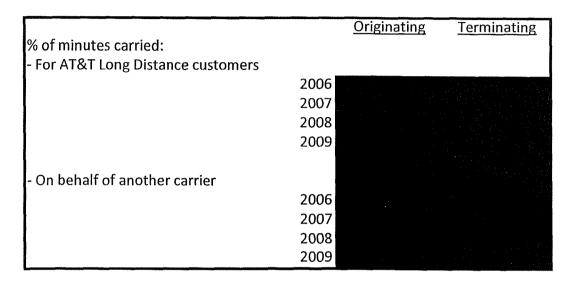
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AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 4 Page 1 of 1

- REQUEST: With respect to the total originating access minutes of use ("MOUs") for all local exchange carriers that you provided in response to Windstream's initial Data Request No. 10, please provide the percentage of those total minutes (by year from 2006 to the present) that represents the amount of traffic that you have carried for end user customers that have picked you as their long distance provider and the percentage of those total minutes (by year from 2006 to the present) representing the amount of traffic that you have transported as an underlying carrier on behalf of another carrier. Please answer separately for each BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC.
- RESPONSE: Objection. This request is vague and unclear, and the information requested is irrelevant and is not likely to lead to the discovery of admissible evidence. Without waiving these objections, the information requested is confidential proprietary information being provided subject to the Parties' Non-Disclosure Agreement. Simultaneous to this response, AT&T is filing a petition requesting confidentiality of the information requested. AT&T Kentucky has no information responsive to this request as the relevant traffic is not transported on behalf of another underlying carrier. To the best of AT&T Communications of the South Central States, LLC's knowledge, the attached spreadsheet provides the information requested.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 4 Attachment

## **AT&T** Communications



### <u>Notes</u>

2006 reflects 5 months (August-December) of traffic. Prior months are not available.

Originating and Terminating %s are slighly skewed due to "No Direction" traffic, which are excluded from Total Originating and Terminating Minutes by certain Kentucky carriers (refer to AT&T reply to Windstream 1st Set of Data Request, items 10 and 11)

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AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 5 Page 1 of 1

- REQUEST: With respect to the total terminating access minutes of use ("MOUs") for all local exchange carriers that you provided in response to Windstream's initial Data Request No. 11, please provide the percentage of those total minutes (by year from 2006 to the present) that represents the amount of traffic that you have carried for end user customers that have picked you as their long distance provider and the percentage of those total minutes (by year from 2006 to the present) representing the amount of traffic that you have transported as an underlying carrier on behalf of another carrier. Please answer separately for each BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC.
- RESPONSE: Objection. This request is vague and unclear, and the information requested is irrelevant and is not likely to lead to the discovery of admissible evidence. Without waiving these objections, the information requested is confidential proprietary information being provided subject to the Parties' Non-Disclosure Agreement. Simultaneous to this response, AT&T is filing a petition requesting confidentiality of the information requested. AT&T Kentucky has no information responsive to this request as the relevant traffic is not transported on behalf of another underlying carrier. To the best of AT&T Communications of the South Central States, LLC's knowledge, the spreadsheet produced in response to Second Data Request No. 4 provides the information requested.

AT&T Kentucky and AT&T Communications KY PSC Case No. 2007-00503 Windstream's Second Data Requests April 2, 2010 Item No. 6 Page 1 of 1

- REQUEST: With respect to the yearly percentages of traffic that you have transported as an underlying carrier on behalf of another carrier requested in No. 5 above, please provide the percentage of that traffic that represents the traffic you transported on behalf of all wireless carriers, including your own wireless affiliate. Please answer separately for each BellSouth Telecommunications, Inc., d/b/a AT&T Kentucky and AT&T Communications of the South Central States, LLC.
- RESPONSE: Objection. This request as written is unclear and confusing. Without waiving this objection, AT&T states that it has no information responsive to this request as the percentages of traffic requested in Second Data Request No. 5 do not include wireless traffic.

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