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ORIGINAL
FILE COPY

October 12, 1993

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

RE: Docket No. 920260-TL

Dear Mr. Tribble:

Enclosed are an original and fifteen copies of Southern Bell Telephone and Telegraph Company's Amended Request for Confidential Classification. Please file this document in the above-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
H. R. Anthony
R. D. Lackey

DOCUMENT NUMBER-DATE

10888 OCT 12 83

1000-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL
FILE COPY

In re: Comprehensive Review of)
the Revenue Requirements and Rate)
Stabilization Plan of Southern)
Bell Telephone and Telegraph)
Company)

Docket No. 920260-TL
Filed: October 12, 1993

SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S
AMENDED REQUEST FOR CONFIDENTIAL CLASSIFICATION

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 Amended Request for Confidential Classification for the information provided in response to the deficiency letter from Staff dated September 27, 1993.

1. Southern Bell is filing its Request for Confidential Classification for its Response for portions of document requests produced for Staff and Public Counsel because it deems the information requested to be confidential and proprietary business information in that it pertains to details of Southern Bell's re-engineering efforts and market strategy. Because of the impact of this information on the Company's employee body and on the market place, disclosure of this information could cause harm to the Company's business operations.

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

DOCUMENT NUMBER-DATE

10888 OCT 12 93

FILED RECORDS/REGISTRATION

3. Appended hereto in an envelope designated as Attachment B are two edited copies of the Interrogatory responses with the confidential information deleted.

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

5. With respect to the portions of documents produced for Staff and Public Counsel and specifically referenced in Attachment A as containing the results of the Company's re-engineering efforts, this response is entitled to proprietary confidential classification for compelling reasons. There can be no dispute that disclosure of this data would harm the Company's business operations. The data contains the results of the Company's re-engineering efforts which will result in the reduction of employee positions. While there has been public release of estimates of the total workforce reduction, details have been limited to very few senior managers. The information furnished to Staff contains an exact count, by specific department and by specific timeframe, of the personnel to be reduced from present to the end of 1994.

6. Premature release of this information will have a severe impact on the Company. Lost productivity and lowered morale will result, thereby harming the Company's business operations. Further, knowledge of the specific timeframe in

which reductions will be made could give a competitive advantage to the Company's competitors in that it would signal to them the timeframe in which the Company's cost of operations would be reduced. In addition, the Company's re-engineering efforts are still in an evolutionary process. Specific departmental force reductions may be faster or slower than planned. Release of this information on a premature basis will result in lowered efficiency, thereby harming the Company's operations and the ratepayers.

7. With respect to the portions of the documents produced for Staff and specifically referenced in Attachment A as including information reflecting Southern Bell's market analyses and strategy, this information is entitled to confidential classification on the basis that Southern Bell's competitors could use this information to gain valuable insights into Southern Bell's perception of relevant markets and to develop their own competing market strategies with which to thwart Southern Bell's competitive efforts in these markets. Thus, the disclosure of this information relating to the Company's competitive interests to Southern Bell's competitors would impair Southern Bell's ability to compete. Consequently, this information is specifically deemed to be proprietary confidential business information under Section 364.183(e), Florida Statutes. In addition, this information is valuable, is used by Southern Bell in conducting its business, and Southern Bell strives to keep it secret. Therefore, it is a trade secret which is

specifically classified as proprietary confidential business information pursuant to Section 364.183(3)(a), Florida Statutes, and therefore exempt from the inspection and examination provisions of Section 119.07(1), Florida Statutes.

8. Southern Bell's information and analyses relating to competitive services such as 1+ and 10XXX intraLATA toll services and usage based pricing for local service, particularly market strategies, projected market share and revenue data and other competitive market based information addressing variable competitive scenarios is highly proprietary. It is common knowledge that Southern Bell's service markets are becoming increasingly competitive. Consequently, the Company's evaluation, analyses, strategies and possible competitive responses relating to such increasing competitive influences are of paramount importance to Southern Bell, and of keen interest to its competitors and potential competitors. Examples of the type of information contained within the pages of documents will illustrate that this information is of competitive value. These include information showing revenue impacts from various intraLATA competition scenarios, Southern Bell's possible strategic responses to competitive scenarios, recommendations on competitive strategy, and sensitivity analyses. The Company's competitors would be extremely interested in Southern Bell's assessment of the competitive environment and its possible business options and strategies in such environments. Most notably, Alternative Access Vendors (AAVs) and Interexchange

Carriers (IXCs) pose major competitive to threats to Southern Bell in the intraLATA markets. Southern Bell does not have unrestricted access to these competitors' market evaluations, analyses or plans for competing against Southern Bell for the Company's use in developing corresponding strategies. In fact, in proceedings before this Commission, these parties have steadfastly maintained that such information is proprietary business information. It would be manifestly unjust to compel public disclosure of Southern Bell's competitive information while the Company is constrained from obtaining public access to its competitors' similar information.

