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July 26, 1995

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RE: Docket No. 920260-TL

Dear Mrs. Bayo:

Enclosed are an original and fifteen copies of Southern Bell Telephone and Telegraph Company's Request for Confidential Classification and Motion for Permanent Protective Order. Please file these documents in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served on the parties shown on the attached Certificate of Service.

Sincerely,

Nancy B. White (BW)

Nancy B. White

Enclosures

cc: All Parties of Record
A. M. Lombardo
R. G. Beatty
R. D. Lackey

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

07137 JUL 26 88

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Comprehensive Review of)
the Revenue Requirements and Rate) Docket No. 920260-TL
Stabilization Plan of Southern)
Bell Telephone and Telegraph) Filed: July 26, 1995
Company)
_____)

SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION
AND MOTION FOR PERMANENT PROTECTIVE ORDER

COMES NOW BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company ("Southern Bell" or "Company"), pursuant to Rule 25-22.006, Florida Administrative Division Code, and files its Request for Confidential Classification and Motion for Permanent Protective Order for the Company's Response to Item No. 17 of Staff's First Set of Post-Settlement Interrogatories dated June 12, 1995 and Item No. 1 of Staff's First Post-Settlement Request for Production of Documents dated June 12, 1995.

1. Southern Bell is filing its Request for Confidential Classification for its Response to Interrogatory Item No. 17 and Request for Production of Documents Item No. 1 because it deems the information requested to be confidential and proprietary business information in that it reflects among other things competitive traffic data information, including route specific usage and revenue.

2. Southern Bell has appended to this Request for Confidential Classification as Attachment A a listing showing the location in the Interrogatory and Request for Production of Document responses of the information designated by Southern Bell as confidential.

DOCUMENT NUMBER-DATE

07137 JUL 26 88

FPSC-RECORDS/REPORTING

3. Appended hereto in an envelope designated as Attachment B is one copy of the Interrogatory and Request for Production of Document responses with the confidential information deleted.

4. Attached as Attachment C is a sealed envelope containing one copy of the Interrogatory and Request for Production of Document responses with the material which is confidential and proprietary. Copies of Attachment C are not being served on the other parties in this proceeding.

5. With respect to Southern Bell's responses to Interrogatory Item No. 17 and Document Request No. 1, the responses contain information disclosing Southern Bell's traffic data relating to toll usage and revenue from the routes at issue. This information is entitled to confidential classification on the basis that it is information relating to competitive interests, the disclosure of which would impair Southern Bell's competitive toll business if publicly disclosed. Section 364.183(3)(e), Florida Statutes, specifically provides that such information is proprietary confidential business information.

6. The toll market is competitive in the State of Florida. It will doubtless become even more so with the advent of the implementation of 1+ presubscription and the recent revisions to Chapter 364. Southern Bell's information relating to competitive services such as intraLATA toll services, particularly projected revenue and usage data, is highly proprietary.

7. Southern Bell's service markets are becoming increasingly competitive, as noted above. Consequently, the

Company's evaluation of the potential effects of competition are of paramount importance to Southern Bell, and of keen interest to its competitors. The specific information sought to be protected herein shows Southern Bell's traffic demand and revenue on a route-specific basis. Southern Bell uses this information to plan its network deployment. If this information were publicly disclosed to the Company's competitors, such competitors would gain access to information which would allow them to target Southern Bell's most lucrative routes. Competitors could use this information to formulate aggressive marketing or other strategies or use this information to make a decision not to enter the market at all based on the data.

8. The toll market is competitive in the State of Florida. Interexchange carriers (IXCs) and resellers both compete with Southern Bell for intraLATA toll customers. Alternative Access Vendors (AAVs) are also currently allowed to compete against Southern Bell in the LATAs. Demand information on a specific route basis would be extremely valuable to Southern Bell's competitors. Knowledge of which routes correspond with the highest levels of Southern Bell's toll traffic and revenues would enable the Company's competitors to target these same mileage-bands for competitive packages, including special promotional offers designed to take customers away from Southern Bell. Obviously, if Southern Bell's competitors were to gain a competitive advantage through the use of Southern Bell's traffic

data, such advantage would inure to the detriment of Southern Bell and ultimately its ratepayers.

