



GTE Telephone Operations

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**ORIGINAL
FILE COPY**

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April 4, 1996

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 950984-TP
Resolution of petition(s) to establish nondiscriminatory rates, terms and conditions for resale involving local exchange companies and alternative local exchange companies pursuant to Section 364.161, Florida Statutes

Dear Ms. Bayo:

Please find enclosed for filing an original and fifteen copies of GTE Florida Incorporated's Request for Confidential Classification and Motion for Protective Order in connection with the Late-Filed Deposition Exhibits of Dennis B. Trimble in the above matter. One copy of the confidential documents and two redacted copies are also enclosed. Service has been made as indicated on the Certificate of Service. If there are any questions with regard to this matter, please contact me at 813-228-3085.

Very truly yours,

M. Eric Edgington

MEE:tas
Enclosures

A part of GTE Corporation

RECEIVED & FILED

M. Eric Edgington
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

03957 APR -4 1996

FPSC-RECORDS/REPORTING

Request w/att
DOCUMENT NUMBER-DATE
03956 APR -4 1996
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:)
Resolution of petition(s) to establish)
unbundled services, network features,)
functions or capabilities, and local loops)
pursuant to section 364.161, Florida)
Statutes)
_____)

Docket No. 950984-TP
Filed: April 4, 1996

GTE FLORIDA INCORPORATED'S REQUEST FOR CONFIDENTIAL CLASSIFICATION AND MOTION FOR PERMANENT PROTECTIVE ORDER

Under Commission Rule 25-22.006, GTE Florida Incorporated (GTEFL) seeks confidential classification and a permanent protective order for certain information in the Late-Filed Deposition Exhibits of Dennis B. Trimble in this proceeding. While a ruling on this Request is pending, GTEFL understands that the information at issue is exempt from Florida Statutes section 119.07(1) and Staff will accord it the stringent protection from disclosure required by Rule 25-22.006(3)(d).

Highlighted, unredacted copies of the confidential material are attached to only the original of this Request as Exhibit A. Redacted copies of these items are attached to this Request as Exhibit B. Exhibit C is the line-by-line justification of confidentiality.

All of the information for which GTEFL seeks confidential treatment fits within Florida Statutes section 364.188(3)(e), which defines the term "proprietary confidential business information" to include "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information." The information covered in this filing reveals GTEFL's per-line costs associated with the unbundled elements of GTEFL's business and residential basic local

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FPSC-REGULATORY/REPORTING

1314

exchange loops. GTEFL also seeks confidential treatment of the per-line contribution numbers which, when combined with public revenue information, would enable calculation of GTEFL's cost data.

GTEFL closely guards its cost information from public disclosure, and it is typically granted confidential treatment by the Commission. Knowledge of GTEFL's costs of providing particular services or elements, particularly when coupled with public information about GTEFL's rates, will allow its competitors to discern GTEFL's relative strengths and weaknesses in its cost structure. With this information, competitors can devise the most effective marketing, entry, and or expansion strategies to ensure their success in competing with GTEFL, without the usual marketplace trial and error. Further, GTEFL will not be permitted access to similar information of its competitors.

In addition to cost and associated information, GTEFL seeks confidential protection for its projections of the effects of loop unbundling on GTEFL's revenues, along with the associated retail contribution and unbundled loop contribution figures. These data will again enable GTEFL's competitors to determine where GTEFL may be most vulnerable and allow them to formulate their business plans and pricing policies accordingly.


In a competitive market, any information gained about a competitor can be used to the detriment of that party, often in ways that are unanticipated. These concerns have become increasingly more acute for GTEFL as the revisions to Chapter 364 have opened all of GTEFL's lines of business to competition. Indeed, this proceeding is motivated by GTEFL's competitors' efforts to receive the most advantageous treatment possible in entering new businesses. It would be patently unfair as well as inimical to efficient

competition if these competitors were permitted to gain a competitive advantage through disclosure of GTEFL's sensitive information in a regulatory proceeding.

For these reasons, GTEFL respectfully asks the Commission to grant this Request to issue a permanent protective order for the information detailed in Exhibit C.

