

SIDNEY J. WHITE, JR.
General Attorney

Southern Bell Telephone
and Telegraph Company
Suite 400
150 South Monroe Street
Tallahassee, Florida 32301
(404) 529-5094

June 21, 1993

Mr. Steve C. Tribble
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

RE: Docket Nos. 920260-TL, 900960-TL, 910163-TL, 910727-TL

Dear Mr. Tribble:

Enclosed are an original and fifteen copies of Southern Bell Telephone and Telegraph Company's Motion for Reconsideration of Order No. PSC-93-0876-CFO-TL. Please file this document in the above-captioned dockets.

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,

Sidney J. White, Jr.
Sidney J. White, Jr. (ms)

ACK _____
AFA 1
AFP _____

Enclosures

cc: All Parties of Record
A. M. Lombardo
H. R. Anthony
R. D. Lackey
LEG 1
LIN 6
OPC _____
RCH 1
SEC 1
WAS _____
OTH _____

DOCUMENT NUMBER-DATE
06665 JUN 21 8
PSC-RECORDS/REPORTING

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 21st day of June, 1993 to:

Robin Norton
Division of Communications
Florida Public Service
Commission
101 East Gaines Street
Tallahassee, FL 32399-0866

Charles J. Beck
Deputy Public Counsel
Office of the Public Counsel
111 W. Madison Street
Room 812
Tallahassee, FL 32399-1400

Tracy Hatch
Division of Legal Services
Florida Public Svc. Commission
101 East Gaines Street
Tallahassee, FL 32399-0863

Michael J. Henry
MCI Telecommunications Corp.
MCI Center
Three Ravinia Drive
Atlanta, Georgia 30346-2102

Joseph A. McGlothlin
Vicki Gordon Kaufman
McWhirter, Grandoff & Reeves
315 South Calhoun Street
Suite 716
Tallahassee, Florida 32301
atty for FIXCA

Richard D. Melson
Hopping Boyd Green & Sams
Post Office Box 6526
Tallahassee, Florida 32314
atty for MCI

Joseph Gillan
J. P. Gillan and Associates
Post Office Box 541038
Orlando, Florida 32854-1038

Rick Wright
Regulatory Analyst
Division of Audit and Finance
Florida Public Svc. Commission
101 East Gaines Street
Tallahassee, FL 32399-0865

Patrick K. Wiggins
Wiggins & Villacorta, P.A.
Post Office Drawer 1657
Tallahassee, Florida 32302
atty for Intermedia and Cox

Peter M. Dunbar
Haben, Culpepper, Dunbar
& French, P.A.
306 North Monroe Street
Post Office Box 10095
Tallahassee, FL 32301
atty for FCTA

Laura L. Wilson, Esq.
Messer, Vickers, Caparello,
Madsen, Lewis & Metz, PA
Post Office Box 1876
Tallahassee, FL 32302
atty for FPTA

Chanthina R. Bryant
Sprint
3065 Cumberland Circle
Atlanta, GA 30339

Michael W. Tye
AT&T Communications of the
Southern States, Inc.
106 East College Avenue
Suite 1410
Tallahassee, Florida 32301

Dan B. Hendrickson
Post Office Box 1201
Tallahassee, FL 32302
atty for FCAN

Benjamin H. Dickens, Jr.
Blooston, Mordkofsky,
Jackson & Dickens
2120 L Street, N.W.
Washington, DC 20037
Atty for Fla Ad Hoc

C. Everett Boyd, Jr.
Ervin, Varn, Jacobs, Odom
& Ervin
305 South Gadsen Street
Post Office Drawer 1170
Tallahassee, Florida 32302
atty for Sprint

Florida Pay Telephone
Association, Inc.
c/o Mr. Lance C. Norris
President
Suite 202
8130 Baymeadows Circle, West
Jacksonville, FL 32256

Monte Belote
Florida Consumer Action Network
4100 W. Kennedy Blvd., #128
Tampa, FL 33609

Bill L. Bryant, Jr., Esq.
Foley & Lardner
Suite 450
215 South Monroe Street
Tallahassee, FL 32302-0508
Atty for AARP

Michael B. Twomey
Assistant Attorney General
Department of Legal Affairs
Room 1603, The Capitol
Tallahassee, FL 32399-1050

Mr. Douglas S. Metcalf
Communications Consultants,
Inc.
631 S. Orlando Ave., Suite 250
P. O. Box 1148
Winter Park, FL 32790-1148

Mr. Cecil O. Simpson, Jr.
General Attorney
Mr. Peter Q. Nyce, Jr.
General Attorney
Regulatory Law Office
Office of the Judge
Advocate General
Department of the Army
901 North Stuart Street
Arlington, VA 22203-1837

Mr. Michael Fannon
Cellular One
2735 Capital Circle, NE
Tallahassee, FL 32308

Floyd R. Self, Esq.
Messer, Vickers, Caparello,
Madsen, Lewis, Goldman & Metz
Post Office Box 1876
Tallahassee, FL 32302-1876
Attys for McCaw Cellular

Angela Green
Division of Legal Services
Florida Public Svc. Commission
101 East Gaines Street
Tallahassee, FL 32399-0863

Stan Greer
Division of Legal Services
Florida Public Svc. Commission
101 East Gaines Street
Tallahassee, FL 32399-0863

Suzanne Summerlin
Division of Legal Services
Florida Public Svc. Commission
101 East Gaines Street
Tallahassee, FL 32399-0863

Harold McLean
Assistant Public Counsel
Office of the Public Counsel
111 W. Madison Street
Room 812
Tallahassee, FL 32399-1400

