

## Public Service Commission

## -M-E-M-O-R-A-N-D-U-M-

**DATE:** June 4, 1999

TO: Kay Flynn,

Division of Record and Reporting

**FROM:** Jonathan Audu,

Regulatory Analyst - Division of Telecommunications

RE: DOCUMENT Nos. 05756-97 and 06544-97 - Undocketed BellSouth

Comprehensive Discount Plan for Business Customers (T-97-0438)

On May 29, 1997, Commission staff requested information from BellSouth concerning its Comprehensive Discount Plan for Business Customers in BellSouth's tariff filing No. T-97-0438. On June 10, 1997, BellSouth filed Document No. 05756-97 along with its notice of intent. This same document was filed along with its request for confidential classification as Document No. 06544-97 on June 30, 1997.

T-97-0438 is BellSouth's tariff filing that offered a comprehensive discount on all service that a business customer receives from BellSouth in the nine state area. This comprehensive discount is in two forms: a month-to-month option and an annual commitment option. Depending on the option a business customer elects, the discount can range from 0.5% to 7.0%. According to BellSouth, the above referenced confidential document is comprised of the discount matrixes which explain how these discounts apply.

BellSouth stated that this information shows specific revenue thresholds associated with specific discounts, and argues that its competitors could use this information to analyze and price their products. BellSouth insists that this information is valuable to its competitors, since this information could potentially be used by its competitors in formulating strategic plans for entry, pricing, marketing and overall business strategy. Staff believes that these concerns are reasonable, however, staff is not convinced of the need for confidential treatment because the net price is an aggregated figure that does not tell its competitors the specific pricing information on any one specific BellSouth product.

Staff has not used this information. Staff does not believe that BellSouth has made a case for confidentiality. However, staff believes that this document should be returned to BellSouth.

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