Respectfully submitted on April 4, 1996.

By:



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Tampa, Florida 33601
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Attorneys for GTE Florida Incorporated

Unbundled Loop/Port Ordering Charge

Jurisdiction: Florida

	A	B	C	D	E	F	G	H	I	J
Work Activity	Rate per Hour	Rate per Minute	Install Minutes	Change Minutes	Disconnect Minutes	Install Cost	Change Cost	Disconnect Cost	Total Cost	

1 Order Initiation/
 2 Coordinatio Totals

3 Systems Expenses
 4 MARK, SFDS, SOLAR, SORC

5 Accounting Activities
 6 Billing errors/inquiries
 7 Totals

8 Engineering Activities
 9 SSCC
 10 Incremental
 11 Initial Totals
 12 Incremental Totals

13 Assignment Activities
 14 FAC
 15 Incremental
 16 Initial Totals
 17 Incremental Totals

18 Central Office Activities
 19 Customer Zone Tech.
 20 Incremental
 21 DAC
 22 Incremental
 23 Data Base Updates
 24 Incremental
 25 Initial Totals
 26 Incremental Totals

27 Total Unbundled Loop or Port Initial Ordering Charge
 28 Total Unbundled Loop or Port Incremental Ordering Charge

\$81,221
\$28,805

**Incremental Systems Costs
Total Domestic Telephone
1996-98 Revised Forcast**

<i>A</i>	<i>B</i> <u>1996</u>	<i>C</i> <u>1997</u>	<i>D</i> <u>1998</u>	<i>E</i> Three Year <u>Total</u>
1 Total Domestic Telephone				
2 Allocated to GTE - Florida				
3 Resale Circuits				
4 Unbundled Loops				
5 Unbundled Ports				
6 Total Units Lost				
7 Churn Rate				
8 Units Processed				
9 Nonrecurring rate per unit to recover Initial Implementation Cost				\$4.16

C

PRICING

State: FLORIDA
Service: SERVICE A

Period: 95 Months

A

B

1	Total Monthly Asset Cost	
2	Total Monthly Engineering/Installation Cost	
3	Total Monthly Expenses	
4		
5	Total Fully Allocated Monthly Cost (1)+(2)+(3)	
6	Forecasted Units	
7		
8	Fully Allocated Monthly Cost Per Unit (5)/(6)	
9		
10		
11	PROPOSED NON-RECURRING CHARGE (NRC) PER UNIT	
12		
13		
14		
15		
16		
17	Monthly Credit for NRC Per Unit (11)	
18	Amortized at 10.13%	
19		
20	MONTHLY RECURRING CHARGE (MRC) PER UNIT (8)-(18)	247.84
21		<u>247.84</u>

GTE LEVELIZED ANNUITY PRICING PROGRAM

State: FLORIDA
 Service: SERVICE A

FULLY ALLOCATED MONTHLY COSTS

	B	C	D	E	F	G
	TOTAL	COE	OSP	Circuit Eq.	Other Asst 1	Other Asst 2
		\$2212.00	\$2423.20	\$2232.21		