Sidney J. White, Jr.
(m)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Comprehensive Review of the Revenue Requirements and Rate Stabilization Plan of Southern Bell Telephone and Telegraph Company)	Docket No. 920260-TL
_____)	
In re: Show cause proceeding against Southern Bell Telephone and Telegraph Company for misbilling customers)	Docket No. 900960-TL
_____)	
In re: Petition on behalf of Citizens of the State of Florida to initiate investigation into integrity of Southern Bell Telephone and Telegraph Company's repair service activities and reports)	Docket No. 910163-TL
_____)	
In re: Investigation into Southern Bell Telephone and Telegraph Company's compliance with Rule 25-4.110(2), F.A.C., Rebates)	Docket No. 910727-TL Filed: June 21, 1993
_____)	

SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S
MOTION FOR RECONSIDERATION OF ORDER NO. PSC-93-0876-CFO-TL

COMES NOW, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company ("Southern Bell" or "Company"), and files, pursuant to Rule 25-22.038(2), Florida Administrative Code, its Motion for Reconsideration of Order No. PSC-93-0876-CFO-TL, issued on June 10, 1993 by the Prehearing Officer in the above-referenced dockets.

1. On February 17, 1993, Southern Bell filed a Request for Confidential Classification ("Request") for certain portions of Schedule E-1A of the Company's Minimum Filing Requirements (MFRs) which Southern Bell revised at Staff's request. This information depicts Southern Bell's unit cost information for each Universal

DOCUMENT NUMBER-DATE

06665 JUN 21 8

PSC-RECORDS/REPORTING

Service Order Code (USOC) relating to the local transport and local switching elements of the Company's switched access service.

2. On June 10, 1993, the Prehearing Officer issued Order No. PSC-93-0876-CFO-TL denying the Company's Request for Confidentiality.

3. In her discussion of the reasons for denying Southern Bell's Request for Confidentiality, the Prehearing Officer made mistakes of fact and overlooked or failed to consider important reasons why the subject information should be kept confidential.

4. The Order clearly acknowledges that the information in question is in fact actual unit cost information for discrete switched access elements. Order, at p. 2. However, the crucial mistake of fact is contained on the same page of the Order wherein the Prehearing Officer states that:

"No harm will result from the availability of this material because actual costs cannot be derived from the instant information and it lacks sufficient specificity to be of use to a competitor." Id.

This mistaken conclusion of fact is inexplicable given the Prehearing Officer's previous acknowledgment that the information discloses Southern Bell's unit incremental costs. Clearly, the costs shown are the "actual" economic costs used for business decision making. Moreover, the cost figures are used by the Company to support its tariffed intrastate switched access service rates. These costs represent Southern Bell's incremental costs for the provision of the discrete switched access elements

listed on Schedule E-1a. The specificity of these costs as depicted in the Schedule relate to the applicable billing units for the tariffed rate elements also shown on the Schedule, and are therefore as specific as such costs can be determined at this level. Consequently, the Prehearing Officer's statement that the costs lack "specificity" is simply erroneous and should be reconsidered.

5. The potential competitive harm to Southern Bell must not only be viewed in the context of the present circumstances, but must also be considered in the context of circumstances known or likely in the immediate future. Although at the present time there is no direct substitute for Southern Bell switched access services, Alternative Access Vendors (AAVs) currently compete against Southern Bell's special access services in the State of Florida. These alternative special access services present an alternative for switched access services. Other factors may also have a significant impact on the extent of the competition faced by Southern Bell's access services, including pending FCC action on both special and switched access collocation and interconnection and the pending Intermedia application before the Florida Commission for collocation and interconnection of special access and private line services. Southern Bell's switched access cost data by rate element will be useful to competitors and potential competitors in making decisions regarding entry, pricing, marketing, and overall business strategies and regarding whether or not such competition would likely be viable as

compared to Southern Bell's competing services. Moreover, Southern Bell's cost levels are significant to its competitors or potential competitors because costs form the practical floor for prices. If a competitor knows Southern Bell's costs to provide these access service elements, it will also have a much clearer picture of its competitive entry and pricing options vis-a-vis Southern Bell.

6. Southern Bell cannot obtain similar cost information from its competitors or potential competitors and, therefore, the public disclosure of Southern Bell's cost information would give its competitors an unfair advantage over the Company since these competitors would then have a picture of Southern Bell's cost structure for competitive services.

7. Finally, based on the Prehearing Officer's faulty logic, if individual cost elements are not afforded confidential classification, and enough of these cost elements are publicly disclosed, Southern bell's total cost structure and levels would eventually be disclosed. This is analogous to the Commission allowing public disclosure of all the individual pieces to the puzzle while, at the same time, purportedly acknowledging that the completed puzzle itself would be entitled to confidential classification. This incongruent rationale is both untenable and would clearly lead to the public disclosure of Southern Bell's proprietary cost of service data. If this were to occur, Southern Bell's competitors could reconstruct Southern Bell's serving arrangements with all their attendant costs and thereby

"look inside" the Company's network provisioning. Such information is unquestionably of competitive value.

Based on the foregoing, Southern Bell moves the Prehearing Officer to reconsider those portions of Order No. PSC-93-0876-CFO-TL pertaining to the switched access services element specific unit costs and to find that such information is entitled to confidential classification.

Respectfully submitted this 21st day of June, 1993.

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY

Harris R. Anthony
HARRIS R. ANTHONY
c/o Marshall M. Criser, III
400 - 150 South Monroe Street
Tallahassee, Florida 32301
(305) 530-5555

R. Douglas Lackey
R. DOUGLAS LACKEY
SIDNEY J. WHITE, JR.
4300 - 675 West Peachtree Street
Atlanta, Georgia 30375
(404) 529-5094