

GTE Telephone Operations

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ALE COPY

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Attorneys*
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Ernesto Mayor, Jr.

Licensed in Florida

Certified in Florida as Authorized House Counsel

January 8, 1997

Ms. Blanca S. Bayo, Director Division of Records & Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 961173-TP

Petition of Sprint Communications Company Limited Partnership for Arbitration of Proposed Interconnection Agreement with GTE Florida Incorporated Pursuant to the Telecommunications Act of 1996

Dear Ms. Bayo:

ACK ___

AFA ...

APP ___

SEC _

NAS HH Please find enclosed an original and fifteen copies of GTE Florida Incorporated's Request for Confidential Classification and Motion for Protective Order in connection with the Late-Filed Exhibit No. 14 of Bert Steele for filing in the above matter. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this matter, please contact me at (813) 483-2617.

Very truly yours,

Kimberly Caswell

KC:tas Enclosures

A part of GTE Corporation

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FFSC-RECORDS/REPORTING



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Sprint Communications)
Company Limited Partnership for Arbitration)
of Proposed Interconnection Agreement with)
GTE Florida Incorporated Pursuant to the)
Telecommunications Act of 1996)

Docket No. 961173-TP Filed: January 8, 1997

GTE FLORIDA INCORPORATED'S REQUEST FOR CONFIDENTIAL CLASSIFICATION AND MOTION FOR PROTECTIVE ORDER

GTE Florida Incorporated (GTEFL) seeks confidential classification and a permanent protective order for certain information contained in the Late-Filed Exhibit No. 14 of Bert Steele in this proceeding.

All of this information falls within Florida Statutes §364.183(3)(e), which defines the term "proprietary confidential business information" to include "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of that information." The information in question consists of economic depreciation rates, which GTEFL treats as confidential, and appears in Exhibit A at page 1, columns B and C, lines 1-11. If competitors are able to acquire this information regarding GTEFL, they could more easily develop entry and marketing strategies to ensure success in competing with GTEFL. These competitors would be more adept at pricing their own services if they possess details about GTEFL's cost structure. This affords them an unfair advantage while severely jeopardizing GTEFL's competitive position. In a competitive business, any such knowledge obtained about a competitor can be used to the detriment of the entity to which it pertains. This unfair advantage skews the operation of

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the market, to the ultimate detriment of the consumer. Furthermore, because the information would be disclosed to competitors through a regulatory proceeding—rather than through legitimate market trial and error processes—the marketplace will be skewed, to the ultimate detriment of the consumer. This effect is particularly troublesome in the context of this docket, which is intended to set rules for encouraging rational and efficient competition, rather than providing any entity a competitive advantage.

While a ruling on this request is pending, GTEFL understands that the information at issue is exempt from Florida Statutes, Section 119.01(1) and Staff will accord it the stringent protection from disclosure required by Rule 25-22.006(3)(d). One highlighted, unredacted copy of the confidential material, labeled Exhibit A, is attached to the original of this Request. A redacted copy of the material is attached to this Request as Exhibit B.

Respectfully submitted on January 8, 1997.

Bv:

Kimberly Caswell
Anthony Gillman

Post Office Box 110, FLTC0007

Tampa, Florida 33601

Telephone: 813-483-2617

Attorneys for GTE Florida Incorporated

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Request for Confidential Classification and Motion for Protective Order in connection with the Late-Filed Exhibit No. 14 of Bert Steele in Docket No. 961173-TP were sent via U.S. mail on January 8, 1997, to the parties listed below.

Monica Barone/Charlie Pellegrini Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

> Benjamin W. Fincher Sprint 3100 Cumberland Circle Atlanta, GA 30339

C. Everett Boyd Ervin, Varn, Jacobs, Odom & Irvin 305 S. Gadsden Street Tallahassee, FL 32302

Kimberly Caswell

GTE FLORIDA INCORPORATED

Late-Filed Deposition Exhibit No. 14 Bert Steele - Docket No. 961173-TP Filed: December 18, 1996 Page 1 of 1

EXHIBIT B

FLORIDA PUBLIC SERVICE COMMISSION SPRINT ARBITRATION DOCKET NO. 961173-TP

REDACTED

LATE FILED EXHIBIT NUMBER 14 - DEPRECIATION RATES USED

The following depreciation rates are being provided in response to Staffs request. GTE's intent was to include appropriate forward looking depreciation rates in its TELRIC/TSLRIC studies. However, due to time constraints imposed by the Telecommunications Act of 1996, GTE was not able to do so. The resulting studies included a mix of prescribed and economic rates. An explanation of the rates utilized for each element studied is provided following the display of the rates.

In all instances the rates used are conservative estimates of costs that will be incurred in a competitive environment. Even the current economic lives used in Late Filed Exhibit # 8 could be further adjusted to reflect accelerated declines in the value of capital goods due to competitive entry.

	USOA ACCOUNT	ACCOUNT DESCRIPTION	A PRESCRIBED STRAIGHT LINE DEPRECIATION RATES	B 1994 ECONOMIC DEPRECIATION RATES	C CURRENT ECONOMIC DEPRECIATION RATES
193456789	2212.00 2232.21 2232.23 2411.10 2421.10 2421.20 2422.10 2422.20 2423.10	DIGITAL ELEC SWITCHING DIGITAL CIRCUIT EQUIPMENT LIGHTWAVE CIRCUIT EQUIP POLES AERIAL CABLE-METALLIC AERIAL CABLE-NON-METALLIC UNDERGRND CABLE-METALLIC UNDERGRND CABLE-NON-MET BURIED CABLE-METALLIC	0.06545 0.11266 0.11266 0.06955 0.05000 0.05750 0.05574 0.05250 0.05124		
10	2423.20 2441.00	BURIED CABLE-NONMET CONDUIT SYSTEMS	0. 0525 0 0. 022 00		

- Column A These Prescribed rates were used in Arbitration studies for Entrance Facility (except 2 Wire and 4 Wire), Direct Trunked Transport, and Vertical Services including CentraNet, Custom Calling and CLASS Features.
- Column B These Economic rates (1994) were used for 2 Wire and 4 Wire Loops, Ports, and all Local, Toll, Tandem and End Office Switching Components (Minutes of Use and Setup).
- Column C These are the Current Economic rates (1995) which were provided by GTE's Valuation Costing group and should be used for TELRIC/TSLRIC studies. Due to time constraints of the Telecommunications Act of 1996, these were not used. These rates have not been adjusted for sunk investments and declining technology prices. These rates were used only in the filing of GTE's Late Filed Exhibit # 8 to calculate TELRIC. The impact of incorporating these rates was a \$.32 increase to the 2 Wire Unbundled Loop cost.

GTE FLORIDA INCORPORATED

Late-Filed Deposition Exhibit No. 14 Bert Steele - Docket No. 961173-TP Filed: December 18, 1996 Page 1 of 1

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