- 1 ASSET:
- 2 Equipment Investment (Loaded)
- 3 Net Salvage X
- 4 Net Salvage (2)x(3)
- 5 Net Investment (2)-(4)
- 6 Capital Recovery Months
- 7 MONTHLY S.L. DEPRECIATION (5)/(6)
- 8
- 9 Monthly Capital Recovery at 10.13X
- 10 MONTHLY RETURN (9)-(7)
- 11
- 12 Tax Factor at 38.58X Comp. Tax Rate
- 13 MONTHLY INCOME TAX (2)x(12)
- 14
- 15 TOT MONTHLY ASSET COST (7)+(10)+(13)
- 16
- 17 ENGINEERING & INSTALLATION:
- 18 Engineering & Installation Investment
- 19 Net Salvage X
- 20 Net Salvage (18)x(19)
- 21 Net Investment (18)-(20)
- 22 Capital Recovery Months
- 23 MONTHLY S.L. DEPRECIATION (21)/(22)
- 24
- 25 Monthly Capital Recovery at 10.13X
- 26 MONTHLY RETURN (25)-(23)
- 27
- 28 Tax Factor at 38.58X Comp. Tax Rate
- 29 MONTHLY INCOME TAX (18)x(28)
- 30
- 31 TOT MONTHLY EBI COST (23)+(26)+(29)
- 32
- 33 MONTHLY EXPENSES:
- 34 PV Total Investment (2)+(18)
- 35 Plant Specific (M/R,Support) Factors:
- 36 Plant Specific (34)*(35) /12
- 37 Adj. for 2.9% Labor Rate Inflation
- 38 Plant Specific (Adjusted) (36)*(37)
- 39 Customer Oper. 3.539% *(34) /12
- 40 Property Tax 1.200% *(34) /12
- 41 Plant Non-Spec. 2.148% *(34) /12
- 42 Corporate Oper. 4.072% *(34) /12
- 43 Misc. Loadings 1.821% *(34) /12
- 44 Other Taxes 0.202% *(34) /12
- 45
- 46 TOTAL MONTHLY EXPENSES (38)..(44)
- 47
- 48 SUBTOTAL MO. COST (15)+(31)+(46)
- 49
- 50 Non Capitalized Expenses
- 51 Eff. Gross Rec. Tax 2.544% *(48+50)
- 52 TOTAL MONTHLY COST (48)+(50)+(51) 967.84

A B C D E F G H I J K L

2-Wire Voice Grade Private Line					2-Wire Voice Grade Unbundled Loop					
12/93 % Distribution	2-wire VG LRIC *	MDF/Prot	2-wire VG LRIC	Weighted 2-wire VG LRIC	12/94 % Distribution	2-wire Unbundled Loop	Drop/Prot	MDF/Prot	2-wire Unbundled Loop	Weighted 2-wire Unbundled Loop

- 1 High
- 2 Medium
- 3 Low
- 4 VS - Customer Contact & Marketing (for Private Line Study in Carrying Charge Factors)
* Includes Drop & Protector

5 **Weighted Network Access Channel Basic Level [A]**

6 MTF Repeater [B]

7 **Subtotal**

8 Monthly Credit for NRC () per Unit
9 Amortized @ ([C]

10 **Network Access Channel Basic Level
Less Monthly Credit for NRC (D = [A] + [B] + [C])**

11 NACC [E]

12 Billing & Collection [F]

13 **Total VS-LRIC (G = [D]+[E]+[F])**

Vol Insensitive (VIS)

- 14 VIS High
- 15 Medium
- 16 Low

17 VIS [H]

18 VIS - Customer Contact & Marketing [I]

19 Total Average VIS Cost per unit (J= [H]+[I])

20 **Total [G + J]**

1322

03/07/95

Pricing & Tariff Support

Florida

1-9mshunnao2=2msh2
17
18

A		B	C	D	E
2W VG Private Line					
KF Band	Dist	Pct Dist	BNF Cost		Wgtd Cost
0-1					
1-2					
2-3					
3-4					
4-5					
5-6					
6-7					
7-8					
8-9					
9-10					
10-11					
11-12					
>12					
AVG >12					
AVG LOOP					

F		G	H	I	J
Medium 2W VG Private Line					
KF Band	Dist	Pct Dist	BNF Cost		Wgtd Cost
0-1					
1-2					
2-3					
3-4					
4-5					
5-6					
6-7					
7-8					
8-9					
9-10					
10-11					
11-12					
>12					
AVG >12					
AVG LOOP					

K		L	M	N	O
Low 2W VG Private Line					
KF Band	Dist*	Pct Dist	BNF Cost		Wgtd Cost
0-1					
1-2					
2-3					
3-4					
4-5					
5-6					
6-7					
7-8					
8-9					
9-10					
10-11					
11-12					
>12					
AVG >12					
AVG LOOP					

