

ORIGINAL



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September 8, 1998

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

Re: Docket No. 980696-TP
Determination of the cost of basic local telecommunications service,
pursuant to Section 364.025, Florida Statutes

Dear Ms. Bayo:

Please find enclosed an original and fifteen copies of GTE Florida Incorporated's
Opposition to Motion of Attorney General to Compel GTE To Comply with Procedural
Order, Permit the Attorney General to Use Confidential Information, and For Expedited
Ruling for filing in the above matter. Service has been made as indicated on the
Certificate of Service. If there are any questions regarding this filing, please contact
me at (813) 483-2617.

- ACK _____
- AFA 2
- APP _____
- CAF _____
- CMU Kimberly Caswell
- CTR Kimberly Caswell
- EAG _____
- LEG 2 KC:tas
- LIN 5 Enclosures
- OPC _____
- RCH _____
- SEC 1 A part of GTE Corporation
- WAS _____
- OTH _____

RECEIVED & FILED

FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

09742 SEP-88

FPSC RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Determination of the cost of basic
 local telecommunications service, pursuant
 to Section 364.025, Florida Statutes

) Docket No. 980696 TP
) Filed: September 8, 1998
)
)

**OPPOSITION OF GTE FLORIDA INCORPORATED TO MOTION OF ATTORNEY
 GENERAL TO COMPEL GTE TO COMPLY WITH PROCEDURAL ORDER,
 PERMIT THE ATTORNEY GENERAL TO USE CONFIDENTIAL
 INFORMATION, AND FOR EXPEDITED RULING**

In its Motion filed August 31, 1998, the Attorney General (AG) asks the Commission to compel GTE Florida Incorporated (GTEFL) to "comply with the procedural order entered in this docket and provide the Attorney General access and use of confidential information." (Motion of AG Robert A. Butterworth to Compel GTE Florida Inc. to Comply with Procedural Order, Permit the AG to Use Confidential Information, and for Expedited Ruling (Motion), at 1.) GTEFL asks the Commission to deny the Motion, find that GTEFL has complied with the procedural order, and require the AG to sign a third-party protective agreement if it wishes to access and use confidential information of GTEFL's third-party vendors.

As the AG states in its Motion, it has already signed a protective agreement with GTEFL for the purpose of maintaining confidential treatment of GTEFL's own confidential and proprietary information. Although the AG now argues that even this existing agreement is necessary, it has already been executed and the AG and GTEFL are acting in accordance with its terms. Thus, GTEFL's confidential information and the protective agreement covering that information are not at issue here.

What is at issue is confidential information of GTEFL's third-party vendors (specifically, Nortel, AGCS, Lucent Technologies, and BellCore) and the agreement proposed to protect that information.

In this proceeding, as in other proceedings before (for instance, the arbitrations under the Telecommunications Act of 1996), GTEFL has been asked to produce information which is confidential and proprietary to third parties. This information includes, for instance, prices and other terms of GTEFL's contracts with its switch vendors and details of proprietary cost models developed by BellCore. The vendors consider such information to be extremely sensitive; its disclosure would harm relationships with its clients, disrupt negotiations with actual and potential clients, and otherwise undermine the efficient functioning of the markets in which the vendors and their clients operate. For these reasons, all of these third-party vendors explicitly require in their contracts with GTEFL that GTEFL maintain the strict confidentiality of information related to those contracts. These vendors insist that parties seeking access to their confidential information execute with them (as well as with GTEFL) an agreement specifically addressing their information. Thus, the issue is not just "adequate protection for GTE," as the AG perceives (Motion at 2), but protection for GTEFL's third-party vendors. These vendors do not deem GTEFL's own, general confidential agreement--to which the vendors are not a party--to be sufficient to protect their own information. If GTEFL authorizes other parties' access to or use of this information without safeguards acceptable to and approved by the vendors, GTEFL risks unilateral contract termination by the vendors. Because these vendor agreements relate to key aspects of GTEFL's network, such action could severely hinder GTEFL's operations.

The third-party vendor agreement at issue here is not in any way unusual or extraordinary. As noted, GTEFL has used it before in other proceedings, and numerous parties to this proceeding (among them, AT&T, MCI, FCCA, FCTA and e.spire) have signed it without objection. The AG, however, argues that (1) it is unnecessary and (2) it contains onerous and unreasonable terms.

With regard to the first contention, the AG states that the Order on Procedure (no. PSC-98-0813-PCO-TP, issued June 19, 1998) and "applicable rules and statutes providing confidential statutes" suffice to protect GTEFL's third-party vendor information. GTEFL believes the AG reads the Order too broadly. If, indeed, it does protect any party's information from disclosure by any of the parties in this proceeding, it is a departure from past practice before this Commission. Neither GTEFL nor, to GTEFL's knowledge, other parties have ever considered a procedural order sufficient to protect against disclosure of confidential information by other parties. The Commission's Rules and the Florida Statutes define procedures for protecting confidential information turned over to Staff and the Office of Public Counsel, but nothing in those rules or statutes, to GTEFL's knowledge, assures confidential treatment by other entities, including the AG. In this regard, the AG notes that "applicable rules and statutes" will protect confidential information without the need for a protective order, but it doesn't provide any citations to any rules or statutes. Neither GTEFL nor its vendors can, with any confidence, accept assurances unsupported by any legal authority.

In this regard, GTEFL reminds the Commission that not only the AG's Staff, but private consultants hired by the AG, wish to access and use the information. These consultants work at various times for a variety of different entities including, in many cases,

GTEFL's competitors. These circumstances underscore the need for strict controls and assurances of confidential treatment for the information at issue.

Turning to the AG's second contention--that the third-party agreement contains "onerous and unreasonable terms and conditions"--GTEFL points out that the AG did not cite any specific conditions to support its point. As such, GTEFL believes this argument deserves little attention. As noted, numerous parties have signed the third-party vendor agreement without complaint. Its terms, in operation, have not proven unduly burdensome or unreasonable.

For all of the reasons discussed here, GTEFL asks the Commission to dismiss the AG's Motion and to require the AG to sign the third-party protective agreement as a prerequisite for access to and use of GTEFL's third-party vendor information. If, however, the Commission accepts the AG's expansive view of the procedural order governing this case, and does not require the AG to sign the agreement, GTEFL asks the Commission to limit its rationale and order to only the AG and only to this proceeding. GTEFL, its vendors, and many of GTEFL's competitors have already executed the third-party vendor agreement, and GTEFL believes that such agreements between private parties are critical to protecting confidential and competitively sensitive information from use by competitors who might seek to gain unfair marketing or other advantages.

Respectfully submitted on September 8, 1998.

By: Antony P. Belli

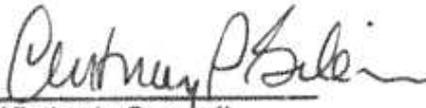
Kim

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Attorney for GTE Florida Incorporated

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Opposition to Motion of Attorney General to Compel GTE To Comply With Procedural Order, Permit the Attorney General to Use Confidential Information, and For Expedited Ruling in Docket No. 980696-TP were sent via overnight mail on September 4, 1998(*) and U.S. mail on September 8, 1998 to the parties on the attached list.


per Kimberly Caswell

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