

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Comprehensive review of) DOCKET NO. 920260-TL
revenue requirements and rate)
stabilization plan of SOUTHERN)
BELL TELEPHONE AND TELEGRAPH)
COMPANY.)
_____)
In Re: Investigation into the) DOCKET NO. 910163-TL
integrity of SOUTHERN BELL)
TELEPHONE AND TELEGRAPH)
COMPANY'S repair service)
activities and reports.)
_____)
In Re: Investigation into) DOCKET NO. 910727-TL
SOUTHERN BELL TELEPHONE AND)
TELEGRAPH COMPANY'S compliance)
with Rule 25-4.110(2), F.A.C.,)
Rebates.)
_____)
In Re: Show cause proceeding) DOCKET NO. 900960-TL
against SOUTHERN BELL TELEPHONE) ORDER NO. PSC-93-1062-CFO-TL
AND TELEGRAPH COMPANY for) ISSUED: July 21, 1993
misbilling customers.)
_____)

ORDER GRANTING, IN PART, AND DENYING, IN PART, REQUEST
FOR CONFIDENTIAL CLASSIFICATION OF DOCUMENTS NOS.
14888-92, 14890-92 THROUGH 14898-92, & 692-93

During 1992, the Staff of this Commission (Staff) conducted an audit related to BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company's (Bell's) rate case, as well as an audit of its Cost Allocation Manual Supplement (CAMS). On December 2, 1992, Staff held an audit exit conference, during which it identified documents to be included in its audit workpapers. On December 14, 1992, Staff forwarded copies of its final audit reports to Bell, in order to afford it the opportunity to determine whether the reports included any material it considered proprietary confidential business information.

On December 23, 1992, Bell filed highlighted copies of the CAMS audit workpapers, which were designated by this Commission as Document No. 14888-92, and the rate case audit workpapers, which were designated by this Commission as Documents Nos. 14890-92 through 14898-92, along with its request for specified confidential classification of certain of these materials. Bell mistakenly omitted part of the workpapers in its December 23, 1992 filing.

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Accordingly, on January 18, 1993, Bell submitted the remaining workpapers, which have been designated as Document No. 692-93. Bell's index of the purported confidential information did not, however, fully correspond to the highlighted workpapers. Therefore, on February 22, 1993, Bell submitted a revised index for the rate case audit workpapers (Item No. F01B01W). According to Bell, this index replaces and supersedes the prior indices for the rate case workpapers. The most recent index for the CAMS audit workpapers (Item No. F01B02W), and the one that shall be used for purposes of discussion, is the January 18, 1993 index.

Under Section 119.01, Florida Statutes, documents submitted to this Commission are public records. The only exceptions to this law are specific statutory exemptions and exemptions granted by governmental agencies pursuant to the specific terms of a statutory provision.

Pursuant to Section 364.183, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, the burden of proving that the materials qualify for specified confidential classification falls upon Bell. According to Rule 25-22.006, Florida Administrative Code, Bell must meet this burden by demonstrating that the materials fall into one of the statutory examples set forth in Section 364.183, Florida Statutes, or by demonstrating that the information is proprietary confidential business information, the disclosure of which will cause Bell or its ratepayers harm.

To that end, Bell has advanced four arguments. First, Bell argues that some of the materials relate to internal audits and that such information is entitled to confidential classification under Section 364.183(3)(b), Florida Statutes. Second, Bell contends that some of the materials reflect employee personnel information unrelated to compensation, duties, qualifications or responsibilities and, as such, are confidential under Section 364.183(3)(f), Florida Statutes. Third, Bell argues that some of the information relates to competitive products and services, the disclosure of which could impair its competitive interests. Bell argues that these materials are confidential pursuant to Section 364.183(3)(e), Florida Statutes. Fourth, Bell argues that some of the information reflects intraLATA private line and toll settlements between it and other private telephone companies. According to Bell, such information is provided to Bell under private agreements, and Bell is not at liberty to disseminate these materials. Bell, therefore, contends that the information is confidential under Section 364.183(3), Florida Statutes. Each of

these arguments is discussed, in the context of the materials to which they relate, below. Specific lines of document pages are referenced only to the extent necessary to avoid any potential confusion.

DOCUMENTS NOS. 14888-92 & 692-93

Pages 6-8, 11, 25, 28, 39-41, 52-56, 63-64, 73-75, 84-85, 88, 92, 93 ll. 11-13 & 35-45, 94, 149-151, 156, 171-174, 178-182, 187-188, 191-204, 206-208, 213, 215, 217, 219-220, 244, 247-250, 254-256, 286-288, 308-309, 311-315, 562-563, 565, 581, 585-595, 602 & 616 - These pages depict internal audit information. Pursuant to Section 364.183(3)(b), Florida Statutes, such information is entitled to confidential classification. Bell's request for confidential classification of these pages is, accordingly, granted.

Pages 30, 36, 57-60, 61 ll. 27-35, 65-68, 81-83, 86, 87 ll. 32-33, 89, 90 ll. 20-31, 91, 95, 173, 246, 251-253 & 583 - This information represents audit procedures of Bell's outside auditor, Coopers & Lybrand. Disclosing these audit procedures could harm Coopers & Lybrand's business operations which could, ultimately, harm Bell and/or its ratepayers. Accordingly, Bell's request for confidential classification of these pages is granted.