* Usd

1323

GTE Florida Incorporated

A **B** **C** **D**
Florida Loop Summary - Unbundled Loop High
 KF Band Pct Dist BNF Cost Wgtd Cost

0-1
 1-2
 2-3
 3-4
 4-5
 5-6
 6-7
 7-8
 8-9
 9-10
 10-11
 11-12
 >12

AVG>12
 AVG LOOP

E **F** **G** **H**
Medium
 KF Band Pct Dist BNF Cost Wgtd Cost

0-1
 1-2
 2-3
 3-4
 4-5
 5-6
 6-7
 7-8
 8-9
 9-10
 10-11
 11-12
 >12

AVG>12
 AVG LOOP

I **J** **K** **L**
Low
 KF Band Pct Dist BNF Cost Wgtd Cost

0-1
 1-2
 2-3
 3-4
 4-5
 5-6
 6-7
 7-8
 8-9
 9-10
 10-11
 11-12
 >12

AVG>12
 AVG LOOP

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

WP_POD-6

A

B C

D

E F

G

H I J

KF Band

High BNF Costs	
2-Wire	Unbid

Diff

Medium BNF Costs	
2-Wire	Unbid

Diff

LOW BNF Costs	
2-Wire	Unbid

Diff

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

0-1
1-2
2-3
3-4
4-5
5-6
6-7
7-8
8-9
9-10
10-11
11-12
>12

KF Band

High Loop Distribution	
2-Wire	Unbid

Diff

Medium Loop Distribution	
2-Wire	Unbid

Diff

LOW Loop Distribution	
2-Wire	Unbid

Diff

14
15
16
17
18
19
20
21
22
23
24
25
26
27

0-1
1-2
2-3
3-4
4-5
5-6
6-7
7-8
8-9
9-10
10-11
11-12
>12

A

B

C

D

E

F

G

H

I

J

KF Band

High	
Unbdl 2-Wire	BNF Costs Unbld

Diff

Medium	
Unbdl 2-Wire	BNF Costs Unbld

Diff

LOW	
Unbdl 2-Wire	BNF Costs Unbld

Diff

- 1 0-1
- 2 1-2
- 3 2-3
- 4 3-4
- 5 4-5
- 6 5-6
- 7 6-7
- 8 7-8
- 9 8-9
- 10 9-10
- 11 10-11
- 12 11-12
- 13 >12

- 15 MDF & Prot
- 16 MTF Repeater
- 17 Drop Prot
- 18 Customer Contact

19	Total
20	12/94 % Dist
21	
22	Weighted Cost

Table 1
Average Business Customer - Contribution Analysis

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
		Revenue (per Line)	Costs ¹ (per Line)	Contribution (per Line)
1	Local Exchange Line	\$35.46		
2	EUCL (CALC)	\$6.00	0.00	6.00
3	Toll	\$4.06		
4	Vertical Services	\$1.12		
5	IS - Switched Access			
6	* CCLC	\$4.83	0.00	4.83
7	* Other	5.33		
8	ST - Switched Access	\$8.11		
9	TOTAL	\$84.91		

¹ Costs include volume sensitive and average volume insensitive costs per unit.

Table 2
Average Residential Customer - Contribution Analysis

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
		Revenue (per Line)	Cost ² (per Line)	Contribution (per Line)
1	Local Exchange Line	\$10.85		
2	EUCL (CALC)	\$3.50	0.00	3.50
3	Toll	\$1.83		
4	Vertical Services	\$2.35		
5	IS - Switched Access			
6	* CCLC	\$3.37	0.00	3.37
7	* Other	3.71		
8	ST - Switched Access	\$5.66		
9	TOTAL	\$31.27		

² Costs include volume sensitive and average volume insensitive costs per unit.

Table 3
Contribution Preserving Unbundled Loop Rates

<i>A</i>	<i>B</i> Unbundled Loop Costs ³	<i>C</i> Wholesale Marketing Costs ⁴	<i>D</i> Lost Contribution to Margin	<i>E</i> Total (Rate)
1 Business				61.69
2 Residential				28.67
3 WTD Bus + Res				36.98

³ Costs include volume sensitive and average volume insensitive costs per unit.

