

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
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In re: Show Cause Proceeding Against Southern Bell Telephone and Telegraph Company For Misbilling Customers	) ) ) ) ) ) )	Docket No. 900960-TL
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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
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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: July 8, 1993

SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S  
MOTION FOR RECONSIDERATION OF ORDER NO. PSC-93-0965-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-93-0965-CFO-TL, issued on June 28, 1993 in the above-referenced dockets.

1. On May 1, 1992 Southern Bell filed minimum filing requirement (MFR) Schedule E-1a, together with a Request for Confidential Classification for certain portions of the

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information contained in that Schedule. Some of the information related to the Company's unit costs for switched access rate elements.

2. On June 28, 1993, the Prehearing Officer issued Order No. 93-0965-CFO-TL denying Southern Bell's request for confidential classification for the switched access rate element unit costs contained in Schedule E-1a. The specific cost information at issue relates to the local transport and switching elements of the Company's switched access services.

3. In denying Southern Bell's request for confidentiality in this case, the Prehearing Officer failed to consider arguments already made by Southern Bell regarding the harm that could result from the public disclosure of this information. Such arguments have been made not only in this particular case, but also in Southern Bell's Motion for Reconsideration of Order No. 93-0876-CFO-TL, filed June 21, 1993, relating to the same issues. Also, Southern Bell has a Request for Confidential Classification pending in connection with the Company's current MFR filings made by Southern Bell on July 2, 1993 and this request also sets forth substantial support for the requested confidential classification of such cost data. Southern Bell will restate these collective arguments already presented to the Prehearing Officer concerning the switched access rate element cost information, and requests reconsideration of the instant Order based on the totality of these arguments which have been presented to the Prehearing Officer. These filings made by Southern Bell clearly establish

that harm to the Company would result if these costs are publicly disclosed.

4. With respect to the information relating to the local transport and switching elements of switched access service, the unit cost information discloses the economic costs for these discrete service elements, and such cost are valuable, are used by the Company in making business decisions and the Company strives to keep such information secret. Also, this information is of competitive value, and the public disclosure of the information could harm Southern Bell's competitive interests. Section 364.183(3)(a) and (e), Florida Statutes, expressly provides that such information is entitled to confidential classification.

5. The potential competitive harm to Southern Bell from unrestricted public disclosure of this information must not only be viewed in the context of the present competitive circumstances, but must also be considered in the context of circumstances known or likely to occur in the immediate future. Although at the present time there is no direct substitute for Southern Bell's 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 do 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 access services. Moreover, Southern Bell's cost levels are of significant interest 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 unrestricted access to and use of similar costs information from its competitors or potential competitors.<sup>1</sup> 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 costs for use in analyzing

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<sup>1</sup> When such information has been requested by Southern Bell, these parties have either objected to producing such information or have instead on highly restrictive protective agreements limiting the use of such information by Southern Bell, Southern Bell is merely asking for equal treatment such regard to the same type of data.

the competitors' services vis-a-vis Southern Bell's alternative services.

7. Finally, 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 for access services. Such information is unquestionably of competitive value.


8. As previously stated, although these same issues were addressed by the Prehearing Officer in Order No. PSC-93-0876-CFO-TL, issued June 10, 1993, the Company filed a Motion for Reconsideration of this tentative decision based on apparent mistakes of fact and improper analysis of Southern Bell's original arguments justifying confidential classification. In addition, on July 2, 1993, Southern Bell filed a Request for Confidentiality for the same local transport and switching cost information. The July 2, 1993 request also contains the same


arguments which have been restated herein. Consequently, the Prehearing Officer should reconsider her previous tentative rulings in light of all the cumulative arguments now before her relating to the switched access rate element cost information. By considering all the arguments made by Southern Bell, the Prehearing Officer can expeditiously and comprehensively resolve the confidential classification issue for this cost information. Southern Bell has presented substantial support for its collective claims for confidentiality, and urges the Prehearing Officer to exercise the discretion to grant confidential classification based on all arguments currently before her on this issue.

Based on the foregoing, Southern Bell moves the Prehearing Officer to reconsider those portions of Order No. PSC-93-0965-CFO-TL pertaining to the Company's unit costs for switched access rate elements.

Respectfully submitted this 8th day of July, 1993.

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