9. Knowledge of Southern Bell's business strategy can benefit competitors or potential competitors in developing their own counter-strategies to the detriment of Southern Bell. To the extent such counter-strategies are successful, Southern Bell will suffer increased losses of revenues from its intraLATA toll business, which revenues have historically been the source of contribution used to maintain basic local service rates at reasonable levels. Competition is fast increasing within Southern Bell's LATAs, and the sensitivity and the usefulness of the Company's intraLATA competitive analysis, if such information finds its way into the hands of Company competitors or potential competitors is increasing, not diminishing. Section 364.183(3)(e), Florida Statutes expressly provides that information relating to competitive interests which, if publicly disclosed, would harm the competitive position of the provider of

the information is entitled to classification as proprietary confidential business information. The information sought to be protected from public disclosure by Southern Bell on its face satisfies this statutory standard.

10. Southern Bell has treated and intends to continue to treat the material for which confidential classification is sought as private, and this information has not been generally disclosed.

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 proprietary confidential business information, and thus not subject to public disclosure.

Respectfully submitted this 12th day of October, 1993.

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY

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ATTACHMENT "A"

FPSC DOCKET 920260-TL

JUSTIFICATION FOR CONFIDENTIALITY REQUEST

1. This information reflects Southern Bell's market strategy. Southern Bell's competitors can use this information to develop their own market strategy with which to thwart Southern Bell's effort in these markets. Southern Bell does not have unrestricted access to its competitors' market evaluations, analyses or plans for competing against Southern Bell for the Company's use in developing corresponding strategies. Thus, the disclosure of this information to Southern Bell's competitors would impair Southern Bell's ability to compete. In addition, this information is valuable, it is used by Southern Bell in conducting its business and Southern Bell strives to keep it secret. Therefore, it is a trade secret which should be classified as proprietary, confidential business information exempt from the Open Records Act pursuant to Section 364.183, Florida Statutes.

2. The documents furnished the Staff in response to this request contain the results of the Company's re-engineering efforts which will result in the reduction of many employee positions as the work is reduced or consolidated. The Company has released estimates of the total figures, but, has limited the distribution of the detailed headcount projection to a very few key planners and senior managers. Premature release of the anticipated losses by department will have severe morale impacts. The Company continues to protect this information as Proprietary Confidential Business Information because the re-engineering project is an evolutionary process which will invariably move faster and slower than projected depending on the departments. No prudent manager would release this kind of information until certain where and when cuts were about to be made. Unplanned and premature release of this information will cost the Company through lost productivity and lowered morale. Therefore, this information is considered proprietary and confidential business information by Southern Bell and is protected from disclosure by the statutes.

ATTACHMENT "A"

FPSC DOCKET 920260-TL

LOCATION OF THE PROPRIETARY INFORMATION

The following information identified by page and line numbers is considered confidential and proprietary:

<u>Page No.</u>	<u>Line Nos./Col. No.</u>	<u>REASON</u>
F01A0103172	11-30	1
03175	3, 5	1
03176	Entire Graph	1
03177	Entire Graph	1
03178	9-13	1
03179	8-11	1
03181	Entire Graph	1
03182	5-10, 12-20	1
03183	Entire Graph	1
03184	4-9	1
03188	3	1
03189	3, 8	1
03555	7-19	1
03558	3-27	1
03559	Entire Page - Delete	1
03560	Entire Page - Delete	1
03561	Entire Page - Delete	1
03562	Entire Page - Delete	1
03571	Entire Page - Delete	1
03572	Entire Page - Delete	1
03573	Entire Page - Delete	1
03574	Entire Page - Delete	1
03575	Entire Page - Delete	1
03576	Entire Page - Delete	1
03577	Entire Page - Delete	1
F01A23Z00443	Columns B-H and Column I with the exception of the group totals	2
F01A23Z00444	Columns B-H and Column I with the exception of the group totals	2

ATTACHMENT "B"

Two copies of the document with the confidential information deleted.

ATTACHMENT "C"

One copy of the document with the material which is confidential and proprietary highlighted.

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 12th day of October, 1993 to:

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