⁴ Includes both volume sensitive and average per unit volume insensitive customer contact costs.

Table 4

Revenue Impacts of Unbundling Loops

	<p><i>A</i></p> <p>Lost Customer Lines (10%) (a)</p>	<p><i>B</i></p> <p>Retail Contribution (b)</p>	<p><i>C</i></p> <p>Unbundled Loop Contribution (c)</p>	<p><i>D</i></p> <p>Annual Loss (d)=(a)*(b-c)*12</p>
<p><i>E</i></p> <p>1 Business</p>	<p>50,000</p>			
<p>2 Residential</p>	<p>144,000</p>			
<p>3 TOTAL</p>				

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
Late-filed Dep. Ex. 1, page 4	1-26	B-J	<p>These columns present the unbundled loop and port initial order costs and labor rates which are used to develop the unbundled loop and port initial order charge. This information is confidential and must be protected because it contains rates for labor and details unit and cost elements utilized by GTEFL in providing loop and port ordering service. Knowing how much it costs for GTEFL to provide ordering of loop and port charges could be utilized by a competitor to determine its order taking and billing systems also. While loop and port services are not competitively offered at this date, such services will likely be offered (e.g., loop service offered through cable services) in the near future. This information would then prove valuable should a loop and port market develop. Further, public disclosure of this information would put GTEFL at a competitive disadvantage in that GTEFL does not have access to similar information respecting its competitors' projected system enhancement costs. Therefore, this information is timely and requires confidential protection.</p>
Late-filed Dep. Ex. 1, page 12	1-14	B-E	<p>These columns depict the confidential forecasts of the investment cost GTEFL intends</p>

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			<p>to dedicate to enhancing each of the identified telephone support systems (e.g., GTEFL's billing services, order centers, customer care centers, etc.). This information must be protected from unauthorized publication because such publication would give competitors valuable information as to which systems GTEFL viewed as either requiring enhancement or which GTEFL intends to emphasize as critical systems in the competitive environment as well as the amount of investment GTEFL is making in those systems. Competitors can also use this information to gauge their relative efficiency by comparing GTEFL's enhancement cost to their own. GTEFL would not have access to competitor costs to make a similar comparison and will thus be at a competitive disadvantage. Armed with this information, competitors could unfairly avoid their own determination as to which support systems warrant attention and the amount of investment they should be dedicating towards such support systems. Further, public disclosure of this information would put GTEFL at a competitive disadvantage in that GTEFL does not have access to similar information respecting its</p>

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
Late-filed Dep. Ex. 1, page 13	1-2	B-E	<p>competitors' projected system enhancement costs.</p> <p>This information represents the total projected investment by GTEFL to enhance its various support systems such as customer billing, carrier access billing, customer care systems, etc. The cost to GTEFL of enhancing its systems its proprietary information which a competitor can use to gauge its relative amount of investment in enhancement of its systems to gauge unfairly what the relative level of anticipated investment and enhancement is between the two companies. GTEFL is not privy to similar information of its competitors and it is an unfair competitive advantage to compel GTEFL to disclose its information in this proceeding.</p>
Late-filed Dep. Ex. 1, page 13	2-8	B-E	<p>These columns represent GTEFL's projections of competitive penetration as represented by the amount of unbundled loops and unbundled ports which ALECs will purchase over the next three years. This information is proprietary in that competitors could utilize this information to assess the accuracy of the competitors' projected market entry as against GTEFL's projection of market entry and, in so comparing,</p>

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			determine what investments need to be increased or decreased and in what areas. Significantly, GTEFL does not have similar competitive information respecting what its competitors anticipate will be their penetration into GTEFL's market. Production of this information is, therefore, an unfair competitive disadvantage to GTEFL.
Late-filed Dep. Ex. 1, page 14	1-3,5,6,8,11,18	B	This column represents the DS1 port charge costs used in calculating the monthly recurring charge for a DS1 port. This information is competitive and must be protected from improper use by competitors to establish what GTEFL's port charge costs are. Further, vendors to GTEFL could unfairly use this information to determine what GTEFL's current costs are and price their proposed bids to GTEFL for those products and services accordingly.
Late-filed Dep. Ex. 1, page 15	1-52	A-G	These columns represent the DS1 port charge costs used in calculating the monthly recurring charge for a DS1 port. This information is competitive and must be protected from improper use by competitors to establish what GTEFL's port charge costs are. Further, vendors to GTEFL could unfairly use this information to determine what GTEFL's