Pages 25, 61 ll. 12-21, 77-80, 87 l. 16, 90 ll. 6-8, 93 l. 14, 96, 97, 99, 100, 118 & 120 - Although this information comes from Coopers & Lybrand workpapers, these pages include entries, allocation factors, findings, and other miscellaneous facts which could not be used to any meaningful purpose. As such, it is difficult to see, and Bell has not demonstrated how, disclosure of this information could cause any harm. Bell's request for confidential classification of these pages is, therefore, denied.

Page 37 - Bell argues that the information depicted on page 37 involves employee personnel information unrelated to compensation, duties, qualifications, or responsibilities. A review of the material reveals that the information is not employee personnel information entitled to confidential classification under Section 364.183(3)(f), Florida Statutes. Bell's request for confidential classification of page 37 is, therefore, denied.

Pages 45, 47, 48 & 136 - The information depicted on these pages reflects Bell's strategies regarding competitive products

and/or services. Since disclosure of such information could impair Bell's competitive interests, its request for confidential classification of the materials is granted.

Pages 93 l. 26, 100, 111 & 117 - The information contained on pages 93 and 100 involves adjustments from regulated to nonregulated activities. These adjustments have no intrinsic value and would not provide any useful information to competitors. Similarly, pages 111 and 117 merely show audit requests which, taken alone, have no inherent value and could not harm Bell or its ratepayers. Bell's request for confidential classification of these materials is, therefore, denied.

All other highlighted pages - There were a number of pages that were highlighted in the original filing, but which were not included in the revised index. To the extent that Bell has not abandoned its request for confidential classification of these pages, it has not met its burden of demonstrating that these pages qualify for such treatment. Accordingly, Bell's request for confidential classification of these pages is denied.

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Pages 52, 55, 56, 59-61, 65-78, 81-84, 86, 88-90, 92-97, 99-101, 103-114, 187-188, 190-191, 193-195, 198-201, 203-220, 1572, 1921 & 2250-2255 - These pages involve excerpts and/or audit notes taken from internal audits. Under Section 364.183(3)(b), Florida Statutes, such information is deemed confidential. Accordingly, Bell's request for confidential treatment of the highlighted information depicted on these pages is granted.

135, 145, 158, 443, 445-451, 657-660, 739-741, 1157, 1169, 1171-1174, 1225-1231, 1255-1258, 1262-1263, 1818, 1822, 1825, 1891-1894, 2014-2027, 2037, 2133 & 2134 - These pages include account balance information for competitive interests of Bell and nonregulated affiliates of Bell. The information depicted therein could be combined with other account balance information to develop profit and loss profiles for competitive products and services. If disclosed, such information could work to the detriment of Bell and its affiliates. Bell's request for confidential classification of these materials is, therefore, granted.

Pages 2067-2087, 2089-2095, 2098-2113, 2188-2191, 2194-2196, 2198, 2405, 2682-2693 & 2700 - The information depicted on these

pages represents private line and toll settlement data provided to Bell by private telephone companies pursuant to nondisclosure agreements. Although such agreements lend credence to Bell's claim of confidentiality, the mere fact that such an agreement was entered into is not, in and of itself, dispositive; Bell must still demonstrate that disclosure of the information would cause harm to the ratepayers or the business operations of the owner of the information. Moreover, the data involved herein is in aggregate form. As such, disclosure would neither provide any useful information nor cause any harm to Bell, its ratepayers, or the business operations of any of the companies that provided the information. Bell's request for confidential classification of these materials is, therefore, denied.

Pages 1669, 1673, 2262 & 2263 - Bell claims that these pages depict information related to unregulated products and/or services. Upon review, however, these materials appear to relate to regulated services. Bell's request for confidential classification of this information is, therefore, denied.

Pages 2235, 2551 & 2558 - In its index, Bell cites reason "F" as justification for holding the information contained on these pages confidential. Since there is no reason "F", Bell has not satisfied its burden of demonstrating that the materials are proprietary, confidential business information. Its request for confidential classification of this information is, therefore, denied.

All Other Highlighted Pages - A number of pages that were highlighted in the December 23, 1992 filing are not addressed in the February 22, 1993 index. Therefore, to the extent that Bell has not abandoned its request for confidential classification of these pages, it has not met its burden of showing that they qualify for such treatment. Bell's request for confidential classification of these pages is, accordingly, denied.

Based upon the foregoing, it is

ORDERED by Commissioner Susan F. Clark, as Prehearing Officer, that the request for confidential classification of Documents Nos. 14888-92, 14890-92 through 14898-92 and 692-93, filed by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company, is hereby granted, in part, and denied, in part, as set forth in the body of this Order. It is further

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ORDERED that pursuant to Section 364.183, Florida Statutes, and Rule 25-22.006, any confidentiality granted to the documents specified herein shall expire eighteen (18) months from the date of issuance of this Order in the absence of a renewed request for confidentiality pursuant to Section 364.183. It is further

ORDERED that this Order will be the only notification by the Commission to the parties concerning the expiration of the confidentiality time period.

By ORDER of Commissioner Susan F. Clark, as Prehearing Officer, this 21st day of July, 1993.



SUSAN F. CLARK, Commissioner and
Prehearing Officer

(S E A L)

RJP

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in

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the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.