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September 17, 1993

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Angela B. Green
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101 E. Gaines Street, Room 226
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Re: Docket No. [REDACTED]

Dear Ms. Green:

On June 21, 1993, Gulf Telephone Company provided extensive traffic data in Docket No. 930235-TL, which involves several interLATA routes for which EAS is being studied.

On September 8, 1993, you wrote to Mr. Bill Thomas to indicate that the company's request for confidential treatment was deficient on its face because no reason had been given to justify granting specified confidential treatment to the data for which such treatment had been requested.

ACK

_____ Gulf Telephone Company (Gulf) has asked me to reply to your deficiency letter and demonstrate how the information qualifies for confidential treatment. It is important to Gulf to have the information granted confidential treatment because Gulf is contractually committed to AT&T to keep such information confidential and because Gulf was authorized by AT&T to provide the information to the Commission only if the information was provided in a confidential manner.

_____ Gulf understands that interLATA traffic data, calling patterns and calling rates have traditionally and consistently been kept confidential by AT&T and are only known to Gulf and other LECs by virtue of billing and recording services provided to AT&T by Gulf and other LECs.

_____ Gulf treats similar intraLATA data of its own as proprietary and confidential and has requested specified confidential treatment for intraLATA message numbers, minutes of use and revenues in Docket No. 930330-TP.

DOCUMENT NUMBER-DATE

10056 SEP 17 8

FPSC-RECORDS/REPORTING

Gulf submits that the following statements demonstrate that the specific data to which the statements apply constitutes an adequate demonstration of qualification for confidential treatment:

Schedule I - Columns 1, 2, 3 and 4.

- (a) Column 1 sets forth the number of messages between exchanges in different LATAs. Such information setting forth the number of messages between two exchanges is valuable market share information which would be subject to diversion. Any competitor of AT&T would find the information relevant in evaluating its decision on whether to compete or not. If disclosed to the public the information concerning the number of messages would give potential competitors free access to a key market factor, ie., the level and volume of traffic between two points. Although the number of messages does not reveal the duration of the calls made, it is possible to estimate the duration of an average message, and from that estimate it is possible to make revenue estimates. In order to determine potential revenue from a particular point to another point, AT&T's potential competitors should be required to conduct market studies in the same manner that AT&T would have to conduct such studies prior to deciding upon competition in a particular route. Competition is generally undertaken in order to produce a profit, and in order to estimate the profitability of an undertaking in the telecommunications business, it is necessary to know about traffic volumes, the frequency of calling and the revenues subject to being produced by the calling. Public disclosure of traffic studies from point to point would allow AT&T's competitors to ascertain AT&T's traffic patterns and target specific routes for competitive offerings.
- (b) Column 2 sets forth the calling rates between exchanges in different LATAs. Such information is valuable information which would be relevant to any competitor of AT&T in evaluating a decision on whether or not to compete in a certain market. Calling rates is a key market factor that would need to be considered by any competitor of AT&T in analyzing the potential profitability of a particular market segment. (This aspect was discussed in more detail under (a), above.)
- (c) Column 3 sets forth the number of customers making two or more calls per month on routes between exchanges in different LATAs, and Column 4 translates those numbers into percentages. For all of the reasons given in

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paragraphs (a) and (b), above, the competitors of AT&T should not be given the calling rates and calling patterns of AT&T's customers. Giving AT&T's competitors such information would enable such competitors to make an analysis of the potential profitability of the routes under consideration for competitive offerings by AT&T's competitors. Public disclosure of the information sought to be made confidential by their filing would harm AT&T's ability to compete in the inter-exchange market place, would seriously disadvantage AT&T to the advantage of its competitors, and could lead to an interexchange market place that is less competitive rather than more competitive.

Attachment I - Pages 1 (Keaton Beach) and 2 (Perry)

- (d) Columns 1, 2, 3, 4, 5, 6, 7, 8, and 9 set forth residence, business and combined residence and business calling messages and call distribution. This information would enable a competitor of AT&T to see, for example, how many businesses in each exchange engage in a high level of calling. This information would be valuable to any competitor of AT&T who might wish to tailor a special competitive offering to compete with AT&T. The additional reasons why this data should be held confidential are set forth in the discussions under Schedule I, Columns 1, 2, 3 and 4, paragraphs (a), (b) and c, above.
- (e) Lines 2, 3, 4 and 5 are message and revenue calculations which would be valuable data to any AT&T competitor for the reasons set forth in paragraphs (a), (b), (c) and (d), above.
- (f) Lines 9, 10 and 11 set forth message data by time of day. This would be valuable data to any AT&T competitor for the reasons set forth in paragraphs (a), (b), (c) and (d), above.

Attachment II

- (g) Columns 1, 2 and 3 set forth by time of day the number of calls, the minutes of use and the average revenue per message for calls between exchanges in different LATAs. This would be valuable data for any competitor of AT&T for the reasons set forth in paragraphs (a), (b), (c) and (d), above.

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Attachment IV

- (h) Columns 1 and 2 set forth the number of messages per access line per month and the percentage of customers making two or more calls per month between exchanges in different LATAs. This would be valuable data for any competitor of AT&T for the reasons set forth in paragraphs (a), (b), (c) and (d), above.

Attachment V

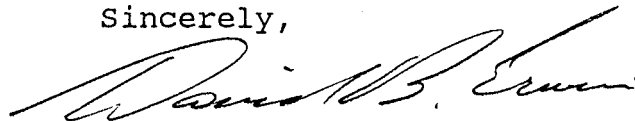
- (i) Lines 4 and 5 set forth the number of messages per access line per month for two interLATA routes. This would be valuable data for any competitor of AT&T for the reasons set forth in paragraphs (a), (b), (c) and (d), above.

Schedule I-A

- (j) Schedule I-A and each of the attachments thereto, ie., Attachment I-A, II-A, IV-A and V-A are identical to Schedule I and Attachments I, II, IV and V, thereto, except that Schedule I-A and the attachments thereto relate to the Taylor County pocket area of the Cross City Exchange, instead of to full exchange calling. In the pocket study, calling is also interLATA, and the data contained in Schedule I-A and each of the attachments thereto would be valuable data for any competitor of AT&T for exactly the same reasons set forth in paragraphs (a), (b), (c) and (d), above.

If any deficiency still remains after receipt of this letter, please notify me before making any recommendation to the Prehearing Officer to deny Gulf's request for confidential treatment.

Sincerely,



David B. Erwin

DBE:akh
Enclosure
cc: Steve Tribble, PSC
Ann Shelfer, PSC
Mike Tye, AT&T
Bill Thomas, Gulf
John Vaughan, Gulf