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			current costs are and price their proposed bids to GTEFL for those products and services accordingly.
Late-filed Dep. Ex. 2, page 3	1-20	B-L	These columns represent the long-run incremental cost information for two wire voice grade private line and unbundled loops. This is critical competitive information which reflects GTEFL's loop cost in detail showing the costs for high, medium and low volume areas as well as the incremental costs of billing and collection for these services, customer contact and marketing costs. Competitors could use this information to determine GTEFL's margin of pricing above cost and price their products accordingly so as to gain an unfair competitive advantage. GTEFL does not have access to the long-run incremental cost of its competitors and such unilateral disclosure of this information creates an unfair competitive advantage.
Late-filed Dep. Ex. 2, page 4	1-18	B,C,G,H, L,M	These columns represent GTEFL's distribution of private line loops by distance bands. Competitors could look at GTEFL's percent of distribution to its competitive advantage by using this information to make its determination as to loop

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			concentration without developing its own market information. GTEFL incurred costs in determining the proper loop concentration levels and should not be put in the competitively disadvantageous situation of providing this information to competitors at no cost to the competitor. Further, GTEFL will not have access to similar information of its competitors.
Late-filed Dep. Ex. 2, page 5	1-17	B,F,J	These columns represent GTEFL's distribution of anticipated unbundled loops by distance bands. Competitors could look at GTEFL's percent of distribution to its competitive advantage by using this information to make its determination as to loop concentration without developing its own market information. GTEFL incurred costs in determining the proper loop concentration levels and should not be put in the competitively disadvantageous situation of providing this information to competitors at no cost to the competitor. Further, GTEFL will not have access to similar information of its competitors.
Late-filed Dep. Ex. 2, page 4	1-17	D,E,I,J, N,O	This information represents the basic network function costs (BNF) for two wire voice grade private line based on distance

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			<p>from central office as well as traffic levels. The weighted costs of these elements is also listed to calculate the average loop costs. This information is highly sensitive in that competitors can use this information to determine whether or not it is cost competitive for the competitor to build its own loop facilities to a given bandwidth versus purchasing these loop services from GTEFL, and competitors could use this information to price their own offerings of loop services. This cost information was developed by GTEFL from investments which GTEFL paid for and an unfair competitive advantage would be gained by GTEFL's competitors if such GTEFL cost information was provided for free to the competitors through the publication of this information.</p>
Late-filed Dep. Ex. 2, page 5	1-17	C,D,G,H, K,L	<p>These columns represent the long-run cost information for two wire voice grade private line and unbundled loops. This is critical competitive information which reflects GTEFL's loop cost in detail showing the costs for high, medium and low volume areas as well as the incremental costs of billing and collection for these services, customer contact and marketing costs. Competitors could use this information to</p>

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			determine GTEFL's margin of pricing above cost and price their products accordingly so as to gain an unfair competitive advantage. GTEFL does not have access to the long-run incremental cost of its competitors and such unilateral disclosure of this information creates an unfair competitive advantage.
Late-filed Dep. Ex. 2, page 6	1-13	B-J	These columns present a side-by-side composite comparison of the two above-referenced items (i.e., Late-filed Dep. Ex. 2, pages 4 and 5). Accordingly, the basis for confidentiality of this information is identical.
Late-filed Dep. Ex. 2, page 6	14-27	B-J	These columns represent GTEFL's distribution of a comparison between anticipated unbundled loops and its distribution of private lines by distance bands. Competitors could look at GTEFL's percent of distribution to its competitive advantage by using this information to make its determination as to loop concentration without developing its own market information. GTEFL incurred costs in determining the proper loop concentration levels and should not be put in the competitively disadvantageous situation of