9. This Commission has previously held this same type of information to be proprietary confidential business information under § 364.183, Florida Statutes. In Order No. 19775, issued August 9, 1988 in Docket No. 880069-TL, the Prehearing Officer granted Southern Bell's Request for Confidential Classification with regard to Staff's First Set of Interrogatories, Item No. 1. A review of the response to Item No. 1 shows that it contained the same type of information as contained in Item No. 28 in the instant matter. The Prehearing Officer at that time found that the information so produced was detailed information concerning competitive services and thus qualified as proprietary confidential business information pursuant to § 364.183, Florida Statutes.

10. While the Commission has the inherent power to modify and depart from pre-existing orders, it may do so only when new evidence is presented that warrants such a change. See Peoples Gas System, Inc. v. Mason, 187 So.2d 335 (Fla. 1966) and Ready Creek Utilities Co. v. Florida Public Service Commission, 418 So.2d 249 (Fla. 1982). Changed conditions and circumstances arising out of the rapid development of the state may justify or require departures from pre-existing orders. Florida Motor Lines Corp. v. Douglas, 4 So.2d 856 (Fla. 1941).

11. In this instance, however, there is absolutely no rationale which would justify a departure from the valid findings

in Order No. 19775 that this type of information is proprietary confidential business information under § 364.183, Florida Statutes. To the contrary, the evidence of the rapid changes in the competitive aspects of the intraLATA toll markets in Florida merely reinforce the Commission's 1988 ruling. The intraLATA toll market has grown even more competitive since 1988 with the recent ruling on 1+ intraLATA presubscription and the revisions to Chapter 364, and thus, even stronger reasons for nondisclosure exist today than existed previously.

12. Southern Bell does not have unrestricted access to its competitors' traffic data and revenue. In fact, when Southern Bell has requested such information, competitors have either resisted producing it at all or have produced it only subject to highly restrictive protective agreements. This information is valuable, is used by Southern Bell to make competitive business decisions, and the Company strives to keep the information secret. Consequently, this information is also a trade secret and exempt from public disclosure pursuant to Section 364.183(3)(a), Florida Statutes.

WHEREFORE, based on the foregoing, Southern Bell moves the Prehearing Officer to enter an order declaring the information described above and contained in the indicated portions of the attachments to be confidential proprietary business information, and thus not subject to public disclosure.

Respectfully submitted this 26th day of July, 1995.

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY

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CERTIFICATE OF SERVICE

Docket No. 920260-TL
Docket No. 900960-TL
Docket No. 910163-TL
Docket No. 910727-TL

I HEREBY CERTIFY that a copy of the foregoing has been
furnished by United States Mail this 26th day of July, 1995 to:

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Nancy B. White (aw)

ATTACHMENT "A"
SOUTHERN BELL TELEPHONE & TELEGRAPH COMPANY
FPSC DOCKET NO. 920260-TL
STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS
ITEM NO. 1

STAFF'S FIRST SET OF INTERROGATORIES
ITEM NO. 17
'95 RATE REDUCTIONS
JULY 17, 1995

EXPLANATION FOR PROPRIETARY INFORMATION

These traffic data relate to toll usage and revenue over the various routes at issue. This is proprietary information maintained by Southern Bell on a confidential basis to plan its network deployment based on traffic demand over the respective toll routes. The disclosure of this information would allow Southern Bell's competitors in the intraLATA toll market to target the most lucrative routes and would thereby competitively harm Southern Bell.

LOCATION OF THE PROPRIETARY INFORMATION

Document Request Item No. 1

Bates Range

Line Nos./Col. Nos.

F01C06Z 0000001-0000005

All Nos. under Col. heading: CIF

F01C06Z 0000007-0000093

All Nos. under Col. headings:
Messages DDD & Non-DDD; Total for
Study Period msgs. & mins.;
Estimated msgs. per month & year;
Avg DDD only; Rev/Msg DDD & Non-
DDD; CIF

All even numbered pages in:

F01C06Z 0000105-0000516

All Nos. under Col. headings:
Residence msgs., mins., rev.;
Business msgs., mins., rev.

Interrogatory Number 17

Page Number

Line Nos./Column Nos.

1-4

All numbers under column headings:
Residence Monthly Messages, Average
Residence Revenue/MSG., Business
Monthly Messages, Average Business
Revenue/Msg., Average Business
Minutes/Msg.

Line numbers 1-216