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ORIGINAL
FILE COPY

February 21, 1994

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, 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-94-0164-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.

- ACK
- AFA
- APP
- CAF
- CMJ
- CTR Enclosures
- EAG
- LEG *lw/mi*
- LIN *la*
- OPC
- RCH
- SEC
- WAS
- OTH

Sincerely,

Sidney J. White, Jr.
Sidney J. White, Jr.

All Parties of Record
A. M. Lombardo
H. R. Anthony
R. D. Lackey

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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 February, 1994
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(09)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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|---|---|--------------------------|
| 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: February 21, 1994 |

SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S
MOTION FOR RECONSIDERATION OF ORDER NO. PSC-94-0164- 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-94-0164-CFO-TL, issued on February 10, 1994 by the Prehearing Officer in the above-referenced dockets.

1. On December 10, 1993, Southern Bell filed a Request for Confidential Classification relating to the testimony and

DOCUMENT NUMBER-DATE
01716 FEB 21 1994
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exhibits of Walter S. Reid filed to rebut the testimony of other parties' witnesses. On January 4, 1994, the Company also filed a Request for Confidential Classification relating to further testimony and exhibits of Mr. Reid in rebuttal to the Staff's Affiliate Transactions and Cost Allocations Audit and other audits related to this docket.

2. On February 10, 1994, the Prehearing Officer issued Order No. PSC-94-0164-CFO-TL denying the Company's Requests for Confidential Classification.

3. In her discussion of the reasons for denying Southern Bell's Requests for Confidentiality, the Prehearing Officer overlooked or failed to consider material reasons why the subject information should be kept confidential, and made findings inconsistent with prior Orders dealing with the same type of information.

4. The first material factual error in the Prehearing Officer's Order relates to the following statements:

The majority of the information consists of proposed adjustments. It is not actual financial information of BAPCO, is entirely speculative...."

and

The only actual BAPCO information is its reported net income for 1992....

5. These statements are incorrect. While it is true that some of the information consists of proposed adjustments, the information at issue, in addition to net income, also depicts actual BAPCO financial, investment and cost information and other

numbers which could be used to derive actual BAPCO financial information. To the extent the Prehearing Officer overlooked this fact in making her decision, the Order should be reconsidered.

6. Regarding BAPCO's 1992 net income, the Prehearing Officer incorrectly found that Southern Bell did not consistently seek confidential classification for this proprietary information. The Order states that Southern Bell sought protection of this information on page 26, line 6 and page 35 line 2 of Walter Reid's December 10, 1993 testimony but did not similarly ask for protection of the same information on page 26 line 14 of the same testimony. A review of Southern Bell's filing shows that Southern Bell did seek protection for the net income amount on page 26, line 14, just as it did for the other instances where the number appeared in the testimony. Attachment A, appended to Southern Bell's December 10, 1993 Request for Confidentiality clearly shows that the information found on page 26, line 14 is included in the Company's request for confidential classification. Further, Southern Bell's copy of its December 10, 1993 filing correctly shows that this information was among the information sought to be protected. Attachment B, which is the redacted version of the portions of the subject testimony shows that the net income amount on page 26, line 14 is properly redacted consistent with Southern Bell's treatment of the same number at page 26, line 6 and page 35, line 2 in the filing. To the extent the Prehearing Officer based her tentative ruling on

the mistaken belief that Southern Bell had not asserted confidentiality on a consistent basis, the Order is based on a material mistake of fact, and should be reconsidered.

7. In its January 4, 1994 Request for Confidentiality, Southern Bell also sought to protect BAPCO's 1992 net income. A typographical error in that filing resulted in the incorrect citation to Florida PSC Order No. 93-0325-CFO-TL, issued on March 3, 1993, rather than to Order No. 93-0326-CFO-TL issued on the same day. Southern Bell intended to show that in Order No. 93-0326-CFO-TL the Prehearing Officer found that BAPCO's net income is entitled to confidential classification:

Upon review, the material is found to be as described by the Company. Disclosure of the requested information at Interrogatory 50, page 2 of 2, at lines 18-19 and Interrogatory 52, page 2 of 2, lines 17 and 19 would cause the Company competitive harm. (emphasis added) (Order at p. 2)

8. A review of the documents referenced in the quoted portion of Order No. PSC-93-0326-CFO-TL shows that the information depicted at Interrogatory 50, page 2 of 2, line 19 and Interrogatory 52, page 2 of 2, line 19 is in fact BAPCO's net income. This Order clearly found that public disclosure of this information would cause BAPCO competitive harm. Southern Bell intended that the correct Order be considered by the Prehearing Officer, and the typographical error, which was clearly a clerical error, should not change the final result in this case. Southern Bell requests that the Prehearing Officer follow her previous ruling that the net income amounts are entitled to

confidential classification. The instant Order provides no basis for deviating from this prior ruling which was based on a finding that public disclosure would result in competitive harm.

9. The Prehearing Officer also tentatively concluded that, except for the net income amounts, no actual BAPCO financial information is depicted in the testimony or exhibits of Walter Reid. This statement is incorrect and also disregards Southern Bell's rationale for seeking confidentiality for this information. As Southern Bell stated in its January 4, 1994 filing:

These figures can be used to derive actual BAPCO net income, expenses and investment through reverse calculations.

and

The information at issue is actual financial information relating to a non-regulated affiliate company.

10. Thus, Southern Bell sought confidential classification not only for information which directly discloses actual BAPCO financial information, but also for information which could be used to derive such actual information. Southern Bell did not state in its request for confidentiality that all numbers sought to be protected by themselves disclosed actual BAPCO financial information. Rather, Southern Bell indicated that some of the information could be used to derive actual information. The Order failed to address this point. It is undisputed that BAPCO's Net Income and uncollectibles comprise actual financial information. Net income has already been discussed, and the

uncollectible amounts were also previously found to be proprietary by the Prehearing Officer in Order No. PSC-93-0326-CFO-TL. Thus, these numbers should clearly be protected as confidential.

11. Other figures directly depict actual BAPCO financial information and should not be made publicly available. Examples are the information found in Mr. Reid's December 10, 1993 testimony at Page 34, line 24 and in Mr. Reid's January 4, 1994 testimony and exhibits at page 12, line 8 and Exhibit WSR-12 at lines 21 and 25. All of the other numbers sought to be protected can be used to derive these numbers or BAPCO's net income through reverse mathematical calculations. Consequently, Southern Bell urges the Prehearing Officer to reconsider her decision, particularly since the tentative ruling did not recognize that some of the information at issue did include actual financial information and that the other numbers sought to be protected were identified due to their utility in deriving actual confidential information.

12. Based on the foregoing, Southern Bell moves the Prehearing Officer to reconsider those portions of Order No. PSC-94-0164-CFO-TL pertaining to the financial information relating to BAPCO and to find that such information is entitled to confidential classification.

Respectfully submitted this 21st day of February, 1994.

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