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			providing this information to competitors at no cost to the competitor. Further, GTEFL will not have access to similar information of its competitors.
Late-filed Dep. Ex. 2, page 7	1-22	B-J	These columns contain a specific comparison between the basic network function costs for two-wire versus unbundled loops. This information is highly sensitive in that competitors can use this information to determine whether or not it is cost competitive for the competitor to build its own loop facilities to a given bandwidth versus purchasing these loop services from GTEFL, and competitors could use this information to price their own offerings of loop services. This cost information was developed by GTEFL from investments which GTEFL paid for and an unfair competitive advantage would be gained by GTEFL's competitors if such GTEFL cost information was provided for free to the competitors through the publication of this information.
Late-filed Dep. Ex. 4, page 1	1, 3-5,7-9	C,D	These columns represent the costs and contribution on a business per-line basis of GTEFL's local exchange line as well as vertical services such as toll and switched access. This

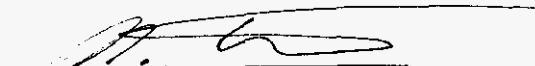
<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			proprietary information respecting the costs of these various competitive services as well as the contributions made by those services would give competitors an unfair competitive advantage in being able to focus their marketing efforts on those items which offer the most attractive contribution or area for competitive entry. Of perhaps greater significance, competitors would know the margin at which GTEFL sells these competitive services and competitors could unfairly use this information to price their services to maximize profit. GTEFL is not privy to its competitors' cost and margin information, and it is an unfair competitive advantage to GTEFL's competitors to compel GTEFL to publish its information respecting costs and contribution for these services.
Late-filed Dep. Ex. 4, page 2	1,3-5,7-9	C,D	These columns represent the per-line cost and contribution from the average residential customer for the competitive services listed, such as local exchange line, toll, and switched access. This proprietary information respecting the costs of these various competitive services as well as the contributions made by those services would give competitors an unfair competitive advantage

<u>Page</u>	<u>Line</u>	<u>Column</u>	<u>Reason</u>
			<p>in being able to focus their marketing efforts on those items which offer the most attractive contribution or area for competitive entry. Of perhaps greater significance, competitors would know the margin at which GTEFL sells these competitive services and competitors could unfairly use this information to price their services to maximize profit. GTEFL is not privy to the cost and contribution information of its competitors, and it is an unfair competitive advantage to compel GTEFL to publish its information respecting costs and contribution for these services.</p>
Late-filed Dep. Ex. 4, page 3	1-3	B-E	<p>These columns represent the unbundled loop costs, the wholesale marketing costs of providing an unbundled loop, and the lost contribution to margin from providing such loop in lieu of selling the service at retail for both business and residential as well as an aggregated weighted business and residential result. Production of this information would give competitors an unfair competitive advantage in knowing what GTEFL's costs are as well as the level of contribution GTEFL earns on its current retail sales. Competitors could unfairly use this information in pricing its products as well as determining which markets</p>

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			present the most attractive competitive entry. GTEFL is not privy to this type of information from its competitors and it is an unfair competitive advantage to GTEFL's competitors to compel GTEFL to publish such information.
Late-filed Dep. Ex. 4, page 4	1-3	C-E	These columns represent a numeric listing of the retail contribution separately stated for business and residence and the unbundled loop contribution separately stated for business and residence in order to establish the annual loss in contribution from the sale of an unbundled loop versus a retail sale of service. Publication of this information would provide a competitive advantage to GTEFL's competitors through the dissemination of the current contribution which GTEFL makes on the its retain sales as well as the contribution GTEFL anticipates making on its unbundled loop. Such information can be used by competitors in making pricing decisions, and should be subject to confidential treatment on the grounds that GTEFL is not permitted to view similar information of its competitors.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Request for Confidential Classification and Motion for Permanent Protective Order in Docket No. 950984-TP were sent via U.S. mail on April 4, 1996 to the parties on the